



# **Rollback Guide**

## **IRIS Payroll**

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## Rollback Guide

The Rollback process allows you to correct a mistake that you made in a previous pay period. For example, if you mistakenly paid an employee who had left and then clicked **Finalise** for the pay period. You can use the options on the **Rollback** tab to undo the payroll and then make the employee a leaver. Please see **Rollback Examples** for detailed descriptions of common uses.

### When NOT to use Rollback

The Rollback process is intended to be used when there is no other way to correct a mistake. You should always try to make any corrections in the current pay period. HMRC's advice, in their publication **CWG2 Employer Further Guide to PAYE and NICs**, is 'Try to correct the mistake in the week or month you discover it.'

We do NOT recommend using Rollback simply to correct an error in the amount paid to an employee in a previous pay period - you should make an adjustment to the employee's pay in the current pay period.

### Employee's NI Letter Changed in Previous Pay Period

The Rollback process must NOT be used to change an employee's NI letter retrospectively. Use NI Adjustment to change the NI letter.

### Process Overview

1. If you do not already have copies, print the **Payroll Summary** report for each pay period since the mistake happened
2. Select the employee using the **Selection Side Bar**
3. Click **Start Rollback**
4. **Undo Payroll** back to the period when the mistake occurred
5. Correct the mistake
6. Process payroll if necessary (or make employee a leaver, place on hold etc)
7. Click **End Rollback**
8. Send FPS to correct figures held at HMRC
9. If necessary, adjust journal postings to your accounts software

## Print the Payroll Summary Report

The **Payroll Summary** reports will give you a record of the figures as they were before you corrected the mistake. This is particularly useful if you need to adjust the amount paid to HMRC. If you already have copies you can skip this step.

Click on the **Reports** tab and click **Summary Reports** then select **Payroll Summary**. The **Week No** or **Month No** defaults to your current pay period. Select the pay period where the mistake happened then click the **Refresh** button. Print the report, then repeat this for each pay period up to the most recent one.

## Select the Employee

On the **Selection Side Bar**, click on the name of the employee whose payroll you want to undo.

## Start Rollback

Click on the **Rollback** tab then click **Start Rollback**. You will see a message confirming that Rollback has started.

## Rollback in Progress

The **Title Bar** now shows the text "Rollback in Progress" and the **Rollback** tab contains a message showing the employee and current pay period.

While you are using the Rollback process some functions are not available and other functions are limited:

- **Start Rollback** is not allowed (you cannot use Rollback for more than one employee at a time).
- **Year-end Restart** is disabled
- **Undo Payroll** (on the **Pay** tab) is not permitted for the employee being rolled back
- **Enter Variations** (on the **Pay** tab) is not permitted for the employee being rolled back
- **Calculate** (on the **Pay** tab) will not include the employee being rolled back
- **Finalise** (on the **Pay** tab) is disabled if you only have one pay frequency. If you have multiple pay frequencies, you cannot use **Finalise** for the pay frequency of the employee being rolled back, but you can use **Finalise** for the other pay frequencies
- **Delete Employee** is not allowed for the employee being rolled back
- In **Employee Details** for the employee being rolled back you cannot amend the pay frequency

## Rollback not Allowed

In some circumstances an employee cannot be rolled back:

- The employee is a leaver - we recommend you follow the guidance in the **RTI Guide** for payments after leaving or adjusting final payments
- The employee is on hold
- The employee's payroll has already been calculated for the current pay period (in this case you can undo the payroll for the current pay period)
- The employee has not yet been paid in the current tax year
- Rollback has already been started for another employee

## Undo Payroll

To undo back to an earlier pay period, click on **Undo Payroll** (the button on the **Rollback** tab, not the one on the **Pay** tab) then click **Undo**. Repeat this until you have undone the pay period where the error occurred. To help you keep track, the message on the **Rollback** tab shows the pay period you have rolled back to, in other words the pay period which can now be run again if required.

## Pay Frequency Changed

If the employee being rolled back had his pay frequency changed you need to do the rollback in two stages. First, use the Rollback **Undo Payroll** button repeatedly until you have undone all the pay periods with the new pay frequency. You must place the employee on hold, end the rollback process, change the pay frequency, take the employee off hold then start the rollback process again.

After you have used rollback for the new pay frequency, you need to follow these instructions:

1. Double-click the employee's name in the **Selection Side Bar** to open the **Employee Details** screen
2. Click on the **Tax & NI** tab
3. Tick the **On Hold** box
4. Click **Save** then **Close**
5. Click on the **Rollback** tab
6. Click **End Rollback**
7. Open the **Employee Details** screen
8. Click on the **Tax & NI** tab
9. Change the **Pay Frequency** to the old one
10. Un-tick the **On Hold** box
11. Click **Save** then **Close**
12. Click on the **Rollback** tab
13. Click **Start Rollback**

Now you will be able to continue using Rollback **Undo Payroll** to roll all the way back to the pay period where the mistake happened.

## Correct the Mistake

There are many different scenarios you might need to correct, the most common of which are described below.

### Employee should have been made a Leaver

There are two possible situations:

- The employee should have been made a leaver and in her final pay period she was paid the incorrect amount (this could be because she should have been paid in lieu of holiday, for example)
- The employee should have been made a leaver and her final pay was correct

In the first situation you need to do the following to correct the final pay (you can skip this if her pay was correct):

1. Click on the **Rollback** tab then click **Enter Variations** - the Rollback **Enter Variations** screen opens
2. Use this screen exactly the same way as the normal **Enter Variations** screen to enter the correct final pay, then click **Save**
3. Still on the **Rollback** tab, click **Calculate** then **Print Payslips** (if required) and **Finalise**
4. Click on the **Employee** tab and click **P45 Leaver**
5. Issue the P45 as you would normally

In both situations you need to make the employee a leaver:

1. Click on the **Employee** tab and click **P45 Leaver**
2. Issue the P45 as you would normally

### Employee should have been On Hold

There are two possible situations:

- the employee should have been on hold from the time the mistake happened until now
- the employee should have been put on hold for one or more pay periods then taken off hold and paid normally up to now

In either situation the first thing you need to do is put the employee on hold:

1. Double-click the employee's name in the **Selection Side Bar** to open the **Employee Details** screen
2. Click on the **Tax & NI** tab
3. Tick the **On Hold** box
4. Click **Save** then **Close**

If the first situation applies you don't need to do anything more, just go on to the **End Rollback** step.

In the second situation you next need to finalise the pay periods when the employee was on hold, then take the employee off hold, then re-run the payrolls up to the current pay period:

1. Click on the **Rollback** tab and click **Finalise**. Repeat this until you reach the pay period when the employee should have been taken off hold - you can see which pay period you have reached in the message at the bottom of the **Rollback** tab
2. Open the **Employee Details** screen again
3. Click on the **Tax & NI** tab
4. Un-tick the **On Hold** box
5. Click **Save** then **Close**
6. On the **Rollback** tab click **Enter Variations** (if you need to record variations to his standard pay), **Calculate**, **Print Payslips** (if required) and **Finalise**. Repeat this until you reach the current pay period

## End Rollback

Click on the **Rollback** tab and click **End Rollback**.

At this point the Rollback process is complete, so any functions that you were unable to use during Rollback (such as **Year-end Restart**) are now available again.

## Adjust the payment to HMRC

If the mistake happened in the current tax month and you have not yet sent the RTI submissions to HMRC you do not need to make any adjustments. If the mistake happened in a tax month for which you have already sent the FPS and payment to HMRC you will need to re-send the FPS and amend your next payment.

First you need to calculate how much tax and NI you have overpaid/underpaid - we recommend that you use the **Payroll Summary** reports for this. You already have copies of the **Payroll Summary** reports showing the uncorrected figures. Print new copies for each pay period since the mistake happened - these show the corrected figures. Compare the **PAYE Tax, NI Employee** and **NI Employer** figures on the old and new reports.

When you finalise the last pay period in the current tax month IRIS Payroll displays a message asking if you want to perform month end processing. Click **Yes** to this message. The **Month End Summary** screen opens.

In the **Actual Paid** column for this month you need to enter the amended figure. The **Month End Notes** screen opens allowing you to enter an explanation for the correction. When you print the **Month End Summary** report it will show the original **Amount Due** as well as the **Amount Paid** you entered.

### Adjust the Journal Postings

If you don't use the **Accounts Link** you can skip this step. You can also skip this step if you have not yet created the journal file for the pay period when the mistake happened.

If you have already created the journal file but not yet processed it in your accounts software, you can re-create the journal file:

1. Click on the **Pay** tab
2. Click **Post Journal**
3. Select **Complete Period**
4. Select the pay period(s) you included in the original file
5. Click **Create**
6. Process the journal file in your accounts software

If you have already processed the journal file in your accounts system, you need to create a posting to cancel the original entries and, if necessary, replace them with the correct postings. You can either do this when you next create a journal file, or if you want to make the correction immediately you can create a separate journal file for each pay period that has been affected.

If you decide to create separate journal files you need to repeat the following for each pay period you have amended:

1. Click on the **Pay** tab
2. Click **Post Journal**
3. Select **Unposted by Period**
4. Select the pay period
5. Click **Create**
6. Process the journal file in your accounts software

If you decide to create the postings with your next journal file you need to use the **Unposted All** option when you do so:

1. Click on the **Pay** tab
2. Click **Post Journal**
3. Select **Unposted - All**
4. Click **Create**
5. Process the journal file in your accounts software

## Examples

### Example 1

You have been informed that employee 617 Peter Green should have been made a leaver and should not have been paid in month 3. However, you have finalised month 3 and paid the tax and NI to HMRC. You need to undo his month 3 payroll and issue him a P45.

1. Check that you have the **Payroll Summary** report for month 3
2. Select **617 Green, Peter** in the **Selection Side Bar**
3. Click on the **Rollback** tab and click **Start Rollback** - the **Rollback** tab shows **Month 4**
4. Still on the **Rollback** tab click **Undo Payroll**
5. Click **Undo** then **OK** - the **Rollback** tab now shows **Month 3**
6. Click on the **Employee** tab and click **P45 Leaver**
7. Enter Peter's **Leaving Date**
8. Click **Print** if you want a paper copy then click **Close**
9. Click on the **Rollback** tab and click **End Rollback**

The Rollback process is complete but you also need to adjust your payment to HMRC at the end of month 4.

1. Print a new version of the **Payroll Summary** for month 3
2. Compare the **PAYE Tax, NIC Employee** and **NIC Employer** figures with the original report and calculate the difference

	<b>PAYE Tax</b>	<b>NIC Employee</b>	<b>NIC Employer</b>	<b>Total</b>
<b>Original</b>	5383.47	1670.98	1944.41	8998.86
<b>Corrected</b>	5024.67	1466.67	1706.67	8198.01
<b>Difference</b>	358.80	204.31	237.74	<b>800.85</b>

3. When you finalise month 4 IRIS Payroll displays the message 'Do you wish to perform month end processing?' Click **Yes**. The **Month End Summary** screen opens
4. In the **Actual Paid** column amend the figure for month 4 by subtracting the calculated difference. The **Month End Notes** screen opens - enter an explanation for the amendment
5. Continue processing the month end as normal

## Example 2

You have finalised week 7 and have just been informed that employee 583 Lucy Watson should have been made a leaver in week 5. Her final payment in week 5 should have been for 15 hours instead of the 37.5 she was paid.

1. Select **583 Watson, Lucy** in the **Selection Side Bar**
2. Click on the **Rollback** tab and click **Start Rollback** - the **Rollback** tab shows **Week 8**
3. Still on the **Rollback** tab click **Undo Payroll**
4. Click **Undo** then **OK** - the **Rollback** tab now shows **Week 7**
5. Continuing on the **Rollback** tab use **Undo Payroll** until the **Rollback** tab shows **Week 5**
6. Still on the **Rollback** tab click **Enter Variations**
7. Change the number of hours to 15 and click **Save**
8. On the **Rollback** tab click **Calculate**
9. Click **Print Payslips** if you require a payslip - the **Report Preview** screen opens - print the report then click **Close**
10. On the **Rollback** tab click **Finalise**

You have now corrected Lucy's final payment. You still need to make her a leaver and complete the Rollback process.

1. Click on the **Employee** tab and click **P45 Leaver** - the **Issue P45** screen opens
2. Enter Lucy's **Leaving Date**
3. Click **Print**, if you want a paper copy, then click **Close**
4. Click on the **Rollback** tab and click **End Rollback**

### Example 3

You have a payroll with both weekly and monthly paid employees. You have finalised up to month 1 and week 5 and have just discovered that employee 274 Alan Spencer should have been on hold since week 3. You have not yet paid your tax and NI to HMRC for month 1. However you have created a journal file for month 1 and weeks 1 to 4 using the **Unposted All** option. You have not yet processed the journal file in your accounts software.

1. Select **274 Spencer, Alan** in the **Selection Side Bar**
2. Click on the **Rollback** tab and click **Start Rollback** - the **Rollback** tab shows **Week 6**
3. Still on the **Rollback** tab click **Undo Payroll**
4. Click **Undo** then **OK** - the **Rollback** tab now shows **Week 5**
5. Continuing on the **Rollback** tab use **Undo Payroll** until the **Rollback** tab shows **Week 3**
6. In the **Selection Side Bar** double-click on **274 Spencer, Alan**
7. Click on the **Tax & NI** tab and tick the **On Hold** box
8. Click **Save** then **Close**
9. On the **Rollback** tab click **End Rollback**

The Rollback process is complete but you also need to correct the journal file.

You created the journal file just before you started processing week 5. You used the **Unposted All** option which picked up all the postings for month 1 and weeks 1 to 4. You cannot use the **Unposted All** option again because the information has already been posted.

1. Click on the **Pay** tab and click **Post Journal**
2. Select **Complete Period**
3. In the **Period Range** section select **Week 1 To 4** and **Month 1 To 1**
4. Click **Create**

## Example 4

You have a payroll with 2-weekly paid employees. You have finalised up to week 10 and have just been told that employee 165 John Taylor should have been on hold in weeks 4 and 6.

1. Select **165 Taylor, John** in the **Selection Side Bar**
2. Click on the **Rollback** tab and click **Start Rollback** - the **Rollback** tab shows **Week 12**
3. Still on the **Rollback** tab click **Undo Payroll**
4. Click **Undo** then **OK** - the **Rollback** tab now shows **Week 10**
5. Continuing on the **Rollback** tab use **Undo Payroll** until the **Rollback** tab shows **Week 4**
6. In the **Selection Side Bar** double-click on **165 Taylor, John**
7. Click on the **Tax & NI** tab and tick the **On Hold** box
8. Click **Save** then **Close**

You have put John on hold but you still need to re-run the payrolls for weeks 4 and 6 (when he was on hold) and for weeks 8 and 10.

1. On the **Rollback** tab click **Finalise** - the **Rollback** tab now shows **Week 6**
2. Still on the **Rollback** tab click **Finalise** again - the **Rollback** tab now shows **Week 8**
3. In the **Selection Side Bar** double-click on **165 Taylor, John**
4. Click on the **Tax & NI** tab and now un-tick the **On Hold** box
5. Click **Save** then **Close**
6. On the **Rollback** tab click **Enter Variations** (if you need to make changes to John's standard pay for week 8) then **Calculate** and **Print Payslips** (if required)
7. Still on the **Rollback** tab click **Finalise** - the **Rollback** tab now shows **Week 10**
8. Continuing on the **Rollback** tab click **Enter Variations, Calculate, Print Payslips** and **Finalise** again - the **Rollback** tab now shows **Week 12**
9. On the **Rollback** tab click **End Rollback**

## Additional Software and Services Available

### IRIS AE Suite™

The IRIS AE Suite™ works seamlessly with all IRIS payrolls to easily manage auto enrolment. It will assess employees as part of your payroll run, deduct the necessary contributions, produce files in the right format for your pension provider\* and generate the necessary employee communications.

### IRIS OpenPayslips

Instantly publish electronic payslips to a secure portal which employees can access from their mobile phone, tablet or PC. IRIS OpenPayslips cuts payslip distribution time to zero and is included as standard with the IRIS AE Suite™.

### IRIS Auto Enrolment Training Seminars

Choose from a range of IRIS training seminars to ensure you understand both auto enrolment legislation and how to implement it within your IRIS software.

### Useful numbers

HMRC online service helpdesk	HMRC employer helpline
Tel: 0300 200 3600	Tel: 0300 200 3200
Fax: 0844 366 7828	Tel: 0300 200 3211 (new business)
Email: helpdesk@ir-efile.gov.uk	

### Contact Sales (including stationery sales)

For IRIS Payrolls	For Earnie Payrolls
Tel: 0844 815 5700	Tel: 0844 815 5677
Email: sales@iris.co.uk	Email: earniesales@iris.co.uk

### Contact support

Your Product	Phone	E-mail
IRIS PAYE-Master	0844 815 5661	payroll@iris.co.uk
IRIS Payroll Business	0844 815 5661	ipsupport@iris.co.uk
IRIS Bureau Payroll	0844 815 5661	ipsupport@iris.co.uk
IRIS Payroll Professional	0844 815 5671	payrollpro@iris.co.uk
IRIS GP Payroll	0844 815 5681	support@gppayroll.co.uk
IRIS GP Accounts	0844 815 5681	gpaccsupport@iris.co.uk
Earnie or Earnie IQ	0844 815 5671	support@earnie.co.uk