

Cumbria Payroll Services Ltd

SCHEDULE OF SERVICES

PAYROLL SERVICES

1. Recurring compliance work

We will prepare your UK payroll for each payroll period to meet UK employment tax requirements, specifically:

- Calculating the pay as you earn (PAYE) deductions.
- Calculating the employees' National Insurance Contributions (NIC) deductions.
- Calculating the employer's NIC liabilities.
- Calculating statutory payments, for example, Statutory Sick Pay and/or Statutory Maternity Pay.
- Calculating other statutory and non-statutory deductions.
- Submitting information online to HMRC under RTI for PAYE
- Submitting information to your pension company as required
- Making any submissions required to the Pensions Regulator to fulfil your auto enrolment legal requirements.

2. We will prepare and send to you the following documents for each payroll period at or before the time of payment:

- Payroll summary report showing the reconciliation from gross to net for each employee and all relevant payroll totals.
- A submission receipt for the Full Payment Submission (FPS)
- A payslip for each employee unless not required.
- An Employee Leaving Statement (P45) for each leaver.
- A report showing your PAYE liability, NIC liability and due date for payment.
- A report showing all pension contributions for that period.

3. We will submit FPSs online to HMRC after the data has been processed. (FPSs must reach HMRC normally on or before payday.)

4. At the end of the payroll year we will:

- Prepare the final FPS (or EPS) including employer annual declarations and submit this to HMRC. (The final FPS (or EPS) for the year must reach HMRC by 5 April following the end of the tax year. Corrections must be made by 19 April)
- Prepare and send to you by the statutory due date Form P60 for each employee on the payroll at the year end.

5. We will deal with any online secure messages sent to us by HMRC in respect of your payroll; and

6. We will submit National Insurance Number (NINO) verification requests as appropriate to verify or obtain a NINO for a new employee.

Ad hoc and advisory work

7. We will also provide such other taxation ad hoc and advisory services as may be agreed from time to time. These may be the subject of a separate engagement letter, at our option. Where appropriate we will discuss and may agree an additional fee for such work when it is commissioned by you. Examples of such work include:
- dealing with any enquiry opened into the payroll returns by HMRC
 - preparing any amended returns for periods before you report in real time which may be required and corresponding with HMRC as necessary
 - preparing and submitting correcting EPSs for earlier years
 - preparing and submitting an Earlier Year Update (EYU) to correct, after 19 April, any of the year to date totals submitted in your end of year FPS for a previous tax year, in respect of years after you started to send information in real time
 - Where specialist advice is required on occasions we may need to seek this from or refer you to appropriate specialists

Changes in the law

8. We will not accept responsibility if you act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid in the light of any change in the law or your circumstances.
9. We will accept no liability for losses arising from changes in the law or the interpretation thereof that are first published after the date on which the advice is given.

Your responsibilities

10. You are legally responsible for:
- (a) Ensuring that your payroll returns are correct and complete.
 - (b) Making any submissions by the due date; and
 - (c) Making payment of tax and NIC on time.

Failure to do this may lead to automatic penalties, surcharges and/or interest.

Signatories to returns cannot delegate this legal responsibility to others. You agree to check that returns that we have prepared for you are complete before you approve and sign them.

11. To enable us to carry out our work you agree:
- (a) That all returns are to be made on the basis of full disclosure.
 - (b) To provide full information necessary for dealing with your payroll affairs: we will rely on the information and documents being true, correct and complete and will not audit the information or those documents.
 - (c) To agree with us the names of the persons authorised by you to notify us of changes in employees and in rates of pay. We will process the changes only if notified by that/those individuals.
 - (d) To advise us in writing of changes of payroll pay dates.
 - (e) To notify us in advance prior to the payroll date of all transactions or events which may need to be reflected in the payroll for the period, including details of:
 - all new employees (including full names, address, date of birth, national insurance number, passport number) and details of their remuneration packages
 - all leavers (including deaths of employees) and details of termination arrangements

- all changes to remuneration packages
- all pension scheme changes
- any changes to the employees' bank accounts
- irregular and/or ad hoc payments and the dates to be paid;

(f) You will keep us informed of changes in circumstances that could affect the payroll. If you are unsure whether the change is material or not please let us know so that we can assess its significance.

(g) To authorise us to approach such third parties as may be appropriate for information that we consider necessary to deal with your affairs.

12. If the information required to complete the payroll services set out above is received less than 2 days before the payroll date, we will still endeavour to process the payroll to meet the agreed payroll date but we will not be liable for any costs or other losses arising if the payroll is late in these circumstances. We may charge an additional fee for work carried out in a shorter time period.

13. Our services as set out above are subject to the limitations on our liability set out in the engagement letter and in paragraph 18 of our standard terms and conditions of business. These are important provisions that you should read and consider carefully.

4 November 2015