

LETTER OF ENGAGEMENT – PAYROLL APPENDIX

PAYROLL

1. YOUR RESPONSIBILITIES

1.1 Even though you are engaging us to help you meet your payroll obligations, you are legally responsible for:

- Ensuring that the data in your payroll submissions is correct and complete;
- Complying with auto-enrolment obligations;
- Making any submissions by the due date; and
- Making payment of tax, NI and pensions on time.
- Ensuring that your declaration is true to the best of your knowledge and belief and therefore that the entries on the related forms are correct and complete;
- Filing any returns by the due date after the end of the tax year; and
- Making payment of related tax and insurance on time.

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

Employers cannot delegate this legal responsibility to others. You agree to check that submissions we have prepared for you are complete before you approve them. You are no less responsible for errors in unapproved returns, submitted on the basis of the information provided to and processed by us, than if you had confirmed your approval of the returns.

1.2 To enable us to carry out our work you agree:

- That all information required to be delivered online is submitted on the basis of full disclosure;
- To provide full information necessary for dealing with your payroll and benefits in kind affairs: we will rely on the information and documents being true, correct and complete and will not audit the information or those documents;
- To agree with us the name(s) of the person(s) authorised by you to notify us of changes in employees and in rates of pay and other information relevant to the services provided under this schedule. We will process the changes only if notified by that/those individual(s);
- To advise us in writing of changes of payroll pay dates;

- To notify us at least 15 working days 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, gender, National Insurance number, their start date and starter form) and details of their remuneration packages including benefits in kind to be payrolled;
 - For employees whose benefits in kind are being payrolled, their names, the identity of the benefits in kind, and the cash equivalent amounts to be included in payroll;
 - For employees who are active pension scheme members, name of pension scheme, pensionable pay, employee and employer contribution rates, dates from / to which contributions payable;
 - Names and date of birth of all apprentices aged under 25;
 - Names and date of birth of all employees aged under 21;
 - Information necessary to enable us to calculate statutory payments, i.e. statutory sick pay, statutory maternity pay, statutory adoption pay, statutory paternity pay, statutory shared parental pay;
 - All leavers, including deaths of employees, their leaving date, termination arrangements, and any payments to be made after their leaving date;
 - All changes to remuneration packages including benefits in kind to be payrolled;
 - Any changes to the employees' bank accounts; and
 - Irregular and / or ad hoc payments and the dates to be paid.

- To approve:
 - In-year and Real-Time Reporting (“RTR”) by at least 20 working days prior to payroll pay dates so that they can be submitted on or before the payroll pay date, or as agreed with us;
 - In-year and Real-Time Reporting (“RTR”) by at least 20 days prior to 19th of the month following the tax month;

- If we do not hear from you by the above deadlines, subject to any other agreement between us, we will take your silence as your approval for us to submit the return;

- 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 the significance; and

- That we can approach such third parties as may be appropriate for information that we consider necessary to deal with your affairs.

1.3 If the information required to complete the payroll services set out above is received less than 10 days before the payroll date we will still endeavour to process the payroll and returns to meet the agreed payroll date and filing

deadlines 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 of for work carried out in a shorter time period.

- 1.4 You will forward to us any communications received from HMRC in sufficient time to enable us to deal with them as may be necessary within the requisite time limits. Although HMRC have the authority to communicate with us when agent form has been signed and submitted it is essential that you let us have copies of any correspondence received because HMRC are not obliged to send us copies of all communications issued to you and, in most cases, will not do so.
- 1.5 It is our policy to confirm in writing advice upon which you may wish to rely.
- 1.6 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. 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.

2. OUR RESPONSIBILITIES

- 2.1 We will prepare your Ireland payroll for each payroll period to meet Ireland employment tax requirements, specifically:
 - Calculating the pay as you earn (PAYE) deductions, if applicable;
 - Calculating the employees' national insurance, pension;
 - Calculating the employer's NI liabilities;
 - Calculating statutory payments, for example, Statutory Sick Pay and/or Statutory Maternity Pay;
 - Calculating employee and employer pension contributions for employees who are members of workplace pension schemes on the basis of the information that you provide to us;
 - Calculating other statutory and non-statutory deductions; and
 - Submitting information online to HMRC.
- 2.2 We will prepare and send to you the following documents before the time of payment through the payroll or due date for delivering information to HMRC:
 - Payroll summary report showing the reconciliation from gross to net for each employee and all relevant payroll totals;
 - RTR for taxable pay and payrolled benefits for each employee;

- A payslip for each employee unless not required;
 - A Real-time Reporting for each leaver;
 - A report showing your PAYE and NI liability and due date for payment; and
 - A report showing employee and employer pension contributions payable in respect of each employee to the respective workplace pension scheme(s) of which they are members and the due date(s) for payment.
- 2.3 We will submit RTRs online to HMRC after the data to be included therein has been approved by you. (RTRs must reach HMRC normally on or before the payroll pay date). You must ensure the data provided to us is complete and accurate and your attention is drawn to your legal responsibilities as set out above.
- 2.4 We will prepare, where appropriate (for example, to recover statutory payments, claim deductions under the holiday scheme or RCT (Relevant Contracts Tax) deductions, confirm that no payments were made to employees), for each tax month, a RTR from the information and explanations that you provide to us.
- 2.5 We will submit RTRs to HMRC after the data to be included therein has been approved by you. (RTRs must reach HMRC by the 19th of the month following the tax month to which they relate). You must ensure the data provided to us is complete and accurate and your attention is drawn to your legal responsibilities as set out above.
- 2.6 At the end of the payroll year we will:
- Prepare the final RTR (Real-Time Reporting) including employer annual declarations and submit this to HMRC after the data to be included therein has been approved by you. (The final RTR for the year must reach HMRC by 19 April following the end of the tax year). You must ensure the data provided to us is complete and accurate and your attention is drawn to your legal responsibilities as set out above.
 - Prepare and send to you by the statutory due date EDS (Employment Details Summary) for each employee on the payroll at the year end.
- 2.7 We will deal with any online secure messages sent to us by HMRC in respect of your payroll.
- 2.8 We will submit PPS verification requested as appropriate to verify or obtain a PPS (Personal Public Service Number) for a new employee.
- 2.9 We will deal with all communications relating to your payroll or benefits in kind return addressed to us by HMRC or passed to us by you. However, if HMRC choose your return for enquiry this work may need to be the subject of

a separate assignment in which case we will seek further instructions from you.

- 2.10 Where you have instructed us to do so, we will also provide such other taxation advisory and ad-hoc services as may be agreed between you and us from time to time. These may be the subject of a separate letter of engagement, at our option. Where appropriate, we will discuss and agree an additional fee for such work when it is commissioned by you. Where specialist advice is required on occasions, we may need to seek this from, or refer you to an appropriate specialist.