

- As a reminder, under RTI there is no P35 or P14 form to submit.
- The deadline for processing your end of year is **19 APRIL 2015**.

## Before you start

1. Ensure you have ordered enough P60 forms for each of your employees plus spares. These can be ordered free of charge at [www.HMRC.gov.uk](http://www.HMRC.gov.uk)
2. Install the Sage update for the new tax year. This MUST be done prior to processing your first pay period in the 2015-16 tax year. This can either be by download or disk if so requested. The software versions you need to be using are v20.01, v20.02 or v21.00. If you are still using Sage 50 payroll on a computer which operates on Windows XP you must install your new software on a computer with a newer operating system i.e. Windows 7 or 8. If you don't you will not be able to process your payroll in the new tax year.
3. Check if you have a week 53. If your normal processing day is a Sunday and you are paying employees on Sunday 5 April, you will have a week 53. You will need to process this in exactly the same way as any other payroll.
4. Process and update your final payroll of the current tax year, do not submit your FPS until you have completed step 5.
5. Process any leavers and print the necessary P45's.
6. Submit your final FPS and if necessary an EPS. Your last update and last FPS date columns should contain the same dates.
7. Make sure all of your employees appear in your employee list. To check this go to the criteria button on the horizontal toolbar and clear (uncheck) any "on hold", "on holiday" and "current year leavers" tick boxes. Your last FPS should include everybody that has been on your payroll in the year whether they are leavers or have been on hold.
8. Set your process date to 5 April 2015.

## Running the payroll year end

1. To run your yearend please use the Payroll Year End Wizard - go to wizards at the top toolbar - Payroll Year End - if prompted to clear any employee selections click yes.
2. Set your tax year to 2014/2015 and the report date to 05/04/15.
3. The first step is the End of Year declarations, answer yes or no to each of the five questions.
4. Specify whether the forms P11D and P11D (b) are either not due or will be sent later by using the drop down box. Please contact EC Outsourcing if you are unsure.
5. Complete the end of year declaration by clicking on Finish or go back to make any amendments.
6. You have the option to print these declarations at this stage.
7. Do your Internet Submission. This is sent in the same way as sending an FPS or EPS. Click submit. Any errors or warnings will appear at this stage. If there are no errors / warnings click continue and submit. Errors will need to be addressed before proceeding. The submission will be sent and a successful receipt message will appear. Print your submission receipt for your records. Click close.
8. Print P60's for all your employees. You may choose to run a test print before you print the real versions. Insert your P60 forms into your chosen printer and click step 3 to produce P60's. From the drop down list choose the relevant stationery layout and click test print.
9. Clear the preview reports before printing check box and choose the relevant layout. Click print.
10. Take a backup. Follow the steps in the backup wizard as you would do with a normal backup remembering to save it somewhere prominent in case you need to restore.
11. Complete the year end. This process archives all cumulative year to date figures for 2014/15 and removes any historical data.
12. Click on Complete Year End and Yes.
13. Distribute P60's for all your employees by the deadline of 31 May 2015.
14. It is important to note that any PAYE and NI liability for tax month 12 is paid to HMRC by 19th April 2015.

## Processing payroll - new tax year

1. Change the payroll processing date to 06/04/15.
2. Update all employee tax codes. All L suffix codes will increase by 60. Therefore the standard tax code of 1000L becomes 1060L. To update all employees codes together make sure current year and historical leavers are excluded from the selection by checking their boxes in the criteria button on the horizontal toolbar. Go to tasks at the top left of the screen and click global changes, tax codes, apply tax codes where code has a suffix. Enter L into the first box and enter 60 into the second, click yes and ok.
3. Clear all week 1 / month 1 flags by going back into tasks, global changes, tax codes, clear week 1 / month 1 flags, click yes, ok.
4. Then check for any specific coding notices for individuals by going to the esubmissions module at the bottom left of the screen and clicking on the IR secure mailbox. A box will appear and any coding notices for individuals will be held here.
5. These can be applied directly through the secure mailbox, simply double click to open the notice and click apply. Print a copy for your records.
6. You may have received some coding notices through the post, if so, open the employee's record and change the code on the employment tab of their record. Keep this notice for your records. Check that the correct codes have been applied before progressing.
7. Check that your company settings show the female retirement age at 60. To do this go to company module at the bottom left side of your screen and select the correct age for females, shown on the right side of the first details tab.
8. Check your small employer's relief status within your company settings. If you meet the qualifying conditions based on the total amount of Class 1 NI contributions paid to HMRC, tick the relevant box.
9. The Employment Allowance continues in 2015-16 and is still set at £2000.00 for the year. If your software was already set up last year to claim this allowance there is nothing further to do as it stays set up to claim in the new tax year. If this is the first year you are claiming you must submit an EPS to inform HMRC you are going to do so. Please contact us if you need further assistance.
10. The new director minimum wage (under tax & NI threshold) is £155.00 per week or £671.00 per month. Ensure that you change the gross wage where necessary on director payments before processing month 1 / week 1 of the new tax year.

Get in touch with our Outsourcing Team:

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# Sage Payroll Year End Guide 2014-2015



- 2015 / 2016 Tax Year Checklist

| Step  | Completed? Yes / No |
|---|---------------------|
| I've completed the last pay period in 14/15                   |                     |
| I'm using the correct sage version for the new year           |                     |
| I've updated my employees' tax codes                          |                     |
| If applicable, I have entered a SCON company pension scheme   |                     |
| If applicable, I've checked my small employers' relief status |                     |
| I have set my director minimum payments at the new rates      |                     |

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