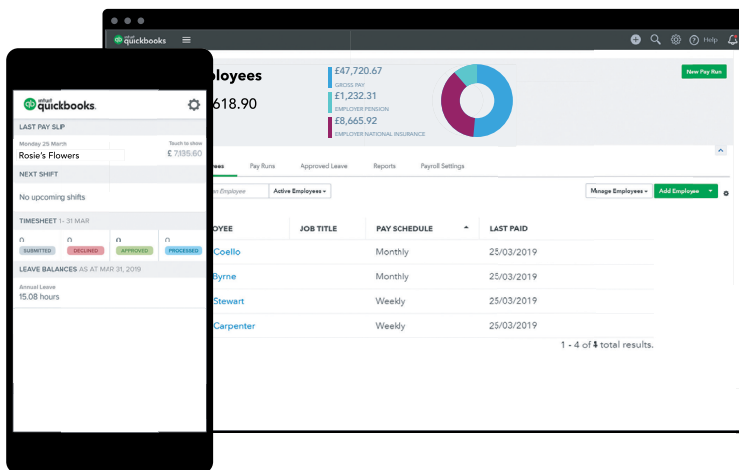


QuickBooks Online Advanced Payroll

Your simple set up guide

Welcome to QuickBooks Advanced Payroll

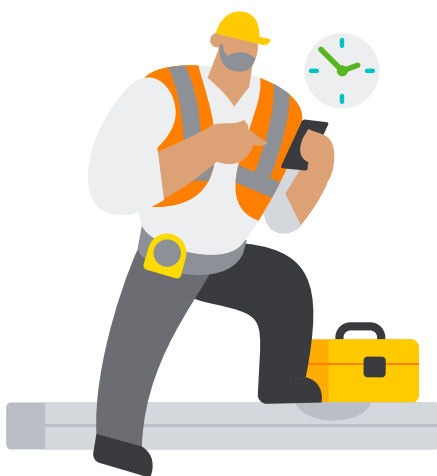
Our step-by-step guide will show you how easy it is to manage timesheets, pensions and payroll alongside your accounts. It's easy to stay organised when everything's in QuickBooks.



Contents

Introducing Advanced Payroll	5
1. Before you get started	6
2. Setting up	7
2.1 Set up your company	7
2.2 Add HMRC Settings	8
2.3 Add, edit and delete users	10
2.4 Customise payslips	15
2.5 Set up your chart of accounts	16
2.6 Define pay schedules	17
2.7 Automated pay runs	18
2.8 Add your employees	20
2.9 Add pay history	24
3. Pensions	26
3.1 Automated pensions	26
3.2 Manual pensions	29
4. Running payroll	32
4.1 Full Payment Submission (FPS)	32
4.2 Create pay run	32
4.3 Finalise pay run	33
4.4 Submit your Employee Payment Summary (EPS) to HMRC	35
5. The Employee portal	36
5.1 Inviting employees to the portal	36
5.2 Employee set up	37

6. Reports	38
6.1 Run the P32 report and record payments	38
6.2 Run the Gross to Net report	42
6.3 Report packs	43
7. Final steps	44
7.1 Paying your employees	44
7.2 Liabilities to HMRC	44
7.3 Payments to pension providers	45



Introducing Advanced Payroll

Packed full of time-saving, stress-reducing features



Your one-stop shop

Take care of your payroll alongside your business finances and automatically configure your chart of accounts in a seamless experience. There's no need for additional software.



Pain-free pensions

Assess your workforce and manage their workplace pensions. Automatically submit information to pension providers (Nest, The People's Pension, Smart Pensions, Aviva & NOW) and you can also trigger Direct Debit payments.



Automatic advantages

Advanced Payroll automatically takes care of statutory calculations, HMRC and pension submissions, as well as payslips. You can also run payroll automatically.



Access for employees

Save time chasing timesheets, sending out payslips or processing leave requests and expense claims. Individuals can enter their own details through the employee portal and mobile app (WorkZone).

1. Before you get started

It's important to get a few details together before you run payroll. You'll find this information either in your own records, from previous payroll providers (if applicable), or HMRC. Make sure you have your:

- ✓ company info
- ✓ HMRC Gateway credentials and PAYE reference from HMRC
- ✓ employee's name, gender, date of birth, address, email address, bank details, National Insurance number and previous employer if relevant. Ask your employee to enter their own details through the self-setup portal if you prefer
- ✓ employee start date, pay schedule and pay rate
- ✓ pay history (if you haven't paid anyone in the current PAYE tax year you won't need this)
- ✓ pension info



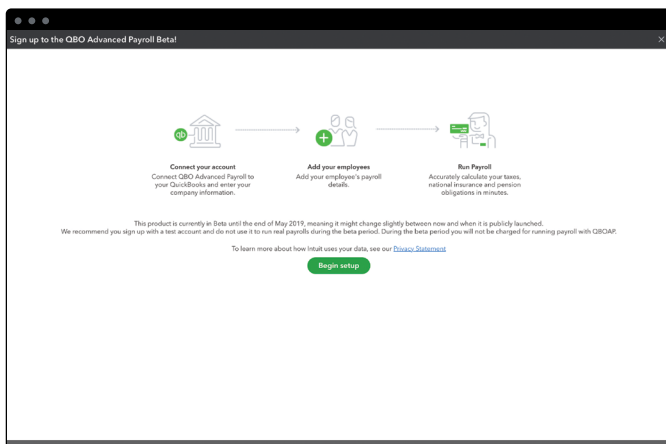
2. Setting up

2.1 Set up your company

1 When you are logged into QuickBooks Online select the **Payroll** tab and you'll be asked to choose your payroll plan. Select **Advanced Payroll** then **Begin set up**.

2 Enter your Company Registration Number (CRN) and your company details will be entered automatically. If you don't have a CRN, manually enter your business name and postcode as well as the name and email address of the person who will get communications about payroll. The payslips sent to employees will also come from this email address.

3 Under **payroll information** select your standard hours for an ordinary working week, how often you pay your employees and the industry you work in.



2.2 Add HMRC Settings

From the payroll homepage click **Payroll Settings** and **HMRC Settings** under the first column Business Settings

Fill in your:

- Employer PAYE Reference
- Accounts office reference

Indicate whether you are eligible for Small Employers' Relief and if you'll be claiming the Employment Allowance.

The screenshot shows a web application interface for 'Payroll Settings'. The main heading is 'Alan's Advanced Payroll Co Settings' with a '0 Notes' badge. The left sidebar lists categories: BUSINESS SETTINGS (Details, BACS Settings, Pension Settings, HMRC Settings, Pay Slips, Chart Of Accounts, Opening Balances), PAY RUN SETTINGS (Locations, Pay Categories, Leave Categories, Deduction Categories, Expense Categories). The 'HMRC Settings' section is active, showing a note about Real Time Information (RTI) and fields for 'Employer PAYE reference' (Office number: 123, Reference number: 34AA) and 'Accounts office Reference'. Below this is the 'Small employers' section with two questions: 'Are you eligible for small employers relief?' (No selected) and 'Will you be claiming the employment allowance?' (No selected).

On this page you have the option of enabling Real Time Information (RTI) for the business. If you do this, you'll need to enter your HMRC user ID and password.

You'll then be asked: Would you like to make RTI submissions in Test mode for this business?



Quick Tip

The test mode can be used to make sure HMRC is happy with the details you've added into the HMRC Settings screen in QuickBooks. If you choose **Yes**, QuickBooks will get a 'non-filing' notification from HMRC when you make a submission.

When you're ready to submit a pay run, change the Test mode setting to **No**. Then indicate that you've registered with the Government Gateway and fill in the details.

Next you need to select a date for submitting your monthly Employer Payment Summary (EPS).

You can submit this automatically or manually when you have a statutory payment to recover or want to let HMRC know that you're not paying anyone for a tax period.

To submit automatically, complete **Submit Employer Payment Summary (EPS) monthly** with a date between the 5th and 19th of the month.

If you select **Don't submit automatically**, you can get the EPS by clicking **Reports** in the Payroll homepage and selecting the **Employer Payment Summary Report**. To note you can only access this if RTI is enabled.

In case of any refunds from HMRC, complete the account details where refunds should be deposited.

2.3 Add, edit and delete users

Please note: adding users to the Payroll section detailed below, does not give them access to any other part of QuickBooks.

- 1** From the payroll homepage select **Payroll Settings** and **Manage Users** in the third column Business Management. You will see any users you have given access to your QuickBooks Online are listed.
- 2** To edit their access select the green pencil icon.
- 3** To delete the user select the red bin icon.
- 4** To add a new users click the green **add** button in the top right. You will be required to complete all of the following:
 - The user's email address.
 - The user's full name.

5 Select the access level for that user by selecting on either **Full Access** or **Restricted Access**.

Full access gives the user administrator access to all areas and functions of payroll. If you choose full access there are no further steps. Just select the green **Save** button.

6 Restricted access lets you give users access to particular employee groups and/or locations. Restricted access is commonly given to managers.

The new user will receive two separate emails with login details and instructions on creating a password and logging into payroll.



Further settings for restricted access users

Restricted users can have up to 3 types of access:

- Employee access: choose an employee or group of employees the user can access. To create an employee group from this section, select **Create** for the context panel to appear. From there enter a name for the employee group and complete the criteria required that make up this group. You can **Add another criteria** and choose whether the multiple criteria must match all or any of the criteria selected. You can also create employee groups from the Manage Employee Groups tab (explained below).
- Location: choose a location(s) the user can access. You can also select sub-locations to be included.
- Reporting: give the user with access to one, some or all reports. Keep in mind any reports that are accessed are complete reports and are not filtered by the employee and/or location access granted to the user.



If you've chosen Employee access and/or Location access for a user, you'll need to select at least one of these permissions:

- View Leave Requests (read only).
- Create Leave Requests (but unable to approve, edit or view them once created).
- Approve Leave Requests (view and create leave requests, edit pending requests and approve requests).
- View Employee Expenses (read only).
- Create Employee Expenses (can submit expense requests for other employees but not approve or view them).
- Approve Employee Expenses (can view, create and approve other employee's expenses).
- View Employee Rosters (read only).
- Manage Employee Rosters can create, edit, delete and publish shifts as well as add employee unavailability.
- Create Timesheets can create and import timesheets. They can also edit and delete timesheets submitted by employees they manage.
- Approve Timesheets permissions of 'Create Timesheets' plus ability to approve timesheets.
- View Shift Costs can see the shift and/or timesheet costs.
- Create Tasks can view and create pay run tasks.

Once permissions have been assigned, select **Save**.



If you have added any other users to your QuickBooks the Company Admins will be able to view the Payroll.



2.4 Customise payslips

You can customise your payslips by adding your company logo and choosing the information that's displayed on them.

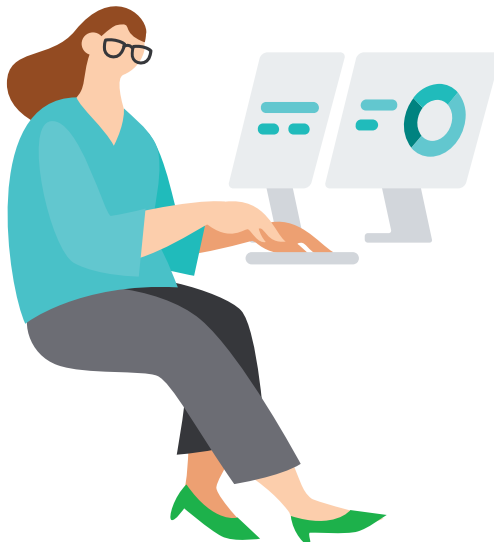
From the Payroll homepage select **Payroll Settings** and **Pay Slips** under the first column, Business Settings. From here you can:

- upload an image of your logo in .gif, .jpg or .png format (we recommend dimensions of no larger than 150px by 350px)
- control what is displayed on employee payslips by going to Section Visibility settings. You can choose to show or hide leave accruals the external ID assigned by the payroll administrator, line notes on employee payslips (but not payslip notes)
- select a web format or z-fold format
- set the address that emails are sent from, so employees know where to send questions or queries about their pay
- add a personal message to show on payslip notifications emails (not the payslips themselves)

2.5 Set up your chart of accounts

Set up your chart of accounts to make sure payroll expenses and liabilities are organised correctly. If you want to customise the default settings, follow these steps:

- 1** From the Payroll homepage select **Payroll Settings** and **Chart of Accounts** under the first column, Business Settings.
- 2** Select **default accounts**, then use the drop down menu to select the settings you want to change. You can also choose to split each account by location. If you don't see this option you have not set up location tracking.
- 3** You can follow the same steps for **pay categories**, **deduction categories** and **expense categories**.



2.6 Define pay schedules *if you have more than one

If you're paying different staff at different frequencies, here's what you need to do.

1 From the payroll homepage select **Payroll Settings** and select **Pay Schedules** under the second column, Pay Run Settings. Once this is open you will see the pay schedules you have set up. Click on the pay schedule you would like to automate.

2 Select **Add**, and enter a name for the new pay category.

3 Add a name for the schedule and select a frequency from the dropdown menu. You then have the option of adding the employees this schedule applies to, but you can skip this step and set a pay schedule for each employee as you add them. Finally you can choose your warnings settings and whether you want to run payroll automatically. Select **Save**.

New Company Settings Home

Pay Categories

Payment

NAME **UNITS** **PENALTY LOADING**

☐ PAYE Exempt ☐ Exempt from National Insurance ☐ Accrues Leave

External Id **Rate Precision** **NMW / NLW Calculation**

Save **Cancel**

[Annual Leave Taken](#) Accrues leave

[Bonus](#)

[Directors Remuneration](#)

[Hourly Pay](#) Accrues leave

[Salary](#) Accrues leave

2.7 Automated pay runs

Automating a pay run is a good way to save time if you have employees who are paid a fixed amount each month (e.g. directors).

New Company Settings 0 Notes

BUSINESS SETTINGS

- Details
- BACS Settings
- Pension Settings
- HMRC Settings
- Pay Slips
- Chart Of Accounts
- Opening Balances

PAY RUN SETTINGS

- Pay Schedules**
- Locations
- Pay Categories
- Leave Categories
- Deduction Categories
- Expense Categories
- Employer Liability Categories
- Qualifications

Pay Schedules

Pay Schedules are used to set up Pay Runs. The Pay Schedule's settings are used by each Pay Run to calculate which employees to pay and what Pay Run to use.

Name: Monthly Frequency: Monthly

Monthly Payment Mode

☐ Calculate monthly hours based on an annual average

Included employees: Employees with this pay schedule as their default

Pay Run Warnings: This pay schedule will display all Pay Run warnings. Click [here](#) to configure.

Pay Run Automation: Automated Pay Run creation has not been enabled for this pay schedule. Click [here](#) to configure.

Save **Cancel**

1 From the payroll homepage select **Payroll Settings** and select **Pay Schedules** under the second column Pay Run Settings. Once this is open you will see the pay schedules you have set up. Select the pay schedule you would like to automate.

2 Enter your dates, including a start and end date for the automation and select **Next**.

3 On the Warnings screen, choose the notifications you want to receive. Manual intervention will then be required to finalise the pay run as any warning that is selected will cause the pay run to stop. By default, all pay run warnings will be selected, so deselect any you don't want to use. Select the users to be notified about automated pay runs and select **Next**.

4 If you want to manually finalise the pay run, the users selected in the previous step will receive an email. You can also choose the pay run to run automatically, follow the steps below. Finally, you can choose if you want to automatically export journals and lodge the pay run with HMRC.

5 Select a date for publishing your payslips and select **Next**.

6 Read through the summary and if you're happy, select **Complete** and then **Save** when you are back on the pay schedules page.



2.8 Add your employees

There are 3 ways to add employees:

- Manually
- Imported from an Excel spreadsheet
- Employee self set up

To add employee's manually

1 From the payroll homepage click **Employees** and click the **Add Employee** button

2 Enter your employee's name and a few more details, including their date of birth and address, then decide if you want this employee to have access to the self-service function. This allows employees to view their payslips, manage their personal details and apply for leave via their internet browser or the WorkZone app. The employee will receive an email to set up their password to log into this.

3 Under employment details add their start date (when they started their employment with you) and payment information.

4 You'll then be asked for their account number and sort code. You can also enter a roll number if applicable.

5 Next add tax and National Insurance details.



Tip 1

The Payroll ID is an identifier that you can give to an employee. This identifier is sent to HMRC. An employee's payroll ID will follow them between jobs, between payroll softwares and even their pension.



Tip 2

Tax code, if you are using a week one/month one code make sure you select the tick box. Otherwise the code will default to cumulative.

6 Finally, select how you want your employee to be assessed for workplace pensions.

Import employees from an Excel spreadsheet

You may find this is a quicker option if you have more than 5 employees to add. First follow the steps above to manually add the first employee.

1 Then click the arrow next to the **Add Employee** button and select **Export Employees**.

2 Under Data Type select **Template with employee data** and select **Download**.

3 Fill in the Excel doc for the rest of the employees. Not all details are needed some columns will be blank.

4 To upload the list of employees, select the arrow next to the **Add Employee** button and select **Import Employees**. Select the Excel doc you have just completed and **Confirm upload**.

Mandatory fields are:

- FirstName
- Surname
- DateOfBirth
- ResidentialStreetAddress
- ResidentialCity
- ResidentialDistrict
- ResidentialPostCode
- PostalStreetAddress
- PostalCity
- PostalDistrict
- PostalPostCode
- StartDate
- EmploymentType
- PaySchedule
- PrimaryPayCategory
- PrimaryLocation
- PaySlipNotificationType
- Rate
- RateUnit
- HoursPerWeek
- BankAccount1_SortCode
- BankAccount1_AccountNumber
- BankAccount1_AccountName
- BankAccount1_AllocatedPercentage

Employee self set up

1 Select the arrow next to the **Add Employee** button, then **Start Employee Self Setup** and enter their details. The employee will get an email asking them to set up their employee file.

If they follow the link they can fill in their details. You'll receive an email when they have completed this. You can finish setting this employee up by adding their employment and pension details.

Add a new employee
Please enter the employee's details below.

Personal Information

Title
Mr

First Name Middle Name Surname
[Text Box] [Text Box] [Text Box]

Previous Surname
[Text Box]

Date of Birth
21/07/1982 37 years old

Contact Information

☐ Enter Residential Address Manually

Residential Postcode/Town
London, E1 6BE

Residential Address
Apartment 4, Avingale Tower, 1 Avingale Place

☒ Postal Address is the same as Residential Address

Email Address Mobile Phone
[Text Box] [Text Box]

Employee Notifications
Email [What's this?](#)

Self-Service

Turn on self-service to allow employees to view their pay slips, manage their personal details and access HR tools.
Turn on self-service for this employee?

☒ Yes

2.9 Add pay history *if you're moving to Advanced Payroll mid year

If you're migrating your payroll from another software during the PAYE tax year, you'll need to set opening balances for leave entitlements and year-to-date payments for your employees. This is so the correct information can be reported to HMRC.

QuickBooks Advanced Payroll will add these figures to the pay run and work out the PAYE and National Insurance on the whole amount.

Opening balances are only for the current PAYE tax year.

To set up the opening balances for an employee, select their name to open their record, then **Opening Balances** on the left.

The screenshot shows the 'Employee Details for Edward Smith' interface. On the left is a sidebar with navigation options: EMPLOYEE SETTINGS (Details, Emergency Contacts, Tax and NI Details, Opening Balances), PAY RUN SETTINGS (Pay Run Defaults, Pay Rates, Locations, Leave Allowances, Pay Run Inclusions), Bank Accounts, Pension Settings, Qualifications, Work Types, and EMPLOYEE MANAGEMENT (Pay Slips). The main area is titled 'Opening Balances' and includes a note: 'Enter the opening balances if you are transitioning from another payroll system and need to bring across their current leave balances and/or year-to-date payments.' Below this is a table with tabs for Leave Balances, Earnings, Deductions, Employer Liabilities, and Pension & PAYE. The 'Leave Balances' tab is active, showing a prompt to 'Please enter the leave balances as at the payroll transition date.' and a table with the following rows: Statutory Sick Leave, Statutory Maternity Leave, Annual Leave, and Sick Leave. Each row has a numeric input field and a 'Hours' label. A green 'Save' button is located at the bottom left of the table.

Leave Balances	Earnings	Deductions	Employer Liabilities	Pension & PAYE
Please enter the leave balances as at the payroll transition date.				
Statutory Sick Leave	0		Hours	
Statutory Maternity Leave	0		Hours	
Annual Leave	0		Hours	
Sick Leave	0		Hours	

On this screen you'll see several tabs:

Leave Balances - or the amount of holiday remaining. Partial hours are entered as a decimals rather than hours and minutes (e.g: 6.5 hours not 6:30).

Earnings - the year-to-date gross values. If you want to use anything other than the default pay category, this will need be added before you enter the opening balances screen. If you want to put the total hours in you can, but this is optional.

Deductions - the year-to-date deduction amounts for the financial year specified.

Pension and PAYE - the year-to-date PAYE, student loan and pension amounts for the financial year specified.

National Insurance - using the information from your previous payroll system enter:

- the employee's National Insurance category
- the employee's Gross wage for National Insurance calculations (NI-able)
- the amount of National Insurance the employee has contributed from year to date
- the amount of Gross at Lower Earnings Limit (LEL)
- the amount of Gross Lower Earnings Limit to Primary Threshold (LEL to PT)
- the amount of Gross Primary Threshold to Upper Earnings Limit (Gross PT to UEL)

To add a previous employers details, select **Tax and NI Details** in the left navigation.

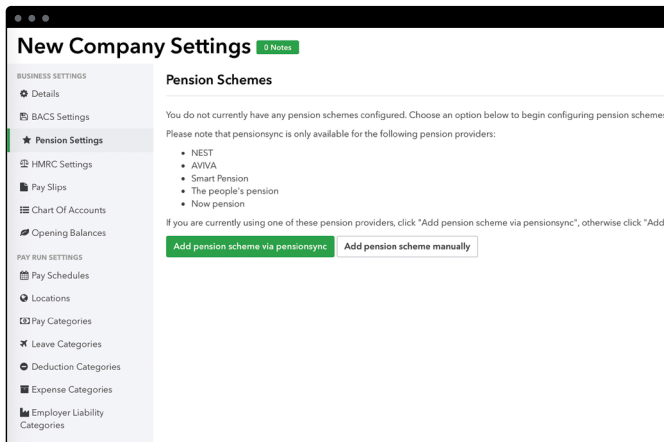
3. Pensions

3.1 Automated pensions

You can automate your pension reporting with PensionSync for the following providers:

- Nest
- Aviva
- Smart Pension
- The People's Pension
- NOW Pension

To connect with PensionSync follow these steps:



- 1 From the payroll homepage select **Payroll Settings** and select **Pension Settings** under the first column Business Settings.
- 2 Click **Add pension scheme via PensionSync**.
- 3 Select **Connect to PensionSync** you'll then see a message that says **this business is connected to PensionSync**.

New Company Settings 0 Notes

BUSINESS SETTINGS

- Details
- BACS Settings
- ★ **Pension Settings**
- HMRC Settings
- Pay Slips
- Chart Of Accounts
- Opening Balances

Pensionsync

i This Business is connected to pensionsync

Staging date

1/04/2017 **Save**

Re-enrolment date ⓘ

1/04/2020 **Save**

☐ Include employees opted out in last 12 months.

- 4 Select the **Actions** button and select **Open scheme management tool**.

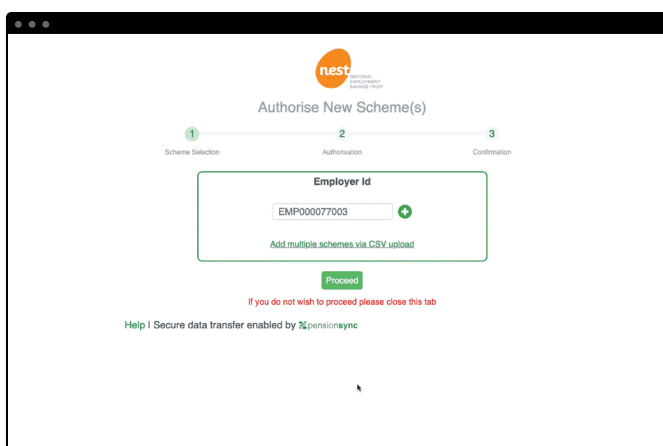
If you already have a PensionSync account set up skip to step 6.

- 5 Next you'll need to create a PensionSync account. Please enter your:

- company name
- logo (optional)
- phone number
- email address

6 Once you've setup your pensionsync account, you're ready to import your pension scheme details into your business. Do this by clicking the **Actions** button and select **Import from PensionSync**. You'll need to enter:

- your pension provider
- your employer ID - if you don't know this, contact your pension provider.

A screenshot of a web browser window showing the 'Authorise New Scheme(s)' page. The page has a header with the 'nest' logo and the text 'Authorise New Scheme(s)'. Below the header is a progress bar with three steps: 1. Scheme Selection, 2. Authorisation, and 3. Confirmation. The 'Authorisation' step is currently active. In the center of the page is a green-bordered box containing the text 'Employer Id' above a text input field with the value 'EMP000077003' and a green plus icon to its right. Below the input field is the text 'Add multiple schemes via CSV upload'. At the bottom of the green box is a green 'Proceed' button. Below the green box, there is a red text warning: 'If you do not wish to proceed please close this tab'. At the very bottom of the page is a green link: 'Help | Secure data transfer enabled by pensionsync'.

Once you have entered these details click **Import Scheme**.

7 You'll not need to authorise the pension scheme you're using. To do this, **select here to launch the PensionSync authorisation gateway**

A new tab will be opened up. Check the employee ID is correct and select **Proceed**. Next you'll be asked for your username and password. This is what you would use to log into your pension scheme. You'll then see the confirmation.

You can go back to your QuickBooks tab now. It can take up to 20 minutes for the information to be imported. You can close the pop up in QuickBooks and allow the data to be imported in the background.

Your pension scheme information will be imported into QuickBooks. Complete the Pension Admin details (the persons responsible for doing the pensions) and the Auto Entry Signatory, and select **Save**.

8 Now you'll see contribution plans. This information has been brought in through PensionSync.

Select **Save**. You can exit out of this by selecting the cross in the top right once it has saved.

9 Now you'll need to attach the pension to the employees. Select **Employees** and then the employee's name. Next select **Pension Settings**. Double check the details and press **Save**. Do this for all employees.

3.2 Manual pensions

You can set up pensions manually in QuickBooks Advanced Payroll. If you're not sure which provider to use, **The Pensions Regulator** can tell you what to look for.

Before you start you will need to have set up your pension scheme with your pension provider and know which taxation method is being used. You can get this from your pension provider.

1 From the payroll homepage select **Payroll Settings** and select **Pension Settings** from the Business Settings column.

2 Select **Actions** and then **Add manual scheme**.

Payroll Settings

Settings 1 Update

pensionsync

This Business is connected to pensionsync.

Staging date
10/4/2017 Save

Re-enrollment date
23/04/2022 Save

Include employees opted out in last 12 months.

Pension Schemes

No pension schemes

You do not currently have any pension schemes configured.

Actions

- Add manual scheme
- Import from pensionsync
- Open scheme management tool

3 Complete all the relevant fields:

- Pension Scheme
- Name: The name of your company
- Provider Name: This is the name of the pension provider
- Provider ID: A reference number that you can use internally to identify the pension provider (recommended if you have more than one pension scheme)
- Employer Number: This is the ID given to the employer from the pension provider
- Providers Contact Information: This is the providers website

Pension Admin Details need to be filled in. So does the Auto Enrollment Signatory.

Once this is filled in you can add the contribution plan. It is very important to make sure these are the same as in your pension scheme, otherwise your pension calculations will be incorrect.

Fill in the contribution plans details:

- Plan name: You can use the name of your company.
- Contribution Group ID: This can be the same as your provider ID.
- Pension Type: This is the method used by the pension provider.
- Select whether it is an auto enrollment scheme.
- Calculate pension on qualifying earnings: If you wish to calculate the pension on qualifying earnings then select this box.
- Fill in the Employer Contribution and the Employee Contribution at the correct rates. If a pay category is applicable select it from the drop down menus, then select the frequency.
- Look at the postponement rules and set up if needed.
- Click **Save** bottom left and then the cross top right once it has saved.

4 Now you'll need to attach the pension to the employees.

Select **Employees** and then select the employee's name, select **Pension Settings** on the left.

Select the pension under contribution plan, check the details and press **Save**. Do this for all employees.

That's your workplace pension taken care of.

Now you're ready to run payroll.

4. Running payroll

4.1 Full Payment Submission (FPS)

When you process a pay run you need to lodge a **Full Payment Summary (FPS)** to HMRC on or before pay day.

Before you run your first payroll make sure you've correctly configured your RTI username and password under the HMRC settings section.

To access HMRC settings, select **Payroll Settings** then **HMRC Settings** under the Business Settings column.

Once you've entered your RTI details, create your pay run (see below).

4.2 Create pay run

1 From the payroll homepage, select **New Pay Run**.

2 Select the **Pay Schedule** you are running from the drop-down menu. If this is your first pay run you'll get a prompt asking you to select the date your pay period ends.

3 Enter the date that your employees will be paid if you need to manually add employees to the pay run you can do that here too.

4 Click **Create**

Pay Run

Pay schedule: Monthly

i This is the first pay run for this pay schedule so you need to specify the date this pay period ends. For future pay runs, this will be worked out for you.

Pay period starting: 30/06/2019

Pay period ending: 29/07/2019

Date pay run will be paid: 29/07/2019

☐ Manually add employees to this pay run

☐ Create pay run with empty pays

Cancel Create

4.3 Finalise pay run

When you've created a pay run, you'll be taken to a screen which shows you the breakdown of the payments.

Next to an employee's name, you can see more details including their rate of pay, National Insurance, pension and so on. You can add notes here too. If you'd like to see how the payslips will look, select the **draft pay slips** button.

To customise your payslips follow **step 2.4** on page 15.

1 Before you finalise your payroll, click on the **Warnings** tab to see any potential issues that need to be resolved. You can still finalise your payroll with warnings in place.

2 Click on the **Actions** then **Finalise pay run**.

3 On the next screen you can submit your real-time information to HMRC, either manually or automatically.

Manually will suspend the process until you select **Lodge pay run** on the pay run screen (under the **Actions** tab)

Automatically will lodge your FPS to HMRC as soon as you select **Finalise**.

4 If you lodge an FPS to HMRC in real time you can go to **Reports** then **RTI Lodgement Messages** to see if your FPS has been lodged successfully or has failed.

Check the pay date and choose if and when you'd like to make the payslips available to employees. You can also submit to PensionSync if you have set this up.

The system will remember these options selected for payslips moving forward. If you need to change these you can do so at this step at any time when finalising the pay run.

5 Select **Finalise** to export the journal to your QuickBooks account.

Once the pay run is finalised the pay run will be locked.

If you need to edit the pay run you can unlock it by selecting the **Pay Run Actions** tab in the pay run.

From here, select **Unlock**, make sure your changes/corrections are made and then select **Finalise** to refinalise the pay run.

4.4 Submit your Employer Payment Summary (EPS) to HMRC

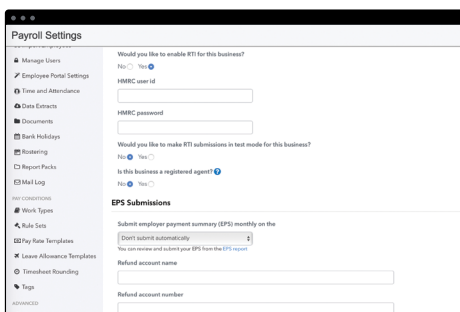
Unlike FPS filings, EPS (Employer Payment Summary) filing is created for specific reasons. It might not be needed every month or at all.

You might need to file an EPS filing in the following situations:

- If no payments to employees have been made within the current or past pay period (in other words, no FPS filings have been submitted).
- To claim reimbursement for statutory payments (not including sick pay).
- To claim the Employment Allowance.
- To show CIS Suffered for a period of time.

If you need to send an EPS, you can send it after you have completed the payroll for the tax month, or by the 19th of the following month if HMRC has to give you credit for what you owe from the EPS. You should only submit one EPS for any tax period.

If you have set your EPS to be sent automatically, there's nothing more to do here. If you selected **Don't submit automatically** in your set up process, then please refer back to the steps in section **2.2 Add HMRC settings** on page 8.



The screenshot shows the 'Payroll Settings' window with a sidebar on the left containing various settings categories like 'Manage Users', 'Employee Portal Settings', 'Time and Attendance', 'Data Extracts', 'Documents', 'Bank Holidays', 'Rostering', 'Report Packs', 'Email Log', 'PAY INFORMATION', 'Work Types', 'Rule Sets', 'Pay Rate Templates', 'Leave Absence Templates', 'Timesheet Rounding', 'Tags', and 'ADVANCED'. The main content area is titled 'Would you like to enable RTI for this business?' with a 'Yes' button selected. Below this are fields for 'HMRC user id' and 'HMRC password'. Another section asks 'Would you like to make RTI submissions in test mode for this business?' with a 'Yes' button selected. This is followed by 'Is this business a registered agent?' with a 'Yes' button selected. The 'EPS Submissions' section has a dropdown menu set to 'Don't submit automatically' with a note: 'You can review and submit your EPS from the EPS report'. Below this are input fields for 'Refund account name' and 'Refund account number'.

5. The employee portal

*including self-setup and the WorkZone mobile app

The employee portal allows employees to request leave, log their timesheets and access their payslips. They can log in via an internet browser or download the WorkZone mobile app.

5.1 Inviting employees to the employee portal

To give an employee access to their employee file on the portal, follow these steps:

- 1** From the payroll homepage click **Payroll Settings** and select **Employee Portal Settings** under the third column, Business Management.
- 2** You will see the settings screen first. Tick the boxes to grant employees the type of access you want them to have.
- 3** If you are using timesheets choose if you want the employee to:
 - **not access timesheets** in the WorkZone app or the employee portal, so they can't be viewed
 - **view their own timesheets** in the employee portal without being able to create or edit them (this feature is not currently available on the WorkZone app)
 - **only edit their own timesheets** in the Employee Portal and WorkZone app.

- **only edit timesheets created via the kiosk** without creating timesheet lines in the Employee Portal - WorkZone timesheets will be disabled when this is set
- **create and edit all timesheets** created through the Employee Portal, WorkZone and kiosk

4 Once you have completed the settings select the **Access** tab.

5 Select the employees name(s) that you want to access the Employee Portal.

6 Once ticked, click **Grant Access**. You can also revoke access by selecting the employee(s) and clicking **Revoke Access** for the selected employee(s).



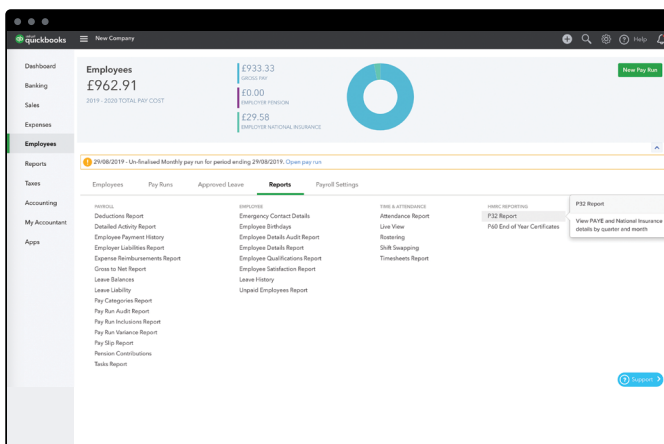
When employees are invited to the employee portal they will receive an email asking them to set up a password.

6. Reports

6.1 Run the P32 report and record payments

The P32 Report shows all monthly payments owed and already paid to HMRC in a financial tax year. To see it, select **Reports** then **P32 Report** under the fourth column, HMRC Reporting.

The report can be filtered by financial year.



Note

If you try to generate this report for an unfinalised pay run you will see a warning message.

When the report is generated, you will see 3 tabs. The first tab displays all the relevant data in summary format:

P32 Report

Financial Year: 2019 - 2020

Run report PDF

Tax Month	PAVE	STUDENT LOANS	POST GRAD LOANS	NET CIS DEDUCTIONS	TOTAL PAVE	EMPLOYER NI	EMPLOYEE NI	NI DEDUCTIONS	EMP ALLOWANCE	TOTAL NI	ADVANCE FUNDING	HMRC PAYMENT	TOTAL DUE	BALANCE
Apr	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£ 0	£ 0	£0.00	£0.00
May	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£ 0	£ 0	£0.00	£0.00
Jun	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£ 0	£ 0	£0.00	£0.00
Quarter 1	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Jul	£0.00	£0.00	£0.00	£0.00	£0.00	£29.58	£25.72	£0.00	£0.00	£55.30	£ 0	£ 0	£55.30	£55.30
Aug	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£ 0	£ 0	£0.00	£55.30
Sep	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£ 0	£ 0	£0.00	£55.30
Quarter 2	£0.00	£0.00	£0.00	£0.00	£0.00	£29.58	£25.72	£0.00	£0.00	£55.30	£0.00	£0.00	£55.30	£55.30
Oct	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£ 0	£ 0	£0.00	£55.30

You will see the following headings:

- **Tax Month:** This runs from the 6th of the month to the 5th of the next month, eg for April, this would cover all pay runs with a pay date from 6 April to 5 May.
- **PAYE:** All PAYE, excluding student loan amounts, deducted from employee pays for the pay runs falling within the Tax Month.
- **Student Loans:** All student loan amounts deducted from employee pays for the pay runs falling within the Tax Month.
- **Post Grad Loans:** All post grad loan amounts deducted from employee pays for the pay runs falling within the Tax Month.
- **Net CIS Deductions:** This is the net tax deducted by contractors from subcontractors' payments under the Construction Industry Scheme which is paid to HMRC

- **Total PAYE:** The sum of PAYE and Student Loans for the Tax Month.
- **Employer NI:** All employer national insurance contribution amounts calculated for the pay runs falling within the Tax Month.
- **Employee NI:** All employee National Insurance contribution amounts calculated for the pay runs falling within the Tax Month
- **NI Deductions:** The total statutory payments relating to Maternity Pay, Paternity Pay, Adoption Pay and Shared Parental Pay processed in pay runs for the Tax Month. The "NI Deductions Summary" tab details a breakdown of these payments.
- **Emp Allowance:** If the business is claiming an Employment Allowance, the amount will appear in this column. The allowance amount will be deducted (only from the Employer NI amount) up to a maximum £3000 for the tax year.
- **Total NI:** The sum of Employee NI + (Employer NI - NI Deductions - Emp Allowance).
- **Apprenticeship Levy:** The amount that you have paid for the Apprenticeship Levy. This will only show if you have selected that you pay this.
- **Advance Funding:** Enter the amount you have paid manually here.
- **HMRC Payment:** Enter the total amount of payments you have actually paid to HMRC in this box to keep track of payments.
- **Total Due:** The sum of Total PAYE and Total NI.
- **Balance:** The difference between Total Due and Total Paid. This amount is cumulative for the whole tax year.

The second tab breaks down the NI Deductions into each separate statutory component. These amounts are automatically classified within the Recovered and NIC compensation columns. They're based on whether the business is eligible for small employers relief and has configured this in their HMRC settings.

P32 Report

Financial Year: 2019 - 2020

There are unsubmitted pay runs that may affect this report.

P32 Report

NI Deductions Summary

CIS

TAX MONTH	CIS DEDUCTIONS MADE	CIS DEDUCTIONS SUFFERED	NET CIS DEDUCTIONS
Apr	£ 0	£ 0	£0.00
May	£ 0	£ 0	£0.00
Jun	£ 0	£ 0	£0.00
Quarter 1	£0.00	£0.00	£0.00
Jul	£ 0	£ 0	£0.00
Aug	£ 0	£ 0	£0.00
Sep	£ 0	£ 0	£0.00
Quarter 2	£0.00	£0.00	£0.00
Oct	£ 0	£ 0	£0.00
Nov	£ 0	£ 0	£0.00

Close

The third tab is CIS Deduction Suffered and shows when you have had income tax withheld under the Construction Industry Scheme. This reduces your liability to HMRC. This figure is only for your records and does not impact the amount you of PAYE owe to HMRC.

You can manually enter CIS deductions suffered in the CIS tab. Save this, then submit your EPS for the relevant period to HMRC. You can view them in the tax month, quarterly and for the financial year.

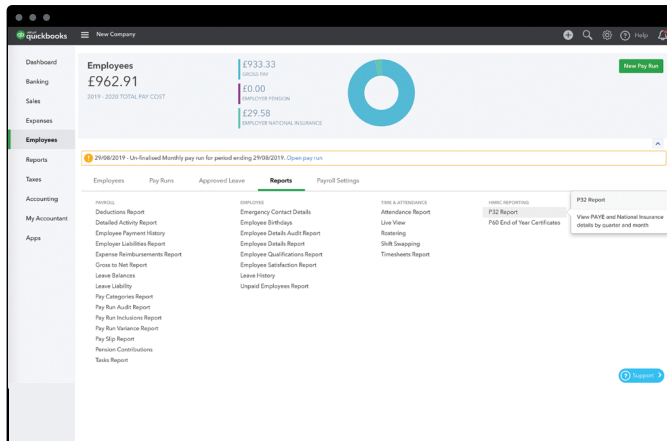
Recording Payments - HMRC payments, Advance Funding and CIS payments can be recorded manually from the P32 report screen on the P32 tab and the CIS tab. To do this, select the fields and fill in the values.

6.2 Run the Gross to Net report

The gross to net report provides details about each payroll in the tax year. It includes employee payments, along with any taxes, NI, and other deductions.

1 From the payroll homepage select **Reports** and select **Gross to Net Report** under the first column, Payroll.

2 Specify your date range. You can also select a pay schedule, location, employee, pay category and group. Leave as **All** if you don't want to add a filter.



3 Select **Run report** to see the breakdown for the salary, PAYE, any loans, pensions, National Insurance contributions and Net wages.

You can export this to Excel or CSV for customisation.

6.3 Report packs

Use Report Packs to save time. Your chosen reports will be automatically generated on a recurring basis.

1 From the Payroll home page click **Payroll Settings** and select **Report Packs** under the third column Business Management.

2 Select **Add Report Pack** Name this and choose which reports you would like to be included and how often. You can also add email addresses for the reports to be sent to.

7. Final steps

7.1 Paying your employees

Once you've run payroll you're ready to pay your employees. Remember this is something you'll have to arrange outside of QuickBooks. If the bank account you are paying them from is linked to your QuickBooks Online account, the details will be automatically uploaded. If not, please record the details manually.

7.2 Liabilities to HMRC

Advanced Payroll will calculate all of your Tax and National Insurance contributions for you, and automatically post the journal. You will need to make the payment. It's also important to keep a record of payments you've made yourself. You can also run a report for HMRC liabilities, so you always know where you stand.

7.3 Payments to pension providers

Advanced Payroll will calculate your pension contributions for you, but you're responsible for making the payment. When you finalise your pay run you'll be given the option of downloading a file with details of the payments that need to be made.

Congratulations, you completed your set up and first pay run.



Want to learn more? Register for a training webinar, contact customer success or visit quickbooks.co.uk/payrollhelp

