



# ABC Payroll Update instructions

End of year 2015-16

Start of year 2016-17

Please carefully follow the instructions in this booklet.

The CD contains a file to update last year's Payroll (to version C), and also install the new 2016-17 Payroll. The CD is labelled

**“Payroll Update 2016-17”** .

## Instructions

1. Run the file on the CD. You can do this at any time (eg. as soon as you receive the CD).
2. You only need use the CD once, even with several payrolls in ABC
3. After using the CD you should now see two separate ABC Payroll icons on your Windows desktop, old Payroll 15-16, and new Payroll 16-17.

## End of Year 2015-16

The 2015-16 year ends on 5th April 2016.

- **Final FPS of the year.**  
After finalising the last Pay Run of the year, you must tell HMRC. Tick the box to indicate this is the final FPS of the year. and send the RTI FPS and then the EPS. Send final EPS between 20th March and 19th April.
- **P60 End of year forms.**  
You must give each employee who was employed at 5th April 2016 a P60 either on paper or by email, before 31 May 2016. Do not give a P60 to anyone who left during the year.
- **Week 53.**  
Monthly paid staff never have a week 53. Weekly paid staff only have Week 53 if the normal pay day falls on 4 or 5 April. Otherwise no Week 53.

- **P11, P35 and P14 forms.**

None of these are now required by HMRC.

- **Mistakes/Correction**

If you find a mistake after you've sent the final FPS, you can correct it by sending an EYU after April 19th. First correct the situation in last year's ABC Payroll and then send the EYU (PayRun > Utilities tab).

ABC retains last year's payroll for 12 months. This allows you to start using the new Payroll from 6th April, while still being able to print paperwork for last year by using the old Payroll.

at 90% of average earnings (same as SMP does).

- Average Pay and Holiday Pay calculation for employee must include overtime or bonus pay if this is part of normal wages. (ABC does this)
- Usual number of hours (approx) worked in a week/month must now be filled in on each employee Record Card in ABC. Used by HMRC to calculate Universal Tax Credits.
- Standard Tax codes are to be increased as follows:  
Ending in "L" .. increase by 40  
Ending in "M" .. increase by 44  
Ending in "N" .. increase by 36

## New for 2016/17

There are many changes to the PAYE system for this year. Here is a brief overview:

- Employees under 21 do not have to pay NI on earnings under the new Upper Secondary Threshold.
- Removal of NI Rebates means that NI Table Letters D,E,L,I,K are removed. ABC automatically converts them to new Table Letters. It also means that ECON and SCON numbers are gone.
- Employment Allowance increased to £3000 this year.
- New Tax Code suffixes M,N. For married couples to transfer part of their tax allowance to partner.
- SAP pays the first 6 weeks

You can use the global change in ABC Payroll, or edit the employee records manually.

## New features of ABC

In addition to the above changes, there are enhancements to ABC.

- Directors. On their ABC employee record card you can leave the Director box ticked, and just tick a new box to say treat them as normal employee for NI. ABC will then automatically revert them back to "Director" in January. This is recommended as it smooths out the director NIC through the year.

## Start of Year 2016/17

Run the new ABC Payroll for the first time and use the function

YEAR START.

**Payroll Menu > UTILITIES  
> YEAR START**

Normally you would tick the box to import (copy) the employee details from last year's payroll.

(If you have several companies, you need to do this for each one).

Now is the time to check and edit Employee Records if necessary, eg. to change Tax Codes and set Holiday allowances. Fill in the usual hours worked in a week for each employee.

You are now ready to use the Payroll for year 2016-17.

## General notes

### 1. Employment Allowance.

Most businesses will be able to claim up to £3000 Employment Allowance this year. If you claimed this last year you do not need to do anything as ABC and HMRC already assume you wish to claim it again this year. If this is the first time you are claiming, in ABC go to Edit Company Parameters and tick the box to claim this allowance. Then send an EPS after your first FPS.

### 2. Posting to ABC Accounts

The Employment Allowance reduces the amount you need to pay to HMRC. You can select which Heading in ABC Accounts to post the Allowance to (eg create a new Heading 4195). Also note that the Payment Date

may be outside the PayRun Week number so there is possibility for slight confusion if you compare Payroll and ABC Accounts reports.(eg. you may need to look at a previous or future week instead).

**3. SSP reclaim.** You now cannot claim any SSP back, under any circumstances

### 4. Sending RTI.

After completing a PayRun you should immediately send the FPS to HMRC website. However if not possible you can send FPS later -- as soon as you can. There is a box for LATE SUBMIT REASON. An acceptable reason (to HMRC) is internet or computer problems, in which case use: *G-Reasonable Excuse*  
or *H-Correction to earlier RTI.*

**5. Student Loans.** If you are told to SUSPEND student loan repayments for an employee, go to their Employee Record Card and tick Temp Suspend Loan.

**6. When a new employee joins,** you now do not need to send anything (P45/P46) to HMRC because RTI does this automatically.

**7.** ABC will not allow you to send RTI data that is invalid, but cannot detect errors like names misspelt or wrong date of birth. The RTI submissions will be accepted by HMRC but they will later contact you to clarify the data. Do check that your employee records are correct.

**8. Workplace Pensions.**

ABC can calculate and record pension contributions for employee and employer. But you first need to set up the pension(s) with approved Pension Provider(s).

ABC can produce the monthly CSV files to send to a Pension Provider. If your particular Pension Provider not supported, contact us and we will add it. Many ABC users are choosing the government NEST pension for their Workplace Pension.

## Update regularly

During the year we will update ABC payroll in response to feedback or bug reports. You should **regularly check our website home page for updates**. This is particularly important during the first few weeks when many more people begin to use the brand new software in various conditions. (The ABC Accounts auto-update will also update your payroll.)

## Technical

You can ignore this section unless you need these details.

### File Names in ABC6 Payroll

ABC6 programs and data files include the PAYE year as part of their name.

eg ABC6Payroll1617.exe

eg, ABC6CompanyPayData1718mdb

Data files are stored in the folder for each company.

eg. for Company A: C:\ABC6\A\_DATA\FILES

### RTI Files

Each time ABC sends RTI or receives a reply from HMRC, it stores the file that was sent or received in a folder on disk:

eg. for Company A: C:\ABC6\A\_DATA\PAY\_RTI\_17-18

In this folder, the filenames (eg. FPS\_R\_2016-06-30\_N7.xml) show the type of RTI message, **R**eceived/**S**ent, Date, Payrun number. This is a record of everything you've sent and received by RTI this year. An ABC report allows you to view these. Or use Notepad.

### Old Files Deleted

When you install the 2016-17 Payroll Update, the installation program will delete your two year old payroll (2014-15). The old programs and data files are deleted.

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