

IR Filing - Helpful Information

One of the frequently asked questions we get asked is in regards to IR Filing and how this relates to your company along with the options that Datacom presently provides.

The term '**Filing**' at Datacom refers to the filing of the Employer Monthly Schedule (*IR348*) report to the Inland Revenue Department.

Self-File:

Datacom creates an e-file for your company each month and sends it to you by the filing due date. You would be responsible for sending the file through to the Inland Revenue Department by the due date.

Auto-File:

Datacom will send the IR348 to the Inland Revenue Department on your company's behalf.

Datacom does not provide the service of sending the IR345 to the IRD unless we act as your PAYE Intermediary agent.

If your company does not presently use Datacom's PAYE Intermediary services, but has only elected the '**auto-filing**' option, this means that your company would need to pay the Inland Revenue Department directly, by sending an IR345 form (*Employer Deductions*) along with the payment by the due date.

To remove this inconvenience and to reduce the time you spend to complete and file an employer monthly schedule, give us a call on **0800 72 97 97** and we will undertake the PAYE payments in your name. We will also look after all your communications with IRD relating to issues or problems with your PAYE.

Case Study Evolve Education Group

Founded in 1997, Lollipops Educare is wholly New Zealand owned and managed; offering state-of-the-art facilities, hand-picked staff and excellent staff to child ratios. Lollipops Educare, now Evolve Education Group, has 95 day care centres with over 900 staff nationwide.

With the acquisition, Evolve Educare retains the concept of 'owner-operated community services under the support of a group umbrella'; however, this scenario does create issues when individual centre managers are detracted from childcare management and steered towards payroll management when dealing with the IRD with tax corrections on an on-going basis. Another key component was that the company wanted to eliminate 'human error' through a more automated and streamlined payroll approach.

Their previous payroll application relied heavily on manual data-entry processes with limited functionality and continuous software updates. Evolve wanted a system that could consolidate the different centres for their reporting purposes with price certainty and the ability to incorporate 'InfoCare', a childcare management software for recording bookings, health details, timetables, and all administration surrounding government funding requirements.

Making the decision to outsource their payroll through **EasiPay**, Evolve Educare has noticed significant time saving through the consolidation of the individual centres and freeing the centre managers by eliminating direct communications with the IRD. And because we have a software development team, EasiPay was modified to have the ability to integrate with InfoCare; the pay data is just uploaded through Datacom with little manual input required at their end. The payroll journals provided by Datacom were then automated to upload into Greentrees, the accounting software used by Evolve.

Having a new found confidence, Evolve Educare sought to use **EasiESS** to empower their staff as it provides access to changes in real-time; relieving their payroll consultant who is on-hand to help individual centres with the day to day activities.

RESULTS:

- User friendly product resulting in a substantial drop in 'human error'
- Ability to integrate with InfoCare, their staff /children program
- Centre managers no longer have to sort out problems with IRD
- Reduced tax reporting from 86 individual PAYE and tax e-filing to 6

"We no longer have to sort out problems with IRD where the centre managers had made mistakes with the legacy payroll system. Fantastic team, very helpful and understanding of our time and issues; as we integrated an additional 60 individual centres/companies into our company group structure." – **Beverly Gordon**

Not Keeping Records? EXPECT A FINE!

The Employment Relations Act 2000 (ERA 2000) requires an employer to keep a signed copy of the employment agreement or the current terms and conditions of employment for all employees. This includes casual and fixed-term employees.

Employees have the right to request a copy of their individual employment agreement at any time and their employer must provide the employee with a copy as soon as is reasonably practicable.

To further the ERA 2000, the Holidays Act 2003 also has a requirement for the employer to maintain holiday and leave records in addition to maintaining wage and time records for each employee. In both Acts, these records may be written or electronic.

And if an employer fails to do so?

Every person who is liable to a penalty under this act is chargeable to a penalty of up to **\$10,000** for an individual, or **\$20,000** for a company or other corporation. Of course if you are using one of Datacom's payroll applications then you have this well covered.

If you still use paper versions today, you run the risk of having these important documents misplaced, mismanaged, misfiled, damaged, etc. At Datacom, we have replaced these paper based forms with electronic versions for several years now. This means that all of the employment data will be in our database, available online, automatically backed-up, and able to be accessed using our reporting tools.

By having these documents stored electronically, all of the sustainability and financial issues that come with printing and storing volumes of paper will be a thing of the past. In addition, all this data is replicated between our two datacentres...unlike that 'safe and secure' filing cabinet in the corner at the back office!

So, rather than dealing with the cost and hassle of record keeping or worse, being imposed with a \$20,000 penalty; give us a call on **0800 72 97 97** and we'll remove this inconvenience off your hands.

MyPay (Version 2)



Goodie Bag Give Away

With the days getting longer and the nights getting shorter, we'd like to help you spend some time in the sun.

We have a "Goodie Bag" worth up to \$150 up for grabs! All you have to do is to submit your answer to us by 25th November 2015 to:

Answers@datacom.co.nz

If your answer to the question below is correct, you will automatically be in the draw to win!

The Question –

Record keeping is a key part of running a business. As an employer, how long do you have to keep **employee** records for?

A winner will be drawn by 27th November 2015 and the winner will be notified through post/ email and/or in the December issue of our Respondent publication.

We have a pay system just right for your business.



DATACOM Payroll

To get time back to work on your business, call:

0800 72 97 97

We'll discuss what will suit your needs - big or small.

www.datacompayroll.co.nz