



## From Shirli's desk...



Can you believe we are more than halfway through the year already? After having a lovely two week break in Australia, I am now recharged.

**Dunedin here I come!** Please put on some nice weather for me .... I will be in the Dunedin area during the week of 10 October 2011 and will provide an IMS Group Training session. I also have time available to visit your office for any assistance you may require.

**Shirley Walls**  
Implementing Customised Office Systems that Work

## Payroll Health Checks

### Are you getting the most from IMS Payroll Partner?

To ensure you are getting the most from IMS Payroll Partner, we check that you are aware of all the reports and options available to you and that all your leave rates are calculating correctly.

### Our Health Check Covers:

- Company and Employee setup
- Backup procedure
- Use of deductions and reducing balance
- Managing Pay Points & Cost Centres
- All Paid Leave
- Use of allowances
- IRD/KiwiSaver administration
- Reporting and use of lists
- A review of your future requirements

Arrange your Online or On-site Health Check today

*The price is still only \$150 + GST.*

*It is absolutely worth it!*

## Payroll Group Training

We are offering group training sessions as follows:

### Christchurch Office

Thursday, 18<sup>th</sup> August 2011, 10am – 12pm

### Geraldine Office

Friday, 26<sup>th</sup> August 2011, 10am – 12pm

### Dunedin

Monday, 10<sup>th</sup> October 2011, 10am – 12pm

### Details

Two hour session @ \$185 p.p. + GST

Includes hand out - sessions are limited to 6 attendees

Book your seat or register your interest today

[amanda@helenhenderson.co.nz](mailto:amanda@helenhenderson.co.nz)



## Employees using incorrect tax codes





Sometimes an employee may choose the incorrect tax code and IRD will send you a letter advising

what tax code your employee should be using. If you receive one of these letters, you are required by law to change the tax code to the one shown.

If your employee disagrees with the tax code change, they will need to call 0800 227 774 and IRD will confirm what tax code they should be using based on their circumstances.

## IMS Payroll Partner ... V4.0 Release

This is **not** a mandatory release, so only those clients who have opted for ALL releases will receive this. If you wish to now receive all releases, please email us and we will ensure your status is altered to suit.

PAYS LIP					
Andrew Flowers 894 Main South Road Best Town				Emp No 1017	
Pay Point	Factory			Period Ending	24/07/2011
Job Title	Engineer				
		Salary	795.00		
		Salary	-159.00		
<b>TAXABLE ALLOWANCES</b>					
Alternative Holiday	1.00 at 159,0000	159.00	1907/2011 Alternative Leave		
		<b>Total Taxable</b>	<b>795.00</b>		
<b>DEDUCTIONS</b>					
P.A.Y.E.			136.49		
Child Support			56.00		
KiwiSaver			31.80		
Superannuation Fund			31.80		
Health Insurance			20.00		
Social Club			7.00		
		<b>Total Deductions</b>	<b>283.09</b>		
		<b>Net Earnings</b>	<b>511.91</b>		
		<b>NET PAY (Banked)</b>	<b>511.91</b>	Bank A/C	16-0024-0004372-00
<b>Leave Details (Days)</b>					
Annual Leave O/S From Last Year	4.00	<b>Year To Date Balances</b>		Taxable Earnings	13740.65
Annual Leave Accrued This Year	13.50		P.A.Y.E.	2364.43	
Annual Leave Total	17.50		KiwiSaver	549.62	
Annual Leave Cash Up Balance	0.00		Employer KiwiSaver	274.82	This Pay 15.90
Sick Leave Outstanding	9.00		Superannuation Fund	541.62	
Alternative Holidays	2.00				
Time In Lieu (Hours)	3.00				

## Some New Features:

- **Company logo** in .bmp format can now be inserted into payslips
- **Warning message** will appear if attempting to open a Pay Period with incorrect dates.
- This will also prevent accidental processing of the same payrun twice.
- **Pay Period Exception** report can detect where there has been no credit of an Alternative Holiday where a Stat Worked has been keyed.



## Minimum Employment Rights

### Payments

The Wages Protection Act 1983 sets out the way wages must be paid, and prevents unlawful deductions from wages.

#### When and how wages should be paid:

Employees should be paid on the day and at the intervals that have been agreed with the employer. Employers cannot change the normal pay day without the agreement of the employee. Employers are obliged to pay wages in cash (i.e. NZ coins or bank notes) unless:

- The employee is employed by the Crown or a local authority then they can be paid by cheque
- An employee has requested in writing or given the employer written consent to pay wages by postal order, money order, cheque or direct credit
- The employee is away from the proper or usual place for the payment of their wages then they can be paid by postal order, money order or cheque
- The employment agreement permits some other form of payment.

Employers can't put any requirements on their employee about how the employee spends their wages.

### Deductions

Employers generally can't make deductions (take money) from employees' wages. Employers can only do this where:

- An employee has agreed to or requested the deduction in writing. The employee can vary or withdraw this consent by giving notice in writing at any time. The employer must then vary or stop the deductions within two weeks of receiving the notice or as soon as practicable
- An employment agreement says that money can be taken out (for example, for union fees in a collective agreement)
- An employer wishes to recover overpayments where the employee has been absent from work without the employer's authority, been on strike, locked out or suspended. The employer may only recover an overpayment where it was not reasonably practicable to avoid making the overpayment. The employer must tell the employee of their intention to recover the overpayment before deducting any money and then make that deduction within two months of telling them.



- A court directs that a deduction be made
- A bargaining fee arrangement applies to the employee
- An employee is required by law (for example, income tax, child support payments or other statutory purposes) to make payments.

If an employee is provided with board and lodging the employer may deduct the costs of board or lodging where the amount is fixed under any Act, determination or agreement. If the amount payable is not fixed, the employer may deduct no more than 15% for board, or no more than 5% for lodging.

## Employment Contracts

**You must keep copies of employment contracts or face hefty fines!!!**

New rules coming into force next month mean that all employers must keep copies of employment contracts or face hefty fines, the Department of Labour says.

Although employment agreements were required by law since the introduction of the Employment Relations Act 2000, it appeared many businesses still did not have employment agreements in place, said department employment relations chief adviser Craig Smith.

The new rules mean that from July 1 it will be the employer's responsibility to keep an up-to-date copy of each employee's employment agreement, or face fines of up to \$10,000 for individuals and \$20,000 for companies. Employers must also provide a copy of the agreement if an employee requested it, Mr Smith said.

Mr Smith also said that if a 90-day trial period, which came into force on April 1, is agreed upon it must be in the written agreement or it would not be legally binding.

## HOT TIP...

You can utilise IMS Payroll Partner software to record the review dates for contracts and even create links to scanned documents of contracts in the Employee Notes section. A fact sheet is available for a small fee. Contact the help desk if you require assistance.



## Resources Available

HHA Associates Limited – IMS Payroll Support  
[www.helenhenderson.co.nz](http://www.helenhenderson.co.nz) – 03 693 1121

Department of Labour – Employment Relations  
[www.dol.govt.nz](http://www.dol.govt.nz) – 0800 20 90 20

Work and Income – Employment Support Package  
[www.workandincome.govt.nz/](http://www.workandincome.govt.nz/) - 0800 779 997

HHA Associates Limited | P: 03 693 1121 | E: [office@helenhenderson.co.nz](mailto:office@helenhenderson.co.nz) | W: [www.helenhenderson.co.nz](http://www.helenhenderson.co.nz)

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