

LARRY'S LANDSCAPING PAYROLL POLICY & PROCEDURE

ASSESSOR GUIDE

Effective xx/xx/xxxx (Current date)



Policy

1. Purpose and scope

- 1.1 The purpose of the policy and procedure is to make payroll an essential part of the accounting function and integral to compliance requirements as set out by legislative bodies and the government.
- 1.2 This policy and procedure provide a framework for applying and managing effective payroll practices.

2. Terminology

- 2.1 For this policy and procedure, the following terms apply:

- ATO: Australian Taxation Office
- Fair Work: Fair Work Act 2019
- ASIC: Australian Securities and Investment Commission
- Corporations Act 2001
- Superannuation Act
- Privacy Act

3. Procedure

3.1 Collection of Staff details:

The following information will be collected for compliance upon hiring a new staff member.

1. Tax Declaration Form
2. Personal details and emergency contact
3. Bank details
4. **Superannuation choice form**

3.2 Processing Payroll payments

- 3.2.1 All staff members will be paid weekly on Thursday.
- 3.2.2 Staff leave used during the period is to be applied.
- 3.2.3 Enter all payroll timesheets into the accounting system.
- 3.2.4 Payroll is to be authorised by Larry before processing payments.
- 3.2.5 Staff will receive net payments via **Electronic Funds Transfer (EFT)**
- 3.2.6 **Electronic payslips will be Issue to all staff**
- 3.2.7 **Staff will be issued with a pay slip within one (1) working day of being paid**

4. Withholding Tax

- 4.1 Payment is to be made to the Australian Taxation Office (ATO) every quarter, per the ATO requirements.
- 4.2 Unless otherwise specified by and agreed to by the ATO, payments are to follow the schedule:
 - Quarter 1 (July-September) – **28 October**
 - Quarter 2 (October-December) – **28 February**
 - Quarter 3 (January-March) – **28 April**
 - Quarter 4 (April- June) – **28 July**
- 4.3 PAYG Withholding is to be reported through the Business Activity Statement
- 4.4 Withholding tax payments are paid directly to the Australian Taxation Office by **electronic funds transfer**.
- 4.5 The reporting and lodgement of PAYG is to be processed through the business portal.

5. Superannuation

- 5.1 The current rate of superannuation is paid at **11%**. (assessor, please note this rate is for 2023/24 FY, 2024/25 FY, the rate will be 11.5% and 2025/26 FY onwards the rate will be 12%)
- 5.2 Payment of the superannuation is **quarterly** as per the following:
 - Quarter 1 (July-September) – **28 October**
 - Quarter 2 (October-December) – **28 January**
 - Quarter 3 (January-March) – **28 April**
 - Quarter 4 (April- June) – **28 July**
- 5.3 The superannuation will be paid directly to the Small Business Superannuation Clearing House, which will then forward the funds to the employees' choice superannuation fund.
- 5.4 Payment of the superannuation is made by **electronic funds transfer or BPay**.

6. Record keeping retention and disposal

- 6.1 Filed payroll payment records will be stored in the yearly folder they relate to **and kept in a locked cabinet** in the shared office space.
- 6.2 Access to payroll records containing personal and sensitive information is restricted to authorised personnel.
- 6.3 In line with ASIC requirements, records must be kept securely for seven (7) years.



- 6.4** Records are to be de-identified and destroyed by shredding the documents after the seven (7) year retention period.