

RSM Switzerland

A partner at your side



AUDIT EXTERNAL PAYROLL



# External payroll audit

The desire of employers to be more and more attractive to their employees by granting them various benefits (employee shares and options, company car, entertainment expenses, etc.) increases the complexity of payroll and its accounting, which can lead to unpleasant surprises for employers in the event of AVS, VAT, source tax, changes in the law or direct tax audits.

For all these reasons, if you're an HR manager or in charge of overseeing the payroll of your various employees, or even if you work with an external company that handles your company's payroll, our new "External payroll audit" service may interest you!

This new service is the result of collaboration between our tax department and our outsourcing department (accounting, payroll). We put at your disposal the cutting-edge expertise of these two departments to provide you with a 360-degree review of the way your company manages its payroll.

## Our services

Our external payroll audit service includes the following services:

- ✓ Review of social insurance accounting entries (AVS, LPP, LAA, LAAC, APG);
- ✓ Review of final social insurance invoices and annual declarations;
- ✓ Reconciliation of salaries with accounting records;
- ✓ Annual payroll reconciliation;
- ✓ Review of pay slips and salary certificates (including appendices);
- ✓ Review of employee plans and their implementation by the company;
- ✓ Review of the company's source tax treatment;
- ✓ Review of the expense settlements implemented by the company;
- ✓ Analysis of the risks of permanent establishment in Switzerland or abroad;
- ✓ Review of the situation of cross-border workers and Swiss posted workers;
- ✓ Review of the implementation of collective labor agreements and their proper application;
- ✓ Review of employee work permits;
- ✓ Review of the calculation of the private vehicle share and its accounting and VAT treatment;
- ✓ Review of family allowances.
- ✓ Review of the work statement in case of departure of an employee.

RSM Switzerland AG is a member of the RSM Network and trades as RSM. RSM is the trading name used by the members of the RSM Network. Each member of the RSM Network is an independent assurance, tax and consulting firm each of which practices in its own right. The RSM network is not itself a separate legal entity of any description in any jurisdiction.

The RSM Network is administered by RSM International Limited, a company registered in England and Wales (company number 4040598) whose registered office is at 50 Cannon Street, London EC4N 6JJ.

The brand and trademark RSM and other intellectual property rights used by members of the Network are owned by RSM International Association, an association governed by article 60 et seq of the Civil Code of Switzerland whose seat is in Zug.

# External payroll audit

The aim of our various reviews is to avoid unpleasant surprises for the company in the event of an audit: AVS, VAT, withholding tax and others.

Additionally, we will suggest ways of optimizing the payroll process if we identify any during our review. It is possible to select only certain services for cost reasons, but we recommend a 360-degree review.

## Detailed service description

### Review of payroll and social insurance accounting entries (AVS, LPP, LAA, LAAC, APG)

We ensure that the accounting entries correspond to the extra-accounting payroll journal and are posted to the correct accounts, with the correct amounts and identification of each type of social security charge and accrual.

### Review of final social security invoices and annual declarations

We ensure that the amounts declared correspond to the extra-accounting payroll journal (amount, rate, etc.) and that the final social insurance invoices correspond to the amounts declared.

### Reconciliation of salaries with accounting records

We ensure that the balance sheet and PP items relating to salaries reflect the reality of the extra-accounting of salaries and social insurance invoices for the financial year (invoices and payments).

### Annual payroll reconciliation

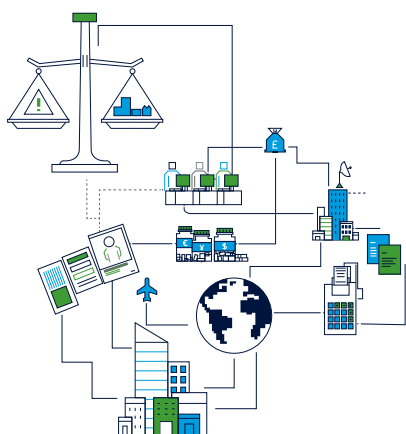
We ensure that the annual amounts of each heading in the extra-accounting payroll journal correspond to the provisions of the employment contracts (gross salary, private portion, benefits in kind, stock options, leave, etc.), collective agreements, rates, ceilings and contracts for social insurance coverage, withholding tax rates, elements of the final social insurance and source tax invoices, work stoppages, paid leave, etc. All payroll calculations are checked and reconciled with the accounting system.

### Review of pay slips and salary certificates (including appendices)

We make sure that pay slips are drawn up correctly, and that all the relevant sections of the salary certificate are correctly completed according to each employee's situation.

### Review of employee plans and their implementation by the company

We ensure a correct application of the participation plan (stock plan, option plan, RSUs, ...) in accordance with tax regulation, a correct preparation of the relevant appendices to Swiss salary certificates and ensure a correct reporting in the personal tax return of employee who benefit from the participation plan.



# External payroll audit

## Review of the company's source tax treatment

We ensure that source tax is correctly levied on the basis of each employee's personal situation. We also make sure that these are correctly settled and recorded in the accounting records of the company.

## Review of the expense settlements implemented by the company

We make sure that the company is correctly applying the expense rules previously validated with the tax authorities. If we identify any inconsistencies, we will list these so that the company can make the necessary adjustments.

## Risk analysis of permanent establishment in Switzerland or abroad

We make sure that the Swiss company does not have any permanent establishment abroad or in another Swiss canton that may trigger tax requirements in these States. This will be analysed based on where the employees work.

## Review of the situation of cross-border workers and Swiss posted workers

We ensure that the company correctly applies the provisions relating to teleworking, in particular with neighbouring countries, in order to avoid the Swiss company becoming subject to the social security system of a third country. Similarly, we ensure that any Swiss workers seconded abroad comply with the strict conditions of secondment, in order to avoid the Swiss company becoming subject to third-country social insurance.

## Review of the implementation of collective labor agreements and their proper application

We ensure that the collective labor agreements for each sector and canton are correctly applied in terms of regulations and wage setting.

## Review of employee work permits

We ensure that work permits are up-to-date for each employee (type, expiry date).

## Review of the calculation of the private vehicle share, its accounting and VAT treatment

We make sure that the private portion of the vehicle is correctly declared in the salary certificate and VAT returns.

## Family allowance review

We ensure that family allowances are allocated on the basis of CAF decisions, according to the situation of each employee, and correctly deducted from salaries.

Contact us !

Scan this QR code and Contact us directly on our website.



# ABOUT RSM

## RSM Network

120 countries connected, a homogeneous approach with high added value

Whichever the country in which you operate may be, you have access to the whole RSM network. Our teams commit to the consistent quality of their projects in order to bring trust and security into your operations.

### A single point of contact and unique partner

We know that your time is precious. Your unique contact point at a high level is the relay of your needs at the heart of the network. It can make exchanges flow more smoothly, mobilise the local or international skills necessary whatever the destination of your ambitions may be

### A variety of skills for tailored-made solutions

Together, we make our best skills, expertise and our sectorial knowledge available to you in order to help you reach your objectives. This expertise can help you enhance your business efficiency, reduce costs, control risks and become more competitive.



**65,000**  
People worldwide



**900**  
Offices



**120**  
Countries

**6%**  
Revenue  
growth in 2024  
to US\$ 10bn

## RSM Switzerland – A human scale approach for a local and global delivery

RSM in Switzerland has chosen to have a targeted presence in the country's main economic centres with offices and teams structured to cover the entire territory, both geographically and linguistically.

- 1** NATIONAL ENTITY
- 3** OFFICES
- 12** PARTNERS
- 130+** PEOPLE



GENEVA | LAUSANNE | ZURICH