

Payslip explanation (example assuming PAYE employment)



Your name and your unique reference ID, which appears on your Ship Shape Payment Card

The national insurance number you supplied and your Tax code as calculated by the HMRC

Non-Labour revenue included in the contract works

Contract works are discounted to allow for contract administration services and £2.99 per week for insurance (only in weeks that you work)

The total value of the contract works

The holiday pay is reinstated and paid out to you

Statutory tax deductions based on your gross pay

Cumulative tax paid for the tax year (which runs 6th April to 5th April).

SUB-CONTRACTOR DETAILS	
Employer: Ship Shape Payroll Limited	Payment Period: One Week to 01 Oct 2010
Employee: Smith, John	Transaction Date: 06 Oct 2010
Operative ID: OP060700	Payment Method: BACS (Two Working Days)
NI Number: AB123456C	Payment Date: 08 Oct 2010
Tax Code: 647L	

SHIP SHAPE INVOICE TO END CONTRACTOR	
Contract Works	592.61
Materials	0.00
Expenses	0.00
Administration	16.90
Client Subsidy	0.00
Insurance	2.99
Sub-Contractor Costs	612.50
VAT	0.00
Total Invoice	612.50

Statement of Income & Expenditure for Ship Shape Payroll Limited	
REVENUE	592.61
COSTS	
LESS: GROSS PAY	441.95
LESS: Holiday Pay on account	53.34
LESS: Employers NI	49.32
LESS: Business Expenses	48.00
Net P&L Before Tax	0.00
Corporation Tax	0.00
Net P&L After Tax	0.00
YTD Business Expenses:	432.00

Employee Payslip Smith, John	
GROSS PAY	441.95
ADD: Holiday Pay on account	53.34
LESS: PAYE Tax	74.20
LESS: Employee NI	42.38
Net Pay	378.71
ADD: Business Expenses	48.00
Total Pay	426.71
YTD Gross Pay:	10,126.74
YTD Holiday Pay on account of	1,222.19
YTD PAYE Tax Paid:	1,597.40
YTD NI Paid:	921.63

PAYMENT MADE TO YOUR BANK ACCOUNT	
Total Pay	426.71
Materials	0.00
Expenses	0.00
Advances	0.00
Bank Charges	0.00
Other Additions / Deductions	0.00
Comments	(None)
Total Payment Made	426.71

The period of contract works and the date payment was sent to you

The method by which your payment was transferred and the date you should expect to receive your payment

Holiday pay is calculated pro-rata, based on your level of gross pay

The statutory National Insurance amount that we must withhold on your behalf

The expenses you submitted that were allowable and could be allocated with this pay

Cumulative expenses in the tax year (from 6th April to 5th April)

Additions / Deductions you received with this pay

The reason for you receiving any Additions or Deductions with this pay

Money paid into your account

Example