


dh dhpayroll



What's in your payroll?

dh davidhoward

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Your payroll documents outlined

This guide is designed to help you understand your payroll documents and the information they contain.

What you should expect to receive in your payroll:

- Cover letter
- Wages book
- Employee Payslips
- PAYE Letter (QUARTERLY)
- Monthly Summary (QUARTERLY)
- Pension letter (To be given to Employees)



Cover Letter

Each month, you will receive a *cover letter* with your payroll.
It is important that you check your cover letter as it will inform you if any payments are due to HMRC. From time to time, we may include information about deadlines and any other useful information.

Here is an example of what the COVER LETTER will look like;



Mr D Howard
1 Park Road
Hampton Wick
Surrey
KT1 4AS

17/10/2022

Reference: 51550 - 10

Dear David

OCTOBER PAYROLL

Please find enclosed your payroll for October 2022.

Please note changes to static payrolls for December need to be received by **30th November**. Timesheets for non-statics should be sent to us by **9th December** for guaranteed payroll delivery by the Christmas break. Our office will be closed from Monday 26th December until Tuesday 3rd January.

If you have any queries, please contact the office on 0800 029 7070, or email payroll@davidhoward.co.uk

Yours Sincerely,

dh Payroll Team

David Howard Limited

The Payroll Deadlines and important information for next month's payroll can be found on

www.dhdirectpayments.co.uk/blog/

Wages Book

The *Wages Book* is a breakdown of the payslips for each Employee. It's useful to the Employer, as it includes a breakdown of amounts that may be deducted from the Employees **GROSS** pay as well as the amount of **NET** pay, the Employee will receive.

Here is an example of what the WAGES BOOK will look like;

Co. No: 51550

Wages Book
2023 M7 (31/10/22)

Page 1 of 1
17/10/22

David Howard Dummy

E'ee Code	E'ee Name	Total Gross	E'ee Pension	Tax	E'ee NI	Misc A/Tax	Student Loan	Net Pay	SSP	Parental Pay	E'er Pension	E'er NI
A002	Joe Blogs	992.00	-18.88	0.00	0.00	0.00	0.00	973.12	0.00	0.00	-14.16	0.00
A005	John smith	130.00	0.00	-26.00	0.00	0.00	0.00	104.00	0.00	0.00	0.00	0.00
2 emps in Dept A		1122.00	-18.88	-26.00	0.00	0.00	0.00	1077.12	0.00	0.00	-14.16	0.00
2 employees		1122.00	-18.88	-26.00	0.00	0.00	0.00	1077.12	0.00	0.00	-14.16	0.00

GROSS PAY = The total amount of money before deductions are made for National insurance, tax, pension contributions, student loan etc.

NET PAY = The total amount the Employee gets paid after deductions.

Please note that the figures shown are examples only

Employee Payslips

You will need to provide your Employees with a copy of their own *payslip* each month.

It's a good idea for your Employees to keep a record of their earnings and tax payments in case there is a problem, and they need to check old details.

Payslips will show:

- The amount of pay before any deductions (**GROSS** wages),
- Deductions like tax and National Insurance
- Pay after deductions (**NET** wages) the number of hours worked, if the pay varies depending on time worked.

Here is an example of what the PAYSリップ will look like;

Joe Bloggs 123 Any street Any town AB12 CDE					David Howard Dummy 1 Park Road Hampton Wick Surrey KT1 4AS				
Payslip									
Name: Joe Bloggs					Company: David Howard Dummy				
Tax Period: Month 7	Interval: 1	Date: 31/10/22	Number: A006	Dept: A	NI Number:	NI Code: A	Tax Code: BR	PAYE Ref:	
GROSS PAY ITEMS					OTHER ITEMS				
Gross Pay @ 10			3	30.00	National Insurance			0.00	
Pa Bonus				100.00	Tax			-26.00	
					NET PAY				
					£104.00				
					APay				
Taxable Gross: 130.00	Gross to Date: 130.00	Tax to Date: 26.00							
HP Accrual: 15.69	HP Accrual to Date: 15.69	Employer's NI: 0.00	Employer's Pension:						
<small>Produced by Superpay</small>									

Please note that the figures shown are examples only

PAYE Letter

The majority of our clients will receive a *PAYE letter* quarterly. You should expect to find these within your documents, in June, September, December & March. The letter informs you of the amount of Taxes due to HMRC as well as how to make a payment to HMRC directly.

Here is an example of what the PAYE Letter will look like;

Dear David

PAYE PAYMENT

The amount of PAYE & NIC due for the period October to December is as shown below.

Your payment to the Collector of Taxes must be received by HMRC between the 6th and 19th of January. Please see the second sheet for payment methods.

The HMRC will impose penalties on late payments, and can incorrectly allocate early payment, so it is imperative that all payments are paid within the recommended timescale.

If you cannot pay on time or in full you need to call 0300 200 3835.

Tax	£500.00
NIC	£40.00
Student Loan	£0.00
Parental Leave	£0.00
Employment Allowance	-£34.00
	£0.00
Total	£506.00

Here is an example of what page 2 of the PAYE Letter will look like;

HM Revenue and Customs preferred payment method is by Direct payment from your bank. The details for this are as follows:

Payment Amount	£506.00
Account Name	HMRC Cumbernauld
Account Number	12001039
Sort Code	08-32-10
Accounts Office Reference	N/A 2309

Please note that the figures shown are examples only

Monthly Summary

The majority of our clients will receive a *Monthly Summary* quarterly. You should expect to find these within your documents, in June, September, December & March. The summary will show you the monthly amounts that have been payable to HMRC.

Here is an example of what the 'MONTHLY SUMMARY' will look like;

Co. No: 99584

Monthly Summary Year 2022-23

	Tax	Student Loans	Total NI	Emp. Allow.	Apprentice. Levy	Parental Reclaim	Parental NI Comp	Total Due
Month 1	30.20	0.00	37.83			0.00	0.00	
Month 2	30.40	0.00	37.83			0.00	0.00	
Month 3	30.40	0.00	12.81			0.00	0.00	
Total Q1	91.00	0.00	88.47	-60.79	0.00	0.00	0.00	118.68
Month 4	74.60	0.00	0.00			0.00	0.00	
Month 5	30.40	0.00	24.70			0.00	0.00	
Month 6	30.40	0.00	11.39			0.00	0.00	
Total Q2	135.40	0.00	36.09	-36.09	0.00	0.00	0.00	135.40
Month 7	92.00	0.00	12.68			0.00	0.00	
Month 8	0.00	0.00	7.40			0.00	0.00	
Total Q3	92.00	0.00	20.08	-20.08	0.00	0.00	0.00	92.00
Totals	318.40	0.00	144.64	-116.96	0.00	0.00	0.00	346.08

Please note that the figures shown are examples only

Pensions Letter

When a new employee starts, they will need to be assessed for their eligibility for the pension scheme. You will receive a *Pensions letter* explaining the process with your first payroll and then again if you employ a new PA.

Here is an example of what the 'PENSIONS LETTER' will look like;

Workplace pensions – a change in the law that affects you

Dear

To help people save more for their retirement, all employers are now required by law to provide a workplace pension scheme for certain staff and pay money into it.

We must enrol any of our staff who meet all of the following criteria:

- You earn over £833.00 per month
- You are aged 22 or over and
- You are under state pension age

If you meet these criteria on you will be automatically enrolled into our workplace pension scheme. We will write to you again if this happens. You can join the scheme before this date if you wish (see [How to join](#) below).

If you don't meet the criteria, you won't become a member of the scheme automatically but if in the future you earn more than £833.00 per month, or turn 22, we will enrol you into the scheme and let you know.

If you don't meet the criteria you can also ask to join the scheme now or in the future.

If you ask to join you will put money into the pension each month directly from your pay, and the government may also contribute through tax relief. If you earn over £520.00 per month, when you ask to join, the minimum amount you will put into the scheme will be 5% of your earnings. We will also contribute to the pension on your behalf. If you earn less than £520.00 per month when you ask to join we are not obliged to contribute.

How to join

To join the scheme, now or in the future, tell us in writing by sending a letter which has to be signed by you. Or if you send us an email, please include the phrase, 'I confirm I personally submitted this notice to join a workplace pension scheme.'