

A Pay Services Payslip Explained

Our step by step guide explains how our payslips are calculated.



We have included figures below as an example, based on a 1257L tax code and 40hrs p/w @ £20ph.

Step 1 - Total Umbrella Income

Total Umbrella Income: £800

This is the amount invoiced by us paid to A Pay (the umbrella) by the client/agency.

This is made up of hours/days worked at agreed agency rates plus any reimbursed expenses/bonuses, etc.

£800

Your rate will be inflated to account for employers cost and holiday pay.



Step 2 - Less Margin & Employers Costs

Less Margin: £15.00

This is our deduction for the services we provide.

Less Employers NI + Levy: £87.67

Less Employers Pension: £16.82

This is the amount of Employers Costs payable to HMRC and the pensions provider deducted from Umbrella (A Pay) income.



HM Revenue & Customs

Step 3 - Gross Pay

So your Gross Pay consists of:

Basic Pay: £488.40
+ Holiday Pay: £73.29
+ Additional Taxable Wage: £118.82
= Gross Pay Total: £680.51

Basic Pay

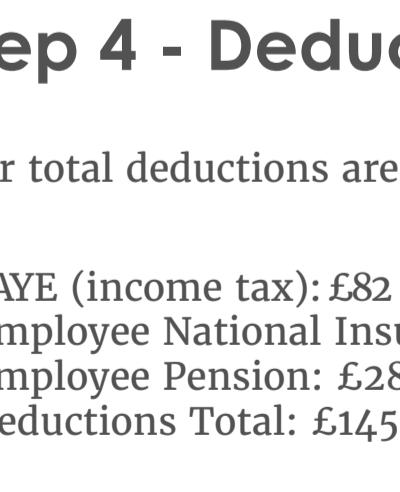
This is National Living Wage (NLW). Calculated at hours worked x £12.21 (NLW). (Over 21 years old).

Holiday Pay

Worked out as a percentage of your commission + basic pay, usually 12.07%

Additional Taxable Wage

This is what's left from your gross pay after basic & holiday pay have been allocated.



Gross pay: £680.51
- Deductions total: £145.11
= Net Pay: £535.40

Your net pay is then calculated:

Your total deductions are then calculated:

+ PAYE (income tax): £82
+ Employee National Insurance: £35.08
+ Employee Pension: £28.03
- Deductions Total: £145.11

For more information on how A Pay Services can help call:
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www.apayservices.co.uk

