Chapter One: Getting Started

Introduction to Payback

Payback has a unique user interface that was designed in conjunction with Payroll Professionals. It is suitable for all sizes of companies, from payroll bureaux to small, single company employers.

Features and benefits include;

- Pay weekly, fortnightly, four-weekly, monthly, two-monthly, quarterly, four-monthly, six-monthly or annually
- Full statutory calculations for SMP (maternity pay), SPP (paternity pay), SAP (adoption pay), SSP (sick pay)
- PDF and Microsoft Excel Integration
- Blank paper, pre-printed or email Payslips with preview
- Full payment history and an easy rewind facility
- Set up Cost Centres, Departments and Job Costing

Installation

The demonstration version of Payback allows you to process two payments for each employee. If you wish to process more than two payment periods you must have a valid Licence Code. Please phone 0844 202 0109 or visit www.paybackpayroll.co.uk to get a Licence Code.
If you are upgrading from an older version, the installation process is the same.

Installation from a CD

Before using the Payback CD, make sure that your CD-ROM drive is properly installed.

1. Put the Payback CD into your CD-ROM drive.
2. Payback should automatically install. Follow the on-screen instructions to complete the installation.
3. If Payback does not automatically install when you insert the CD, open the **start** menu and choose the **Run** option. The Run dialog box appears.
4. In the Open text box type **D:\setup.exe** then choose the **OK** button. If you are installing from a different drive replace D:\ the above command with the appropriate letter.
5. Follow the on-screen instructions to complete the installation.

Installation from the Internet

The file size is about 8Mb. If you have a dial-up connection, this will take about 30 minutes to download. If you have broadband, it should only take about 4 minutes. Payback can be downloaded from our website, www.paybackpayroll.co.uk

Run **Payback.exe** and follow the on-screen instructions to complete the installation.

Running Payback

When the installation process in complete, you should see a Payback icon on your desktop. Double-click this to run the program.
The first time you run the program, you will be asked if you want to run payback in **Wizard mode** or **Classic mode.** You can switch between **classic** and **wizard** modes at any time, while you are using the software. Wizard mode helps you set up your payroll by asking you a series of questions. In classic mode, you are free to enter information in whatever order you wish.
Use the **Lifesaver** icon at the top right of the screen to see on-screen guidance relating to the current function.
Click the **Wizard Hat** at the top right of the screen to enter **Wizard mode.**
The **main menu** is down the left hand side of the screen.

The steps to running your first payroll are:

1. Type in your company details.
2. Enter your employees' information.
3. Process the payroll.
4. Produce reports.

Upgrading

Payback should automatically detect old versions and copy across the data. However, sometimes you will have to do this manually (for example, if you are running a networked version of Payback)

Manually Upgrading

If you have previously installed Payback, and are upgrading to a newer version, please follow these instructions to import your payroll information.

BACKUP your database before installing the new version.

1. Exit from Payback if it's running
2. Install the update (refer to installation instructions above)
3. When the installation is complete, start up Payback.
4. Click **Admin** on the left hand menu
5. Click the **Support** Icon
6. Select **Upgrade** tab
7. Click the **Upgrade** button.

Payback will search for any old versions and copy across your payroll information. You will not be able to upgrade if you enter any information into the new version prior to following the above instructions. This is to prevent accidental deletion of data.

Support

If you need more information about a particular screen within payback, click on the **Lifesaver** icon at the top right of the screen. A help window will appear along the left hand margin of the window, detailing the screen's main functions. When you have finished reading this window, click on the **x** at the top of the help window to close it.

If the help window doesn't fully explain what you want to do, and it's not in this manual, please refer to the support section of the payback website:
http://www.paybackpayroll.co.uk/support.html

If you still are having problems, then please email us on support@paybackpayroll.co.uk or call our support helpline on 0844 202 0109. We have a range of support options.

If your question is a general question about PAYE (Income tax), National Insurance contributions or other employment issues then please refer to the following:

- Your Local Tax Office
- HM Revenue & Customs
  www.hmrc.gov.uk
- Business Link (advice for businesses)
  www.businesslink.gov.uk
- Department for Business, Enterprise and Regulatory Reform www.berr.gov.uk

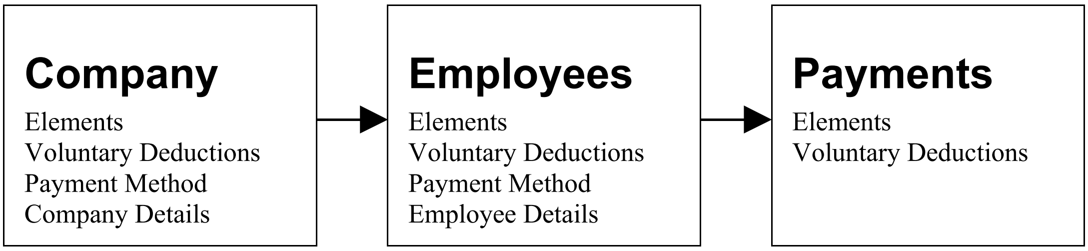
Documentation

- This **User Guide** contains a general description of the most important parts of Payback Payroll software.
- Payback is regularly updated and improved. Due to this, there may be variations between this user guide and the detailed operation of the latest version of Payback.
- The help text that is displayed within payback when the **Lifesaver** icon is clicked will always be up to date.
- For the most up-to-date help, please refer to our website. (www.paybackpayroll.co.uk)
- For help on the PAYE system, please refer to the HM Revenue & Customs website (www.hmrc.gov.uk). They have detailed guides that are free to download.

Chapter Two: How Payback Works

Summary

- Payback contains all the procedures, formulas, rates and rules for calculating PAYE, NI and statutory payments. All information is stored for each year, allowing previous years to be easily accessed.
- Payback is different from most other payroll packages in that it stores all the information that was used to pay an employee for a period, instead of just storing year to date totals. This means that old payslips and reports can easily be produced at any time, even years later.
- This also means that mistakes can be corrected at any time, without having to rely on cumbersome backups.
- Future inspection of your payroll does not depend on reports being printed out.
- When you first start payback, you need to input your company details, then employee details, and then you can process a payroll. Once you've finished processing the payroll, you can produce reports (P30s, payslips etc)
- There are three components Companies, Employees and Payments. These are outlined in the diagram below.



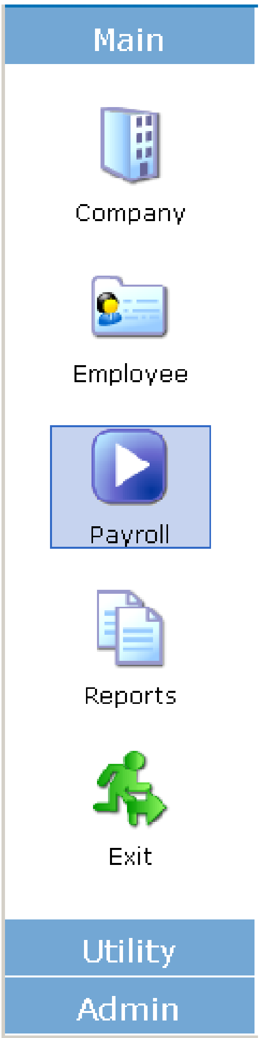
- Payback can be kept up-to-date by ensuring that you've registered your copy. Please ensure you register your copy so that you're on our update mailing list. You can register via our website, www.paybackpayroll.co.uk, or by phone, 0844 202 0109.

The User Interface

The main menu is along the left hand side of the screen. Use this menu to navigate through the different screens of payback. The menu is split into three sections, **Main**, **Utility** and **Admin**. Under each section are different icons, representing the different screens. To select a section, click on it. (The section's icons will be displayed.) Click on the icon to enter the screen. When an icon is selected, a blue box is displayed around the icon.

Main Menu

Click the **Main** section and the following icons will appear



Company – Company setup screen. Before you can enter any employees, you first have to set up at least one company. The minimum information you need is the company name. All company details are on this screen.

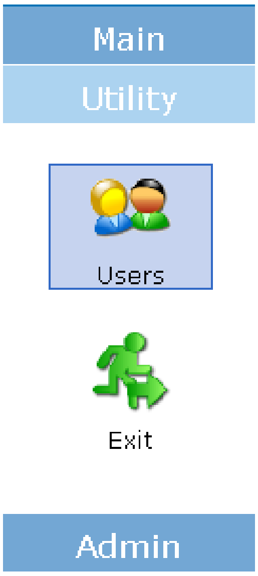
Employee – Employee details screen. This is where you record all the information about your employees. You need to type in this information before you can run a payroll. The minimum information you need is the employee's surname. Salary details, NI letter and Tax code are recorded here.

Payroll – After you've set up a company and employees, you may process a payroll. This is the main Payroll Screen where all the processing is done.

Reports – Print Statutory returns, generate files and view other payroll reports (holidays, costs etc.)

Utility Menu

Click the **Utility** section and the following icons will appear.



Users – Set up multiple users with passwords and levels of security.

Exit - When you've finished using Payback, click this icon to exit the application.

(Note the button with the arrow on it. This lets you see more icons if the window is too small to display them)

Admin Menu

Click the **Admin** section and the following icons appear

Options – This screen allows you to Register Payback, format cheques and set up Preferences

Audit Log – This is a security feature. It lets you view all the actions that have taken place in Payback.

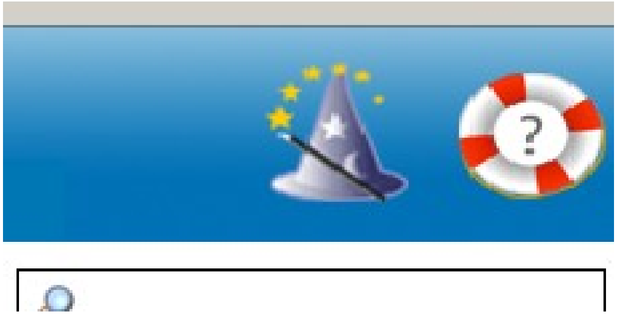
Nominal Link –Use this facility to export payroll data to accounts packages. Configure payment periods and nominal codes.

Backup – When you wish to backup data, or restore old data, use this icon.

Support – Use this when requested to by a Payback technician. There is an upgrade facility here for copying across your records when upgrading Payback to a newer version

Exit - When you've finished using Payback, click this icon to exit the application.

Help



The Wizard's Hat icon at the top right of the screen allows the user to enter Wizard Mode. Wizard mode helps you set up your payroll by asking you a series of questions.

Click the Lifesaver icon for help. A help window will appear along the left hand margin of the window, detailing the screen's main functions.

Classic Mode

When Wizard Mode is selected, you can revert back to Classic Mode by clicking the **Classic Mode** button at the bottom of the wizard screen.

Tabs

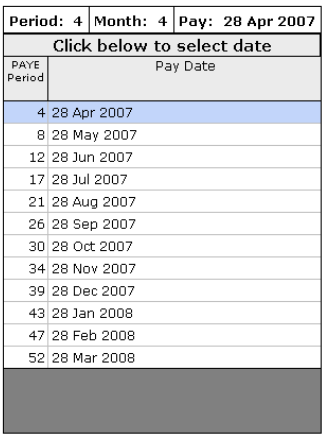
Most screens in Payback have tabs. By clicking on the tabs different information can be viewed.

Report Tool Bar

From Left to Right
Table of Contents – For most reports in Payback, this isn't used.
Print… - Click this to setup the printer and print a report.
Copy – Copies report data to the windows clipboard. From there it can be pasted into other applications, such as spreadsheets etc.
Find – Finds specific text in a report. Useful for large reports of hundreds of employees.
Single Page – Displays one page at a time.
Multiple Pages – Display more than one page at a time on the screen.
Zoom Out – View more of the report.
Zoom In – Home in on certain areas of the report. (Magnify)
Zoom – Select from the list a zoom percentage.
Previous Page – Go to the previous page in the report. Disabled if you are on the first page of a report.
Next Page – Go to the next page of the report. Disabled if you are on the last page.
Excel – Exports data to an excel file
PDF – Create a PDF from the report

Selecting a Period in a Report

Some reports in Payback are based on Pay Periods, others are monthly and some are annual reports.



Reports based on Pay Periods

Click on the period (PAYE Period) to select the period to display the report for. The row will true blue to indicate that the period has been selected. In the figure opposite, period four has been selected.

If you are paying your employees fortnightly, every second week of the year will be displayed.

For four-weekly paid employees, you will only be able to select every fourth week.

Monthly and Annual Reports

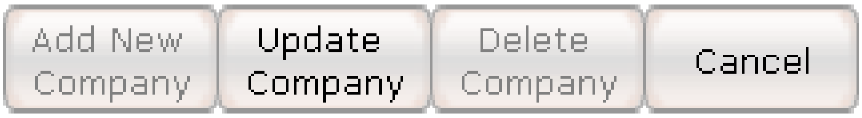
The Calendar may show different date ranges depending on which report was selected.

Certain reports (such as P30s) are calculated on a monthly basis. Other reports, such as P60s, are annual. The calendar does not appear for annual reports.

Buttons at the top of the screen

At the top of most screens in payback are buttons. Here is a short description of what each of these do:

Company Screen



Add New Company – Click this to add a new company. The details at the bottom half of the screen will blank out (if you had already selected a company), ready for you to key in your company information. Click **Update Company** once you've finished inputting the details. Click **Cancel** if you change your mind, and no longer wish to set up a new company at this time.

Update Company – If you have already set up a company, and wish to change some of the details, and then select the company from the company grid, make the changes, and then click **Update Company**. This button will save your changes.

Delete Company – Select a company from the grid, and click **Delete Company** if you wish to permanently delete the company. You will only be able to delete companies with zero employees. This is a safety feature to prevent loss of data. (NOTE: You may have to delete all the employees of a company first, before you can delete the company. Only employees who have had no payments processed can be deleted, so you may also have to rewind all the pay periods for each of the employees)

Cancel – This button appears when you are adding a new company. Click **Cancel** if you change your mind about adding a new company.

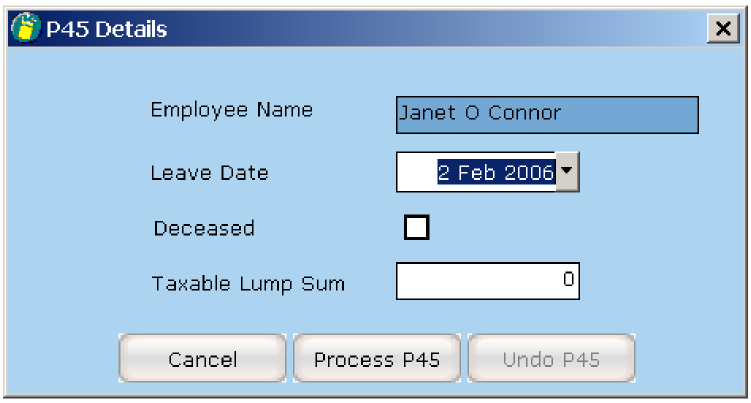
Employee Screen

Add New Employee – Click this to add a new employee to the company you've set up (the company name is displayed in the company drop down list at the top of the screen). The details at the bottom half of the screen will blank out (if you had already selected another employee), ready for you to key in your employee's information. Click **Update Employee** once you've finished inputting the details. Click **Cancel** if you change your mind, and no longer wish to set up a new employee at this time.

Update Employee – If you have already set up an employee, and wish to change some of the details, and then select the employee from the employee grid, make the changes, and then click **Update Employee**. This button will save your changes.

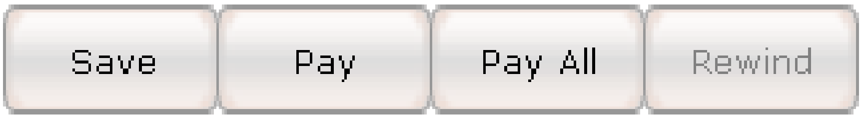
Delete Employee – Select an employee from the grid, and click **Delete Employee** if you wish to permanently delete the employee. You will only be able to delete employees who have not been paid. This is a safety feature to prevent loss of data. (NOTE: You may have to rewind all the pay periods for each of the employee before deleting)

P45 – If an employee leaves the company, you can issue a P45. Click this button and the P45 screen will appear.



Cancel – This button appears when you are adding a new employee. Click **Cancel** if you change your mind about adding a new employee.

Payroll Screen



Save – The pay details can be saved without having to process a period. This function is useful if you wish to input all the details of each employee first, before processing the payment. Saving the pay details does not process the period.

Pay – When you are happy that the payment details are correct, click this button to process the payment for the highlighted employee. Only the selected employee will be paid. Once paid, the employee details will turn from bold to normal text on the employee grid.
NOTE: Clicking the **Pay** button doesn't transfer any money. If you make a mistake, you can easily undo it.

Pay All – When all of the employees have the correct payment details, click this button to process the period for all the listed employees. The employee details in the employee grid will change from bold to normal text. This indicates that they've been paid.

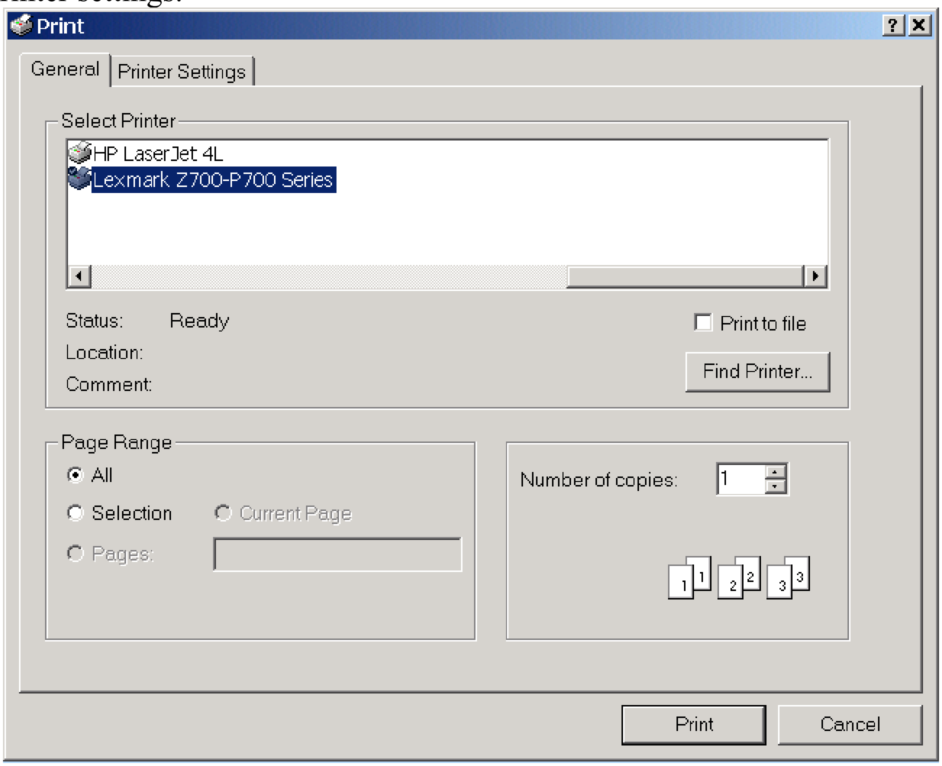
Rewind – This undoes a processed period for the highlighted employee. It will only reverse the pay for the currently selected employee. Only the last period paid can be rewound. Refer to the **history** tab at the bottom half of the screen to see which periods have been processed.

Reports Screen

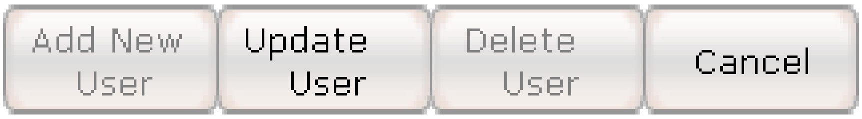
Preview Report - Select the report you wish to view from the bottom half of the screen. Click **Preview Report** to view the report. NOTE: This doesn't print the report. Sometimes this button will have a caption of **Create file**.

Print Report – Sends the report directly to the printer, without previewing it first. This button is sometimes greyed out.

Printer Setup – This displays the windows printer dialogue box. Use this to change your printer settings.



Users Screen



Add New User – If more than one person is going to use Payback, additional users can be set up. To keep payback secure, each user can have a password. Any actions performed by the user are recorded in the audit log. Click **Add New User** to set up a new user. The details at the bottom half of the screen will blank out, ready for you to key in the user's information. Click **Update User** once you've finished inputting the details. Click **Cancel** if you change your mind, and no longer wish to set up a new user.

Update User - If you have already set up a user, and wish to change some of the details, and then select the user from the user grid, make the changes, and then click **Update User**. This button will save your changes.

Delete User - Select a user from the grid, and click **Delete User** if you wish to permanently delete the user.

Cancel - This button appears when you are adding a new user. Click **Cancel** if you change your mind about adding a new user.

Options Screen

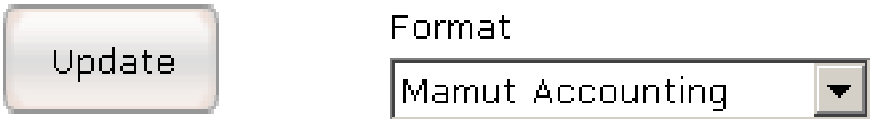
Update – To save any settings, including registration details, click the **Update** button.

Audit Log Screen

Clear Log – It may be necessary to clear down the audit log if the database size gets too large.

Print Log – Click this to print an audit report.

Nominal Link Screen



Update – Use this to update any changes you've made in the Nominal Link screen. (warning, changing nominal codes may cause unexpected results when uploading payroll data to your accounts package)

Back up

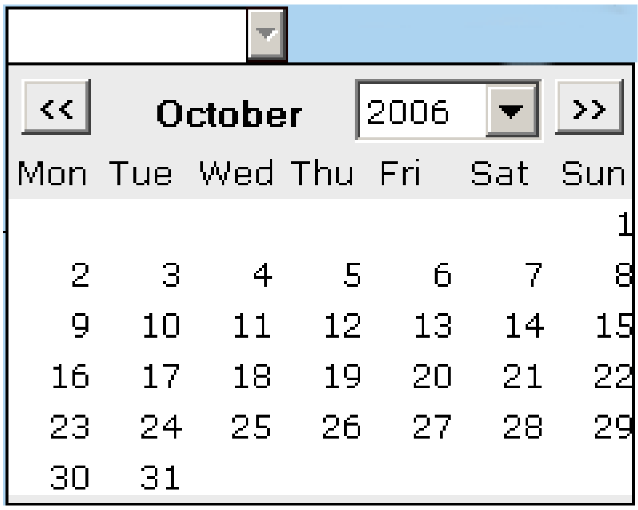
(There are no buttons on this screen)

Support

(There are no buttons on this screen)

Entering and editing Information

- The basic operation of Payback follows standard Windows practice.
- To enter or edit an item of data, click the item and enter or edit the item. When the item is selected, the data will be highlighted.
- Where a date is required, you can enter it in a variety of formats. Dates will be automatically converted to **dd MMM yyyy**. For example, **1/12/04**, **1-12-04**, **1/dec/04** will all be converted to **1 Dec 2004**.

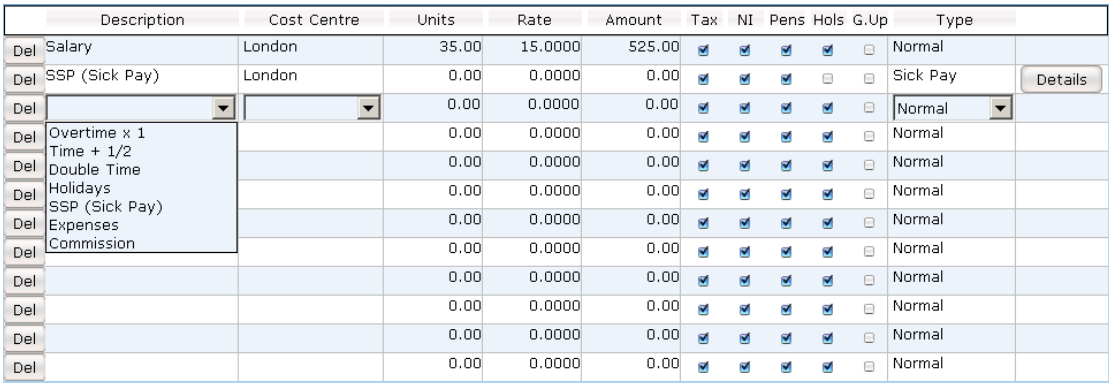


You can also use the calendar to select a date:

Click on the down arrow next to the date and a calendar will appear. To change the month, click << to go back, or >> to go forward. To select a year, use the **drop down year list**.

- Right clicking on an item of data will display the windows context sensitive menu.
- **Ctrl+C** will copy selected data to the clipboard and **Ctrl+V** will paste data from the clipboard to the current cursor position. **Ctrl+X** is used to cut, and **Ctrl+Z** is undo.
- Pressing **Tab** will move the cursor to the next field.

Entering and editing data in Grids



Grids in payback behave in a similar way to those in popular spreadsheet applications. To enter or change data, click on the grid. A cursor will appear in whatever cell you clicked on. If you clicked on the **Description** column, a drop down list will appear, with a down arrow at the right hand side. Click this arrow to see a list of entries (see figure above). Click on an entry to select it. If you have set up Cost centres, then a ‘Cost Centre’ column will appear.

Certain rows in the grid (Maternity Pay, Holidays and Sick Pay etc) will have a **Details** button in the right hand column. Click **Details** to see more information about how this entry is calculated.

Using lists

Lists are often displayed within payback, such as a list of employees or companies. To select a company or employee, click on the appropriate row of the list. The row will be highlighted in blue to indicate that it has been selected.

Sorting

Lists can be easily sorted in Payback. Just click on the column heading that you wish to sort by. The column heading will be highlighted in blue to indicate that the list has been sorted. Clicking a heading twice will toggle the list from ascending to descending (or alphabetical; ‘a’ to ‘z’, to reverse alphabetical; ‘z’ to ‘a’.)

Frequency	ID	Surname	NI No.	Dept.	Cost.		Last Run
Weekly	**109**	**Chris Barker**	**ST123461U**	**Personnel**	**Birmingham**		
Weekly	**105**	**Stephen Brennan**	**KL123451M**	**Accounts**	**Brighton**		
Weekly	**110**	**Harry Brown**	**UV123462X**	**Personnel**	**Brighton**		
Weekly	**107**	**Mark Burns**	**OP123453Q**	**Accounts**	**Liverpool**		
Weekly	**112**	**Larry Capstick**	**YZ123464A**	**Shop Floor**	**Birmingham**		
Weekly	**100**	**Linda Cummins**	**AB123456C**	**Shop Floor**	**London**		
Weekly	**102**	**Mary Feeney**	**EF123458G**	**Shop Floor**	**Liverpool**		
Weekly	**101**	**Dave Hope**	**CD123457E**	**Shop Floor**	**Birmingham**		
Weekly	104	Patrick Morrow	IJ123450K	Personnel	London	1	17 Oct 2007
Weekly	**108**	**Janet O Connor**	**QR123454S**	**Accounts**	**Liverpool**		
Weekly	103	Eamon Roche	GH123459I	Sales and Mark	London	1	17 Oct 2007

The above list of employees above has been sorted alphabetically by surname. ‘Harry Brown’ has been selected.

Frequency	ID	Surname	NI No.	Dept.	Cost.		Last Run
Weekly	106	Emma Wright	MN123452O	Accounts	Brighton	1	17 Oct 2007
Weekly	**111**	**Richard Wiseman**	**QX123463Y**	**Shop Floor**	**London**		
Weekly	103	Eamon Roche	GH123459I	Sales and Mark	London	1	17 Oct 2007
Weekly	**108**	**Janet O Connor**	**QR123454S**	**Accounts**	**Liverpool**		
Weekly	104	Patrick Morrow	IJ123450K	Personnel	London	1	17 Oct 2007
Weekly	**101**	**Dave Hope**	**CD123457E**	**Shop Floor**	**Birmingham**		
Weekly	**102**	**Mary Feeney**	**EF123458G**	**Shop Floor**	**Liverpool**		
Weekly	**100**	**Linda Cummins**	**AB123456C**	**Shop Floor**	**London**		
Weekly	**112**	**Larry Capstick**	**YZ123464A**	**Shop Floor**	**Birmingham**		
Weekly	**107**	**Mark Burns**	**OP123453Q**	**Accounts**	**Liverpool**		
Weekly	**110**	**Harry Brown**	**UV123462X**	**Personnel**	**Brighton**		

In this example the surname heading was clicked twice to sort the list from ‘z’ to ‘a’. ‘Janet O Connor’ has been selected.

Filtering

Lists can be filtered. This is important if there are a large number of employees. Use the drop down combos to filter the list.

This displays only all people who are paid weekly:

Frequency	ID	Surname	NI No.	Dept.	Cost.		Last Run
Weekly	100	Linda Cummins	AB123456C	Shop Floor	London		
Weekly	101	Dave Hope	CD123457E	Shop Floor	Birmingham		
Weekly	102	Mary Feeney	EF123458G	Shop Floor	Liverpool		
Weekly	103	Eamon Roche	GH123459I	Sales and Mark	London	1	17 Oct 2007
Weekly	104	Patrick Morrow	IJ123450K	Personnel	London	1	17 Oct 2007
Weekly	105	Stephen Brennan	KL123451M	Accounts	Brighton		
Weekly	106	Emma Wright	MN123452O	Accounts	Brighton	1	17 Oct 2007
Weekly	107	Mark Burns	OP123453Q	Accounts	Liverpool		
Weekly	108	Janet O Connor	QR123454S	Accounts	Liverpool		
Weekly	109	Chris Barker	ST123461U	Personnel	Birmingham		
Weekly	110	Harry Brown	UV123462X	Personnel	Brighton		

This list has been filtered by the Department.

All employees in the ‘Shop Floor’ Department have been listed

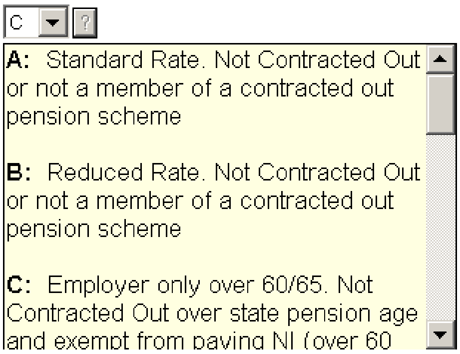
Frequency	ID	Surname	NI No.	Dept.	Cost.		Last Run
Weekly	100	Linda Cummins	AB123456C	Shop Floor	London		
Weekly	101	Dave Hope	CD123457E	Shop Floor	Birmingham		
Weekly	102	Mary Feeney	EF123458G	Shop Floor	Liverpool		
Weekly	111	Richard Wiseman	QX123463Y	Shop Floor	London		
Weekly	112	Larry Capstick	YZ123464A	Shop Floor	Birmingham		

NOTE: Filtering lists is especially important when running reports.

Special Text Entry

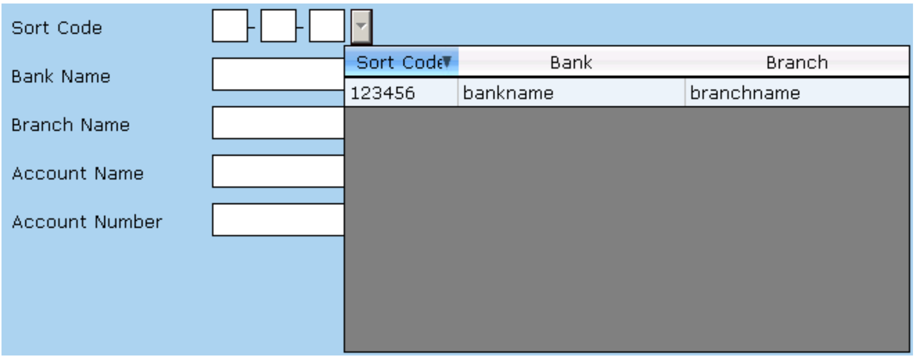
Sometimes in payback you will notice a down arrow next to a text box (like when entering a date).

Selecting a National Insurance Contribution Code.



Click on the question mark to display further information about National Insurance Codes.

Selecting Bank Information

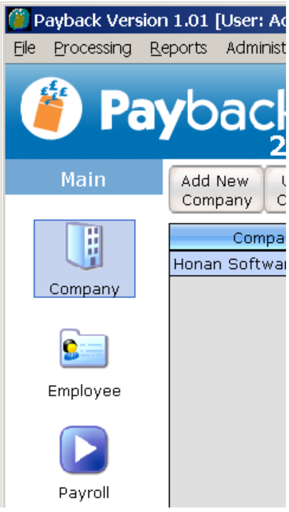


Whenever you have to enter bank information, such as sort codes etc, Payback offers a facility where you can search for the bank. Click on the down arrow next to the sort code to display the list of previously entered banks. The list can be sorted by clicking on the column headings. When a bank is selected, (by clicking on the appropriate row) the ‘Sort Code’, ‘Bank Name’, and ‘Branch Name’ fields are automatically filled in.

You can also just type in the sort code directly, without clicking the down arrow. If Payback finds the bank relating to the sort code you entered, it will automatically fill in the ‘Bank Name’ and ‘Account Name’ fields.

Chapter Three: Setting up a company

To use Payback you must first type in your company details, such as company name and employer number. Once you have your company information typed in, then you need to put in your employees' details. In order to run a payroll, Payback needs to know this information.



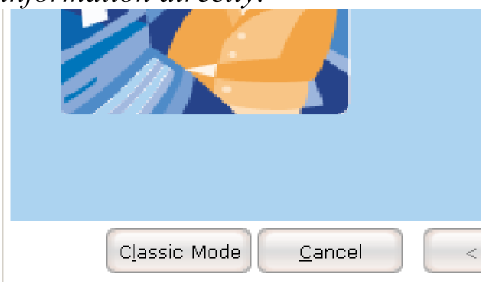
To start typing in your company details, click on the 'Company' picture on the menu at the left hand side of your screen (the main menu).

Once you have clicked on the 'Company' icon, the company screen will appear. This is where you type in your company details. There are two ways you can put the company details in, 'Wizard' mode or 'Classic' mode. When you first started up payback, you were asked to choose between:

Would you like to start in 'wizard mode'? This will guide you through the process of running a payroll.

Or

Would you like to start in 'Classic mode'? This will allow you to enter payroll information directly.

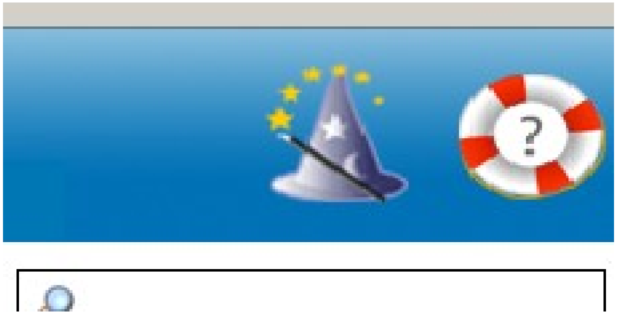


You can switch between 'classic' and 'wizard' modes at any time, while you are using the software. Click the Wizard hat at the top right of the screen to enter Wizard mode. Click 'Classic mode' to return to classic mode.

Using Wizard Mode for Company Details

If you have a large number of companies you wish to set up, then it may be quicker to use ‘Wizard Mode’. If you wish to add additional information at a later date (such as Departments or Cost Centres etc) use the ‘Classic Mode’.

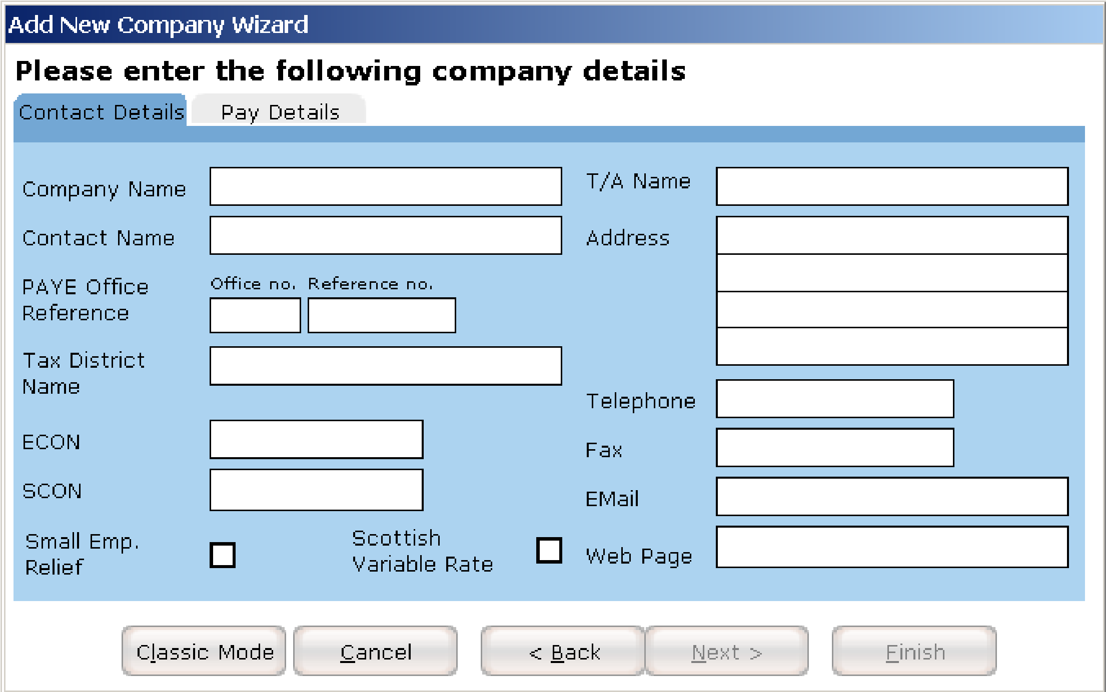
- Click the wizard hat at the top of the screen



- The ‘Add Company’ wizard screen will appear

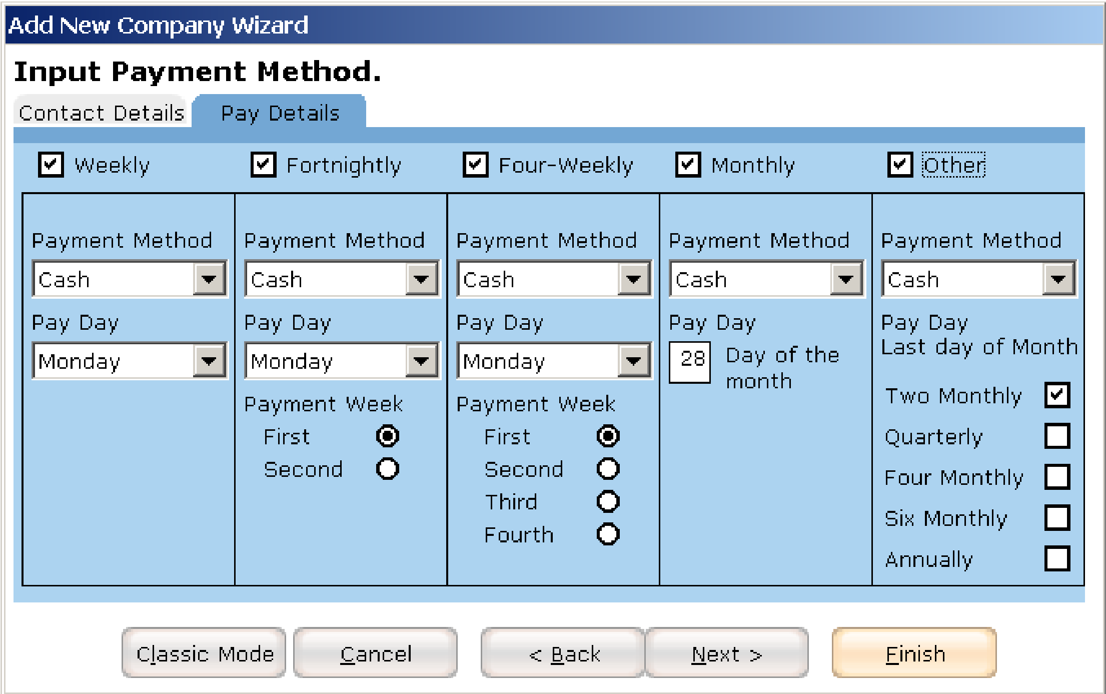
- Click the ‘Next’ button, to set up your company
- The company wizard contains the minimum amount of information required to set up a company in Payback. Once you have set up a company, you can always go back and add new information, like cost centres and departments etc.

Contact Details



- Type in all the relevant contact information for your company. The cursor will appear in the ‘Company Name’ text box. To move between fields, press the ‘Return’ key or the ‘Tab’ key.
- When you have finished entering all the information, click ‘Next >’. You will not be able to proceed until at least the company name has been entered.

Pay Details



- You can set up more than one payment frequency for your employees. Some of your employees may be paid monthly, while others are weekly paid.
- Tick which pay frequencies you wish to set up for your company. If you have Monthly paid employees only, tick the 'Monthly' check box, and then un-tick the 'Weekly' check box. You may tick as many as you like. If you have both weekly and monthly paid employees, tick both 'Weekly' and 'Monthly'.
- Select the preferred payment method for each frequency. You may select from 'Cash, Cheque or Paypath'. This will be the default setting, and can be changed for individual employees.
- Select the pay day. This is the day that your employees expect to be paid. (It is recommended to run the pay roll in advance to ensure employees are paid on time)
- Choose which week you want to pay employees.

If 'Weekly', employees will be paid every week.

For 'Fortnightly' if 'First week' is selected, employees will be paid like this:

1 Jan to 7 Jan – Week1 ← Paid here
8 Jan to 14 Jan – Week2
15 Jan to 21 Jan – Week3 ← Paid here
22 Jan to 28 Jan – Week4
etc…

For 'Fortnightly Second week', employees will be paid like this:

1 Jan to 7 Jan – Week1
8 Jan to 14 Jan – Week2 ← Paid here
15 Jan to 21 Jan – Week3

22 Jan to 28 Jan – Week4 ← Paid here
etc…

For 'Four-Weekly', employees will be paid on every fourth week, starting from the specified week. There will be 13 Payments a year (52 weeks divided by 4 equals 13). 'Four-weekly, second week' will be like this:

1 Jan to 7 Jan – Week1
8 Jan to 14 Jan – Week2 ← Paid here
15 Jan to 21 Jan – Week3
22 Jan to 28 Jan – Week4
29 Jan to 4 Feb – Week5
5 Feb to 11 Feb – Week6 ← Paid here
12 Feb to 18 Feb – Week7
19 Feb to 25 Feb – Week8
etc…

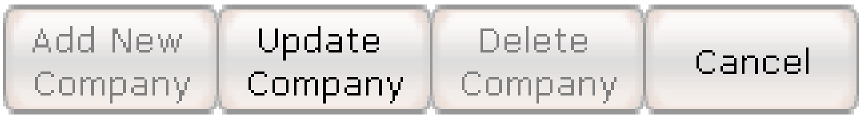
For Monthly, employees will be paid every calendar month, so there will be 12 payments a year. Type the date you wish to pay your employees (eg, 20th of month)

Company Wizard Finish

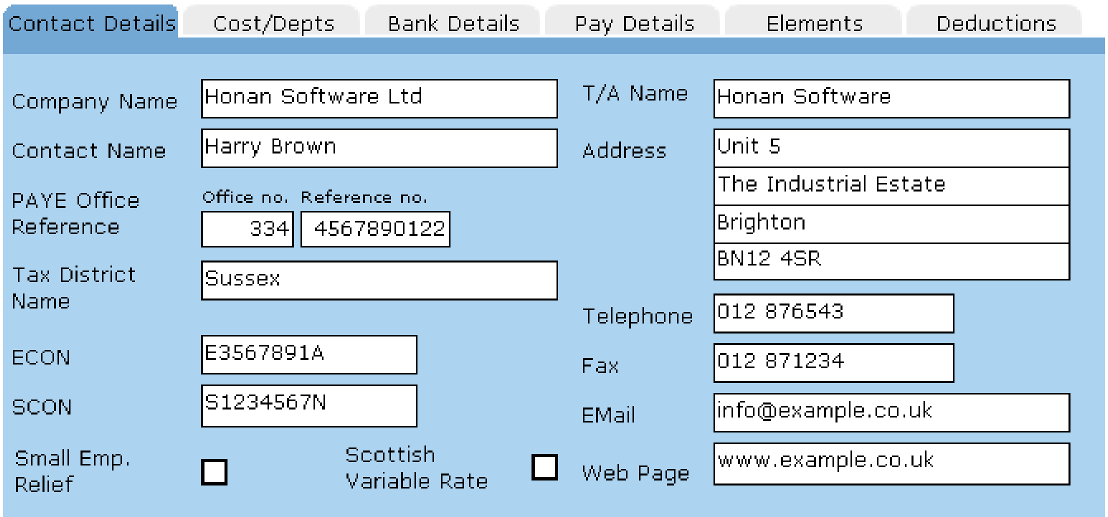
- Click the 'Finish' button once you are happy with the company details you have just entered

You are now given the choice to either add another company (If you are running a payroll bureau), add some employees to the company you've just typed in, or exit the wizard. The 'Add Company' will take you back to the start of the company wizard, and the 'Add Employees' will take you into the employee wizard (please refer to the next chapter – setting up employees). Whatever choice you make will not affect the company you've just added.

Company set up using Classic Mode

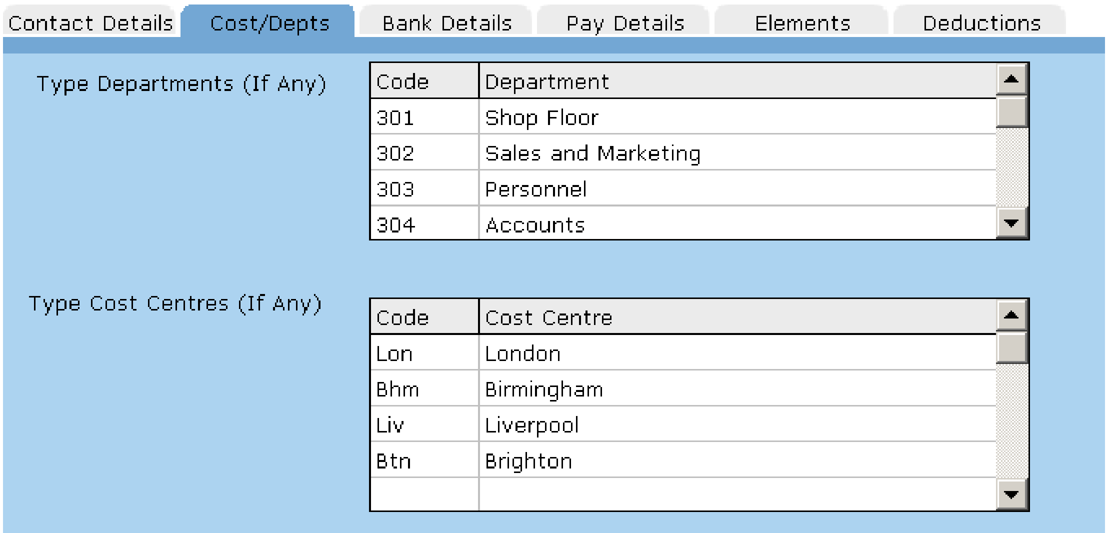


Contact Details



- Type in all the relevant contact information for your company. The cursor will appear in the 'Company Name' text box. To move between fields, press the 'Return' key or the 'Tab' key.
- The minimum amount of information you should enter is the company name. However, if you do not enter other information, such as PAYE Office Reference, you might not be able to make returns.

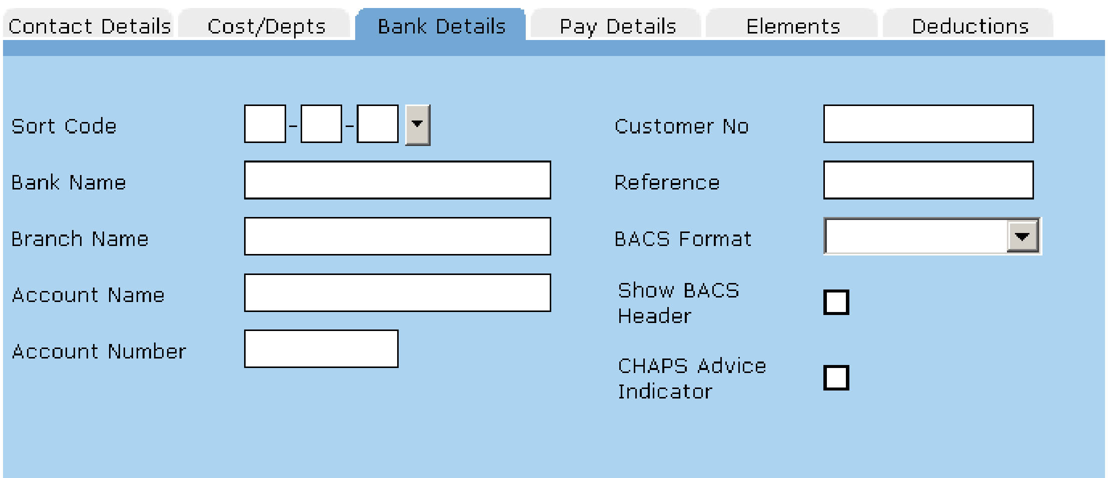
Cost Centres and Departments



- Use this tab if your company is split into departments, or you wish to analyse the payroll costs by cost centre. Not every company will have cost centres or departments.
- When you've finished typing in a department, a blank line will appear in the table. This is for the next department. If you wish to add another department, click on the blank line and type the details.
- Some companies give their departments shortened codes, to help with administration. If you wish to do this, type the department code in the first column, and the department name in the second column.
- When all departments have been entered, you may proceed to enter your company's cost centres (if there are any)
- If your company has cost centres (such as different branches - London, Brighton etc.) then enter your cost centres in the same way you entered the departments.

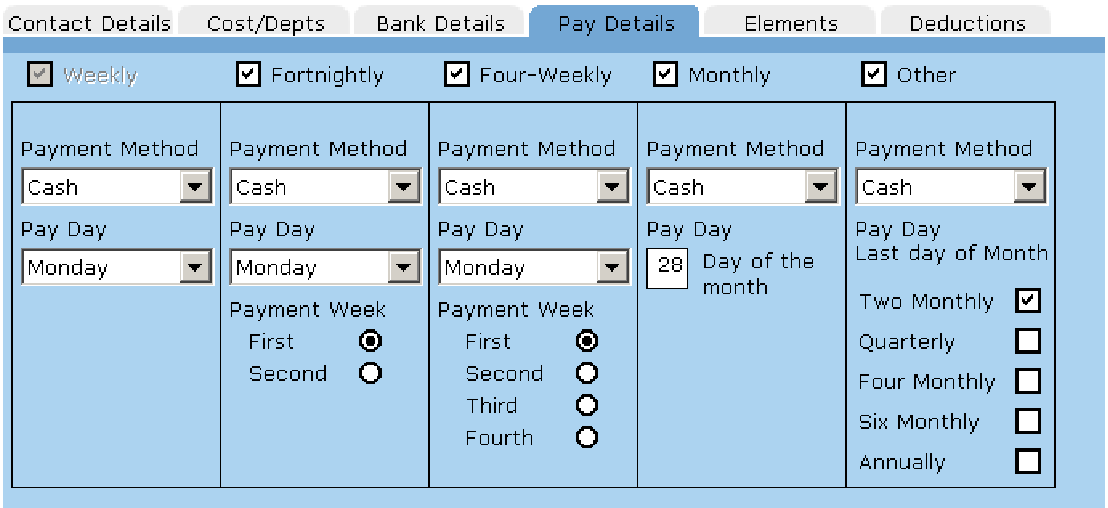
NOTE: Cost Centres and Departments have no direct relationship in Payback.

Bank Details



- This tab needs to be filled in if employees are going to be paid direct to their bank accounts by credit transfer.
- Fill these details in like in the 'Contact' tab. Pay close attention to making sure that the account number and sort code is correct.
- These are the details of the account you wish the money to be transferred out of.

Pay Details



- You can set up more than one payment frequency for your employees. Some of your employees may be paid monthly, while others are weekly paid.
- Tick which pay frequencies you wish to set up for your company. If you have Monthly paid employees only, tick the 'Monthly' check box, and then un-tick the 'Weekly' check box. You may tick as many as you like. If you have both weekly and monthly paid employees, tick both 'Weekly' and 'Monthly'.
- Select the preferred payment method for each frequency. You may select from 'Cash, Cheque or Paypath'. This will be the default setting, and can be changed for individual employees.
- Select the pay day. This is the day that your employees expect to be paid. (It is recommended to run the pay roll in advance to ensure employees are paid on time)
- Choose which week you want to pay employees.

If 'Weekly', employees will be paid every week.

For 'Fortnightly' if 'First week' is selected, employees will be paid like this:

1 Jan to 7 Jan – Week1	← Paid here
8 Jan to 14 Jan – Week2	
15 Jan to 21 Jan – Week3	← Paid here
22 Jan to 28 Jan – Week4	
etc…	

For 'Fortnightly Second week', employees will be paid like this:

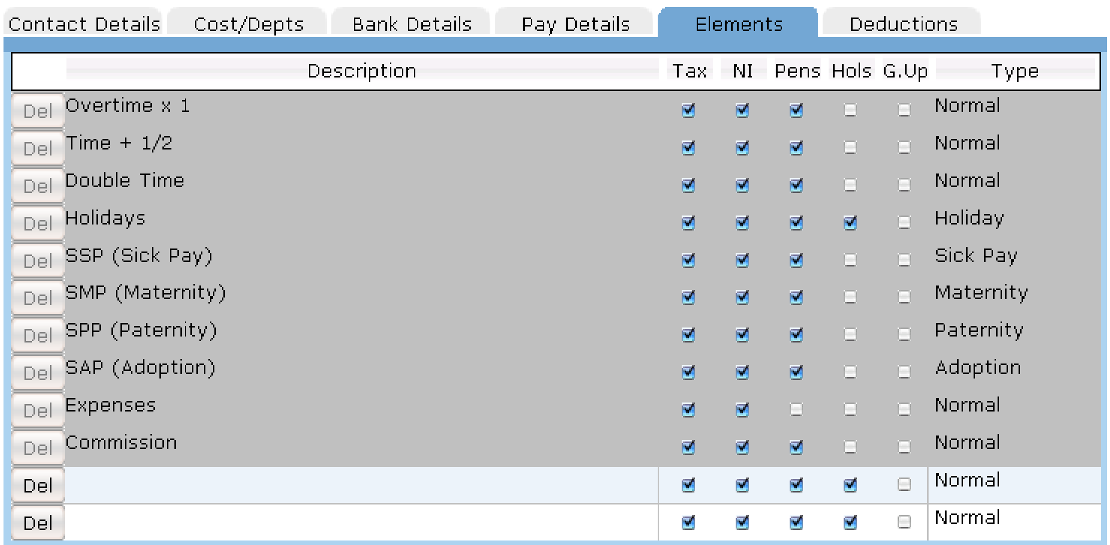
1 Jan to 7 Jan – Week1
8 Jan to 14 Jan – Week2 ← Paid here
15 Jan to 21 Jan – Week3
22 Jan to 28 Jan – Week4 ← Paid here
etc…

For ‘Four-Weekly’, employees will be paid on every fourth week, starting from the specified week. There will be 13 Payments a year (52 weeks divided by 4 equals 13). ‘Four-weekly, second week’ will be like this:

1 Jan to 7 Jan – Week1
8 Jan to 14 Jan – Week2 ← Paid here
15 Jan to 21 Jan – Week3
22 Jan to 28 Jan – Week4
29 Jan to 4 Feb – Week5
5 Feb to 11 Feb – Week6 ← Paid here
12 Feb to 18 Feb – Week7
19 Feb to 25 Feb – Week8
etc…

For Monthly, employees will be paid every calendar month, so there will be 12 payments a year. Type the date you wish to pay your employees (eg, 20th of month)

Elements



	Description	Tax	NI	Pens	Hols	G.Up	Type
Del	Overtime x 1	✔	✔	✔			Normal
Del	Time + 1/2	✔	✔	✔			Normal
Del	Double Time	✔	✔	✔			Normal
Del	Holidays	✔	✔	✔	✔		Holiday
Del	SSP (Sick Pay)	✔	✔	✔			Sick Pay
Del	SMP (Maternity)	✔	✔	✔			Maternity
Del	SPP (Paternity)	✔	✔	✔			Paternity
Del	SAP (Adoption)	✔	✔	✔			Adoption
Del	Expenses	✔	✔				Normal
Del	Commission	✔	✔	✔			Normal
Del		✔	✔	✔	✔		Normal
Del		✔	✔	✔	✔		Normal

Pay is comprised of elements (additions) and deductions. Payback has ten predefined payment elements. You might like to set up additional elements because every company is different. When you set up the elements for each employee, you can select the element from this list of predefined elements.
If your company has common elements that are used, (such as ‘rain allowance’) set them up here.

- Click on an empty row in the elements’ grid

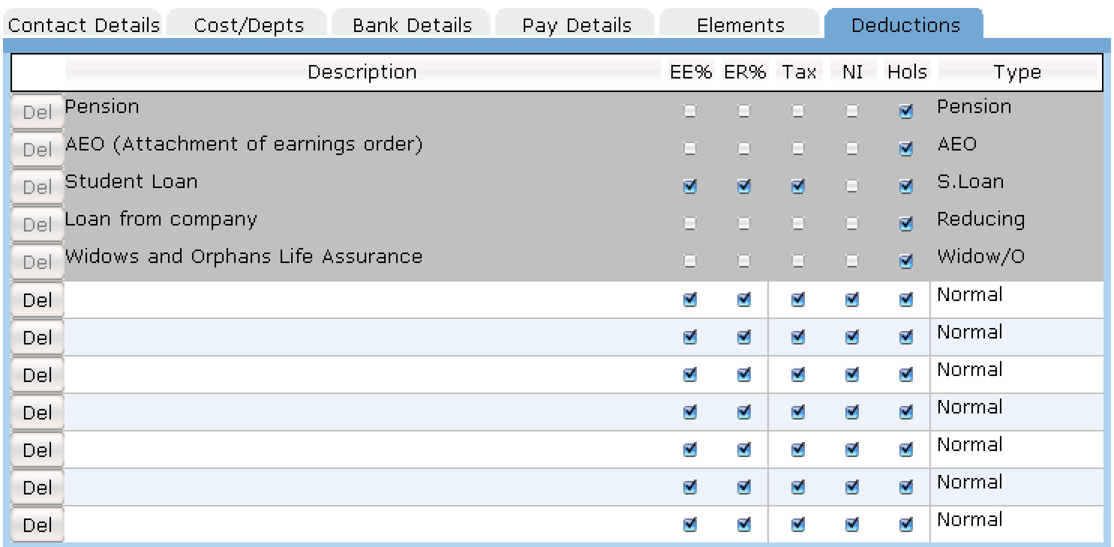
- Type the name of the element you wish to add eg. ‘Rain ‘Allowance’
- Next is a row of five check boxes. Click on whichever ones apply. Here is an explanation of each of the checkboxes:

Tax – Is this element going to be taxed? Most elements have to be taxed.
NI – Is NI payable on this element? NI will have to be paid on most elements.
Pens – Is this element to be included when calculating pension deductions? Often pension payments are calculated as a percentage of income. If this element is to be included in this income, tick the box.
Hols – Is the employee going to be paid this even when they are on holiday? Benefit in Kind will sometimes be paid, even when the employee is on holidays (They might have the private use of a company car for example)
G.Up – Gross Up. Do you want the amount paid to be the actual amount the employee receives, after tax has been paid? If you want an employee to receive £100, you might actually have to pay them £120+ (including NI and Tax). When you tick this box, payback works out the extra amount and automatically adds it to the amount paid.

- Select which type of element this is from the list. ‘Rain allowance’ would be ‘Normal’. Other choices are:
  Normal
  Holiday
  Sick Pay – Statutory Sick Pay (SPP)
  Maternity – Statutory Maternity Pay (SMP)
  Paternity – Statutory Paternity Pay (SPP)
  Adoption – Statutory Adoption pay (SAP)
  Notional – If the element is a notional amount, for benefit in kind etc.

Rows that are displayed with a grey background mean you can’t change the settings. This is to stop users accidentally making expenses taxable, for example. When you have finished adding your additional elements, you can add some voluntary deductions.

Deductions


Contact Details | Cost/Depts | Bank Details | Pay Details | Elements | Deductions

	Description	EE%	ER%	Tax	NI	Hols	Type
Del	Pension	☐	☐	☐	☐	☑	Pension
Del	AEO (Attachment of earnings order)	☐	☐	☐	☐	☑	AEO
Del	Student Loan	☑	☑	☑	☐	☑	S.Loan
Del	Loan from company	☐	☐	☐	☐	☑	Reducing
Del	Widows and Orphans Life Assurance	☐	☐	☐	☐	☑	Widow/O
Del		☑	☑	☑	☑	☑	Normal
Del		☑	☑	☑	☑	☑	Normal
Del		☑	☑	☑	☑	☑	Normal
Del		☑	☑	☑	☑	☑	Normal
Del		☑	☑	☑	☑	☑	Normal
Del		☑	☑	☑	☑	☑	Normal
Del		☑	☑	☑	☑	☑	Normal

Five voluntary deductions are already set up. Your company might have extra voluntary deductions, such as union fees or Christmas savings schemes.

To Set up a new Company Voluntary Deduction.

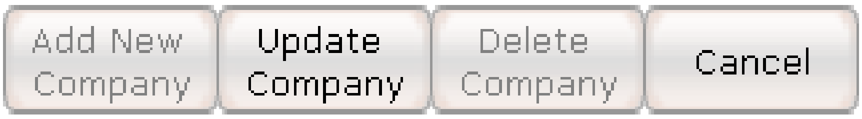
- Type the name of the deduction you wish to add eg. ‘Christmas savings’
- Next is a row of five check boxes, similar to the elements.

EE% – is the deduction calculated as a percentage of pay, or as a flat rate?
ER% – is the employer’s contribution calculated as a percentage or flat rate?
Tax – Does this deduction have an effect on tax?
NI – Does this deduction have an effect on National Insurance?
Hols – Should this deduction still be paid if the employee is on holidays?

- Select which type of deduction this is from the list.

Normal
Pension – Payments to a Pension
AEO – Attachment of earnings order
S.Loan – Student loan
Increasing – a deduction with an increasing balance (such as Christmas fund)
Reducing – a deduction with a reducing balance (such as a company loan)
Widow/O – Widows and Orphans

Once you have finished inputting all the company information, click the ‘Update Company’ button at the top of the screen.



If you are running a bureau for example, you may set up another company, or set up some employees. Each company you set up can have its own Payment Frequencies, Pay Elements and Voluntary Deductions.

Adding, editing and deleting companies

The four buttons at the top of the company screen are used to add new companies, change the details of companies you’ve already set up, and to delete companies.

If you wish to add a new company, click the ‘Add New Company’ button. Enter all the details as described above. Click ‘Update Company’ when you are finished. If you change your mind mid-way through adding a company, click the ‘Cancel’ button. Any changes will be lost.

To update an existing company, first select the company by clicking on the companies’ table.

Company Name	T/A Name	Contact	Employees	Address		
Bakewell Catering Ltd	Pats Cafe	Susan Goldstein	11	16 Grimmauld Place	Hammersmith	London
Chiselhurst Ltd	Green Print	George Maxwell	2	82 Fisher Lane	Merseyside	Liverpool
Honan Software Ltd	Honan Software	Harry Brown	13	Unit 5	The Industrial Estate	Brighton
Latchfords Ltd	Latchfords	Christine Parkhurst	5	Unit 18	Buxley Ind Est	Manchester
Motorwork Ltd	Frank's Motors	Frank Harris	3	13 The Arches	Eastwych	London

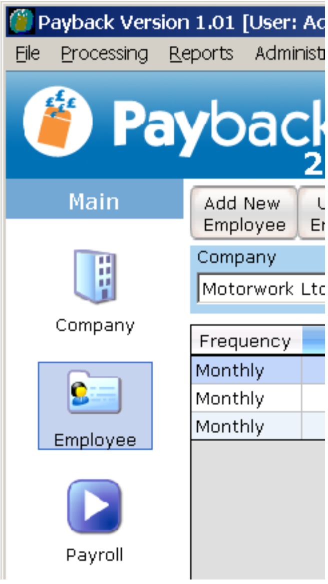
The tabs will automatically fill in all the company details. Make whatever amendments are required, and click the ‘Update Company’ button.

To delete a company, select whichever company you wish to delete from the companies table. Click the ‘Delete Company’ button. Payback will ask if you’re sure you wish to delete the company. If you are, click ‘yes’.

Note: You will be unable to delete companies that have employees set up. The employees column in the grid will be greater than zero. You will have to first delete all the employees in the company, before proceeding to delete the company. This is to stop people accidentally deleting a company, and all it’s payroll data.

Chapter Four: Setting up employees

Once you have set up one or more companies, you can start typing in your employees' information. Once this is complete, you can process payrolls. The employee screen will be disabled until at least one company is set up.



To start typing in your employee details, click on the 'Employee' picture on the menu at the left hand side of your screen (the main menu).

Once you have clicked on the 'Employee' icon, the employee screen will appear. This is where you type in your employee details. There are two ways you can put the employee details in, 'Wizard' mode or 'Classic' mode. When you first started up payback, you were asked to choose between:

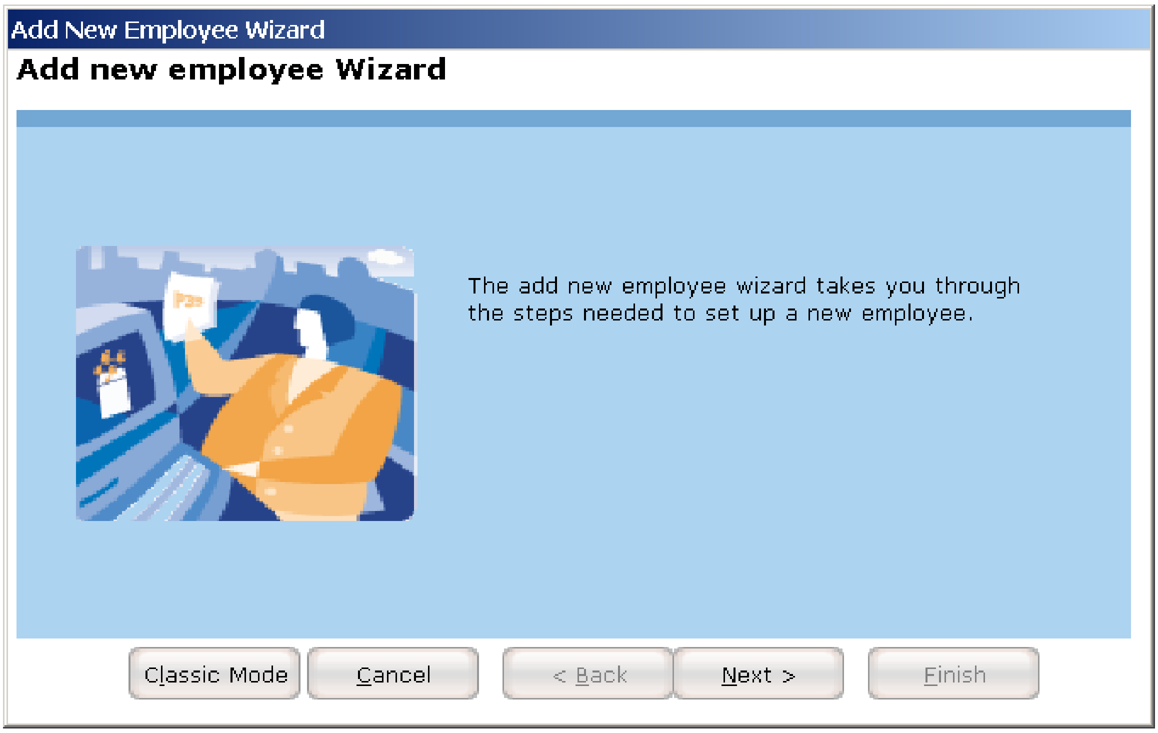
Would you like to start in 'wizard mode'? This will guide you through the process of running a payroll.

Or

Would you like to start in 'Classic mode'? This will allow you to enter payroll information directly.

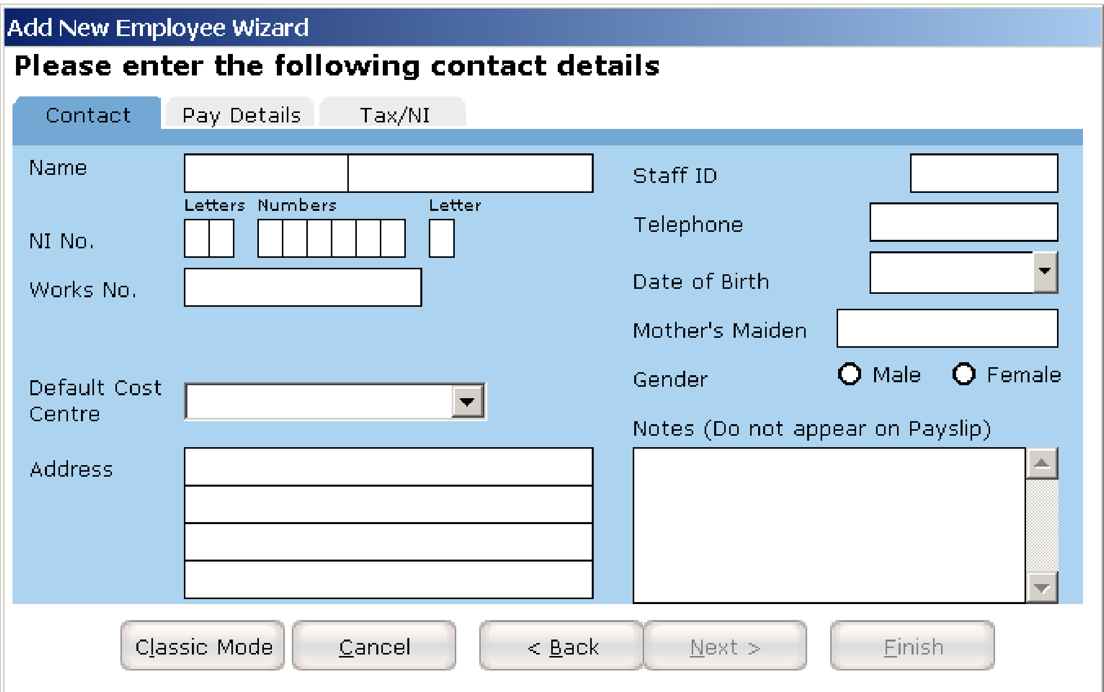
You can switch between 'classic' and 'wizard' modes at any time, while you are using the software. Click the Wizard hat at the top right of the screen to enter Wizard mode. Click 'Classic mode' to return to classic mode.

Setting up Employees in Wizard Mode



The employee wizard allows the quick entry of employees with the minimum amount of information. As with the company wizard, addition information can be set up later. To start setting up a new employee, click the 'Next' button.

Contact Details

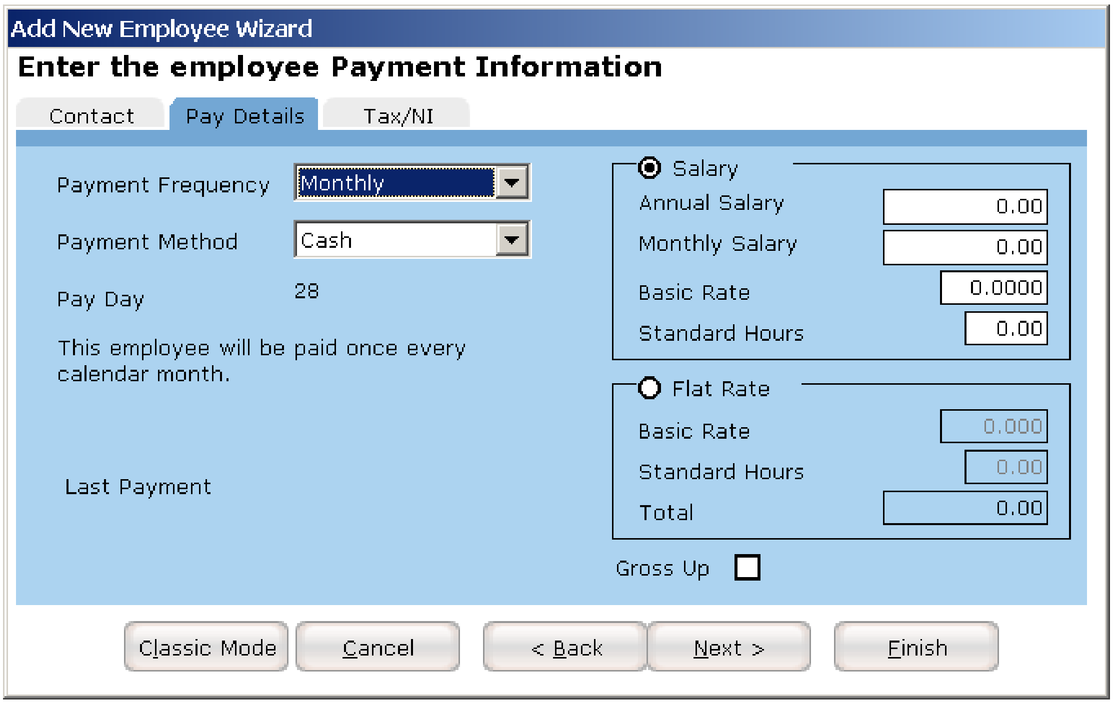


- The cursor will appear on the 'Employees First Name' box. Type the name of the employee, followed by the 'return' key, or the 'tab' key.

- Type the surname, followed by the 'return' key or the 'tab' key.
- Type in the employee's National Insurance number. National Insurance numbers must be the format of two letters, followed by six numbers, followed by a letter.
- When you have finished filling in all the boxes, select the next tab. Click on 'Next'.

Note: You will not be able to proceed until you have at least filled in the employee's surname

Pay Details

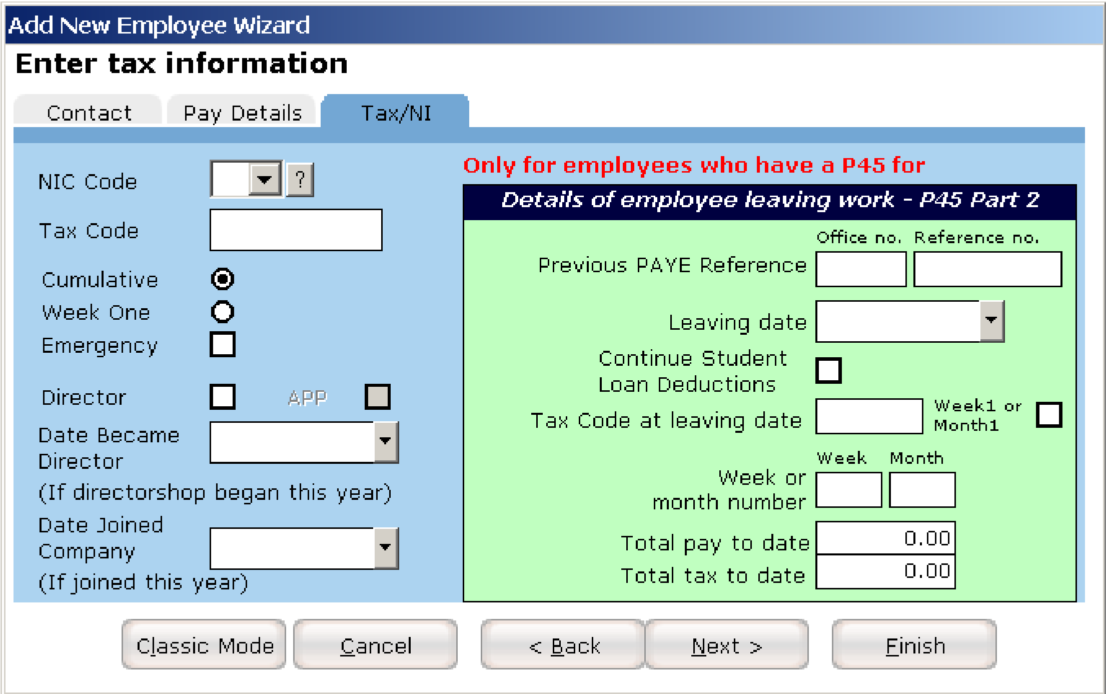


- Select the payment frequency. This is taken from the company set up. If you only selected 'Weekly' when you were setting up the company, then only 'Weekly' will be available.
- If the payment frequency you require is not available, you will first have to set up in the company screen.
- The payment method defaults to whatever you selected in the company set up. You may override this and select another method from the list.
- When you fill in the payment frequency details, an explanation appears describing exactly when the employee is going to be paid. Please ensure that this tallies with what is expected.
- If you want the wages to be grossed up, check the 'Gross Up' button. This means that if an employee is paid £1000, they will receive £1000 after statutory deductions (PAYE & NI). Their gross pay will usually be more than £1000, to cover these deductions. Their nett pay will be £1000.
- If the employee is paid by the hour, click the 'Flat Rate' option. If the employee is on an annual salary, select 'Salary'.
- If an employee is on a salary, there is also an option to input an hourly rate. This is because some companies allow people on salary to get paid extra for

overtime, sometimes on a different rate to their standard salary. If you leave this blank, then the rate for overtime etc will be zero for people on a salary.

- For salary, type either the annual salary or the amount per payment frequency (weekly, monthly etc.)
- Payback will calculate the annual salary or the amount per payment frequency. (Depending on what was entered)
- Next Click ‘Next’ or the ‘Tax/NI’ tab

Tax and National Insurance



You will need to fill in the employee’s tax details before processing their pay. Fill in the ‘Date Joined Company’ only if the employee has joined in the current tax year.

NOTE: The year in the drop down box refers to the year the P45 totals will apply.

Which Tax Basis to Use:

PAYE is normally worked out on a cumulative basis. This means you need to take into account an employee's previous pay and tax figures in the tax year to find out the tax to deduct from their pay.

Sometimes, you may have to make deductions in a non-cumulative way. This is called a week 1 or month 1 basis.

Codes should be used on a week 1/month 1 basis when

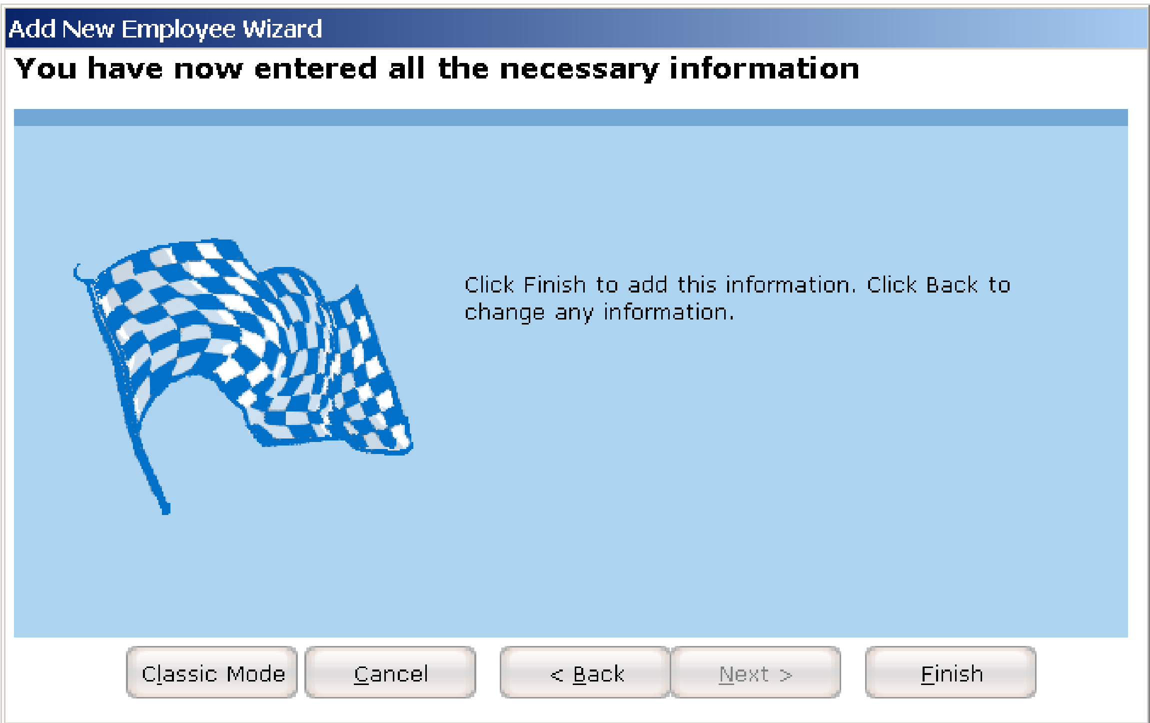
- You have a new employee and the tax code is on their P45
- Your HM Revenue & Customs office either
    - tells you to use a D code, or

    - adds a week 1/month 1 marking to any other code they tell you to use
- You have a new employee and this link; http://www.hmrc.gov.uk/employers/working_out.htm#7d tells you to use the emergency code on a week 1/month 1 basis
- A weekly pay day falls on 5 April or, in a leap year, on 4 or 5 April. If this occurs, see http://www.hmrc.gov.uk/guidance/cwg2.htm under 'Week 53 payments'.

P45 Totals

This tab is also used for employees who are starting employment mid-year. If a new employee is joining your company, you should use this screen to input their P45 data.

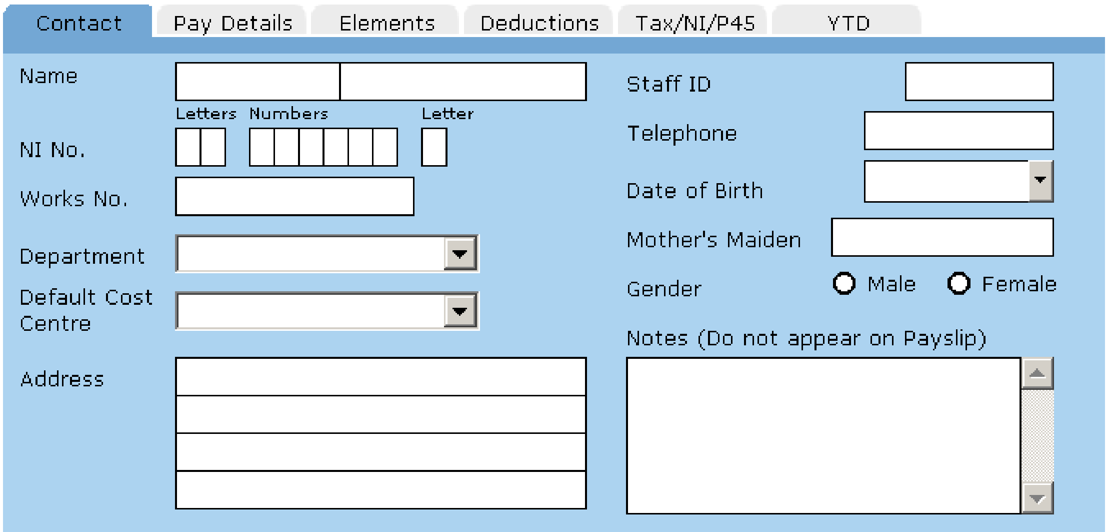
The totals you've typed in will be used to calculate the wages and for reports. If you've inadvertently typed an incorrect figure, but have already processed pay for the employee, you will first have to rewind all pay periods before you can change these totals.



Congratulations, you've just entered your employee's details. Click the 'Finish' button to continue.

Setting up Employees in Classic Mode

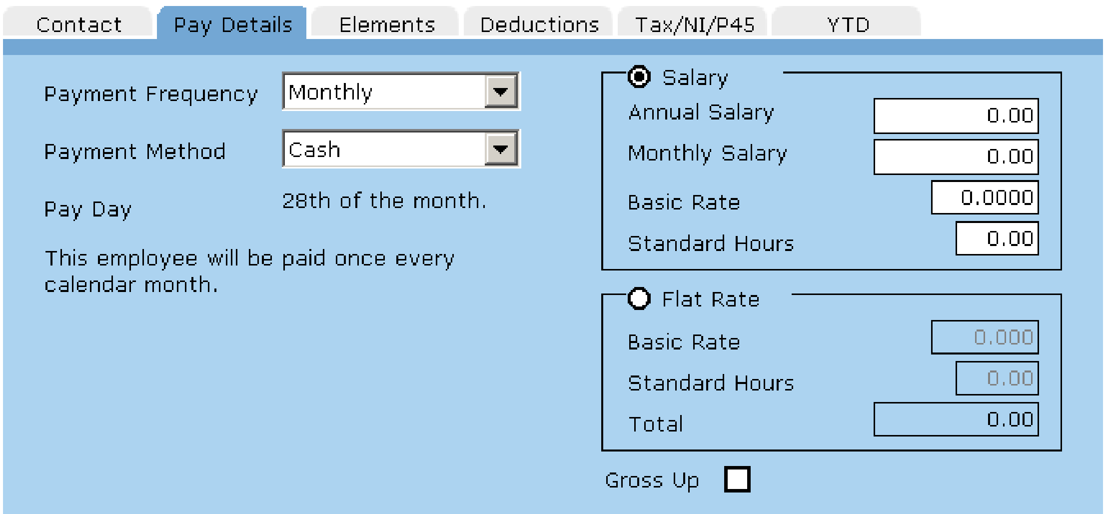
Contact Details



- The cursor will appear on the 'Employees First Name' box. Type the name of the employee, followed by the 'return' key, or the 'tab' key.
- Type the surname, followed by the 'return' key or the 'tab' key.
- Type in the employee's National Insurance number. National Insurance numbers must be the format of two letters, followed by six numbers, followed by a letter.
- When you have finished filling in all the boxes, select the 'Pay Details' tab.

Note: You will not be able to save an employee record until you have at least filled in the employee's surname.

Pay Details



- Select the payment frequency. This is taken from the company set up. If you only selected 'Weekly' when you were setting up the company, then only 'Weekly' will be available.

- If the payment frequency you require is not available, you will first have to set up in the company screen.
- The payment method defaults to whatever you selected in the company set up. You may override this and select another method from the list.
- When you fill in the payment frequency details, an explanation appears describing exactly when the employee is going to be paid. Please ensure that this tallies with what is expected.
- If you want the wages to be grossed up, check the ‘Gross Up’ button. This means that if an employee is paid £1000, they will receive £1000 after statutory deductions (PAYE & NI). Their gross pay will usually be more than £1000, to cover these deductions. Their nett pay will be £1000.
- If the employee is paid by the hour, click the ‘Flat Rate’ option. If the employee is on an annual salary, select ‘Salary’.
- If an employee is on a salary, there is also an option to input an hourly rate. This is because some companies allow people on salary to get paid extra for overtime, sometimes on a different rate to their standard salary. If you leave this blank, then the rate for overtime etc will be zero for people on a salary.
- For salary, type either the annual salary or the amount per payment frequency (weekly, monthly etc.)
- Payback will calculate the annual salary or the amount per payment frequency. (Depending on what was entered)
- Next Click the ‘elements’ tab

Elements

Pay is comprised of elements (additions) and deductions. When you set up the elements for each employee, you can select the element from this list of predefined elements. The predefined elements are set up in the Company Screen.

- Click on an empty row in the elements’ grid
- Type the name of the element you wish to add eg. ‘Rain ‘Allowance’, or select it from the list. The elements that you see in this list are those set up in the company screen.
- If the element is based on a rate (such as Overtime or Time + ½) then input the the hours, (or days, or whatever time frame or unit is relevant) into the ‘Units’ column.
- The rate column is based on the rate input in the pay details tab.

- Input the rate (for example 10, for £10 per hour) in the Rate Column, if it has not already been filled in.
- The total amount will be automatically calculated.
- If the element is a lump sum amount (not based on a rate) then just the 'amount' column will be active. The value of the element may be entered here.
- Next is a row of five check boxes. Click on whichever ones apply. Here is an explanation of each of the checkboxes:

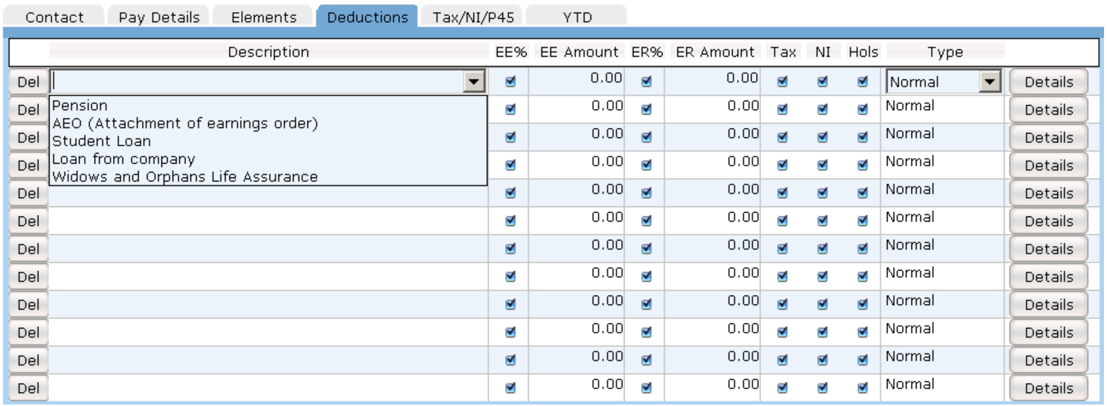
Tax – Is this element going to be taxed? Most elements have to be taxed.
NI – Is NI payable on this element? NI will have to be paid on most elements.
Pens – Is this element to be included when calculating pension deductions? Often pension payments are calculated as a percentage of income. If this element is to be included in this income, tick the box.
Hols – Is the employee going to be paid this even when they are on holiday? Benefit in Kind will sometimes be paid, even when the employee is on holidays (They might have the private use of a company car for example)
G.Up – Gross Up. Do you want the amount paid to be the actual amount the employee receives, after tax has been paid? If you want an employee to receive £100, you might actually have to pay them £120+ (including NI and Tax). When you tick this box, payback works out the extra amount and automatically adds it to the amount paid.

- Select which type of element this is from the list. 'Rain allowance' would be 'Normal'. Other choices are:
  Normal
  Holiday
  Sick Pay – Statutory Sick Pay (SPP)
  Maternity – Statutory Maternity Pay (SMP)
  Paternity – Statutory Paternity Pay (SPP)
  Adoption – Statutory Adoption pay (SAP)
  Notional – If the element is a notional amount, for benefit in kind etc.

Further information is required for some elements (such as SPP, SMP, SPP and SAP). If you need to provide extra information, a 'Details' button will appear. (Please refer to the appropriate chapter on setting these up.)

Rows that are displayed with a grey background mean you can't change the settings. This is to stop users accidentally making expenses taxable, for example. When you have finished adding your additional elements, you can add some voluntary deductions.

Voluntary Deductions



Notice that like the elements, all the deductions you set up in the company deductions screen are visible when you click on the 'Description' column drop-down, shown above.

- The deductions grid displays all the voluntary deductions for this employee. The deductions you set up in this grid will appear every time the employee gets paid. As a rule of thumb, if a voluntary deduction (such as the full payment of a loan) is going to be a once off deduction, then it should not be recorded here. If an deduction is going to be for every pay period (such as a pension), then set it up here.
- This grid does not include statutory deductions such as PAYE and NI. These are automatically calculated within payback.
- To set up a new deduction, select it from the drop down list or type it directly in.
- Deductions can be a percentage of the gross pay, or a flat amount. Many deductions also have an employer contribution as well as an employee contribution.
- The default for pensions is to input contributions as a percentage of Gross Pay (for example 5%), for loans the default is a flat amount (For example £100).

Here is a description of the columns:

Description – The name of the voluntary deduction
EE Percent – The employee's contribution as a percentage of gross pay
ER Percent – The employer's contribution as a percentage of the employee's gross pay
EE Amount – The employee's contribution as a flat rate.
ER Amount – The employer's contribution as a flat rate
EE Balance – For type of 'Increasing' or 'Pension', the total amount paid by the employee. For type of 'Reducing' the amount remaining to be paid (for example, balance on a loan)
ER Balance – For type of 'Increasing' or 'Pension', the total amount paid by the employer. For type of 'Reducing' the amount remaining to be paid.

The balance column can be overwritten to reflect the amount already paid into a fund, or the amount of an outstanding loan. If the 'Type' is reducing, the balance will be reduced by the contribution each time a payment period is processed. If the ‘Type’ is increasing, the balance will increase with each payment.

If the deduction is not in the list, you can set up your own employee deduction.

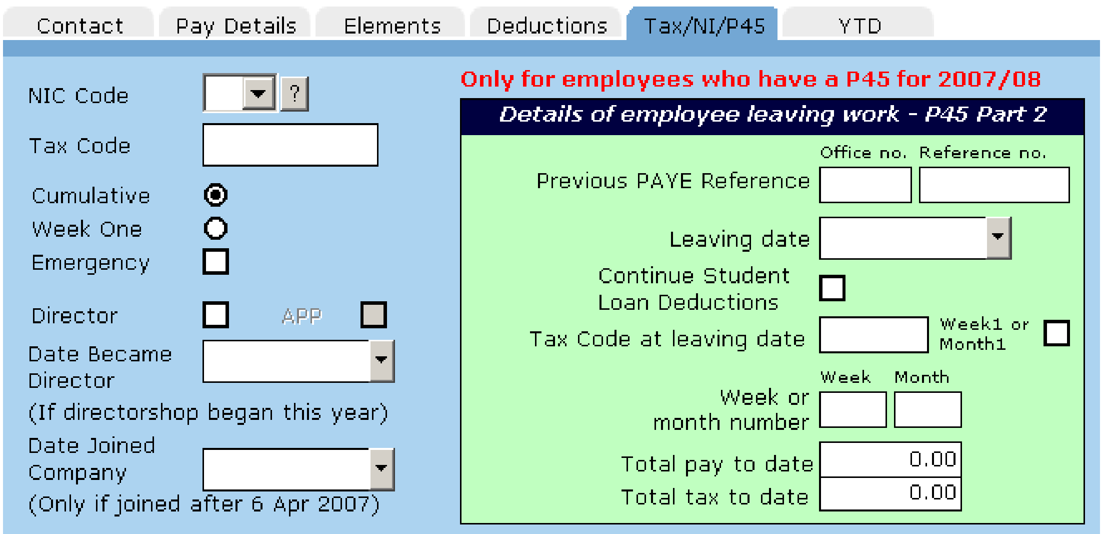
EE% – is the deduction calculated as a percentage of pay, or as a flat rate?
ER% – is the employer’s contribution calculated as a percentage or flat rate?
If you wish to pay a voluntary deduction as a percent of gross, tick the percentage column. If the payment is to be a flat amount, deselect the tick box.

Tax – Does this deduction have an effect on tax?
NI – Does this deduction have an effect on National Insurance?
Hols – Should this deduction still be paid if the employee is on holidays?

Select which type of deduction this is from the list.

Normal
Pension – Payments to a Pension
AEO – Attachment of earnings order
S.Loan – Student loan
Increasing – a deduction with an increasing balance (such as Christmas fund)
Reducing – a deduction with a reducing balance (such as a company loan)
Widow/O – Widows and Orphans

Tax and National Insurance



You will need to fill in the employee’s tax details before processing their pay. Fill in the ‘Date Joined Company’ only if the employee has joined in the current tax year.

NOTE: The year in the drop down box refers to the year the P45 totals will apply.

Which Tax Basis to Use:

PAYE is normally worked out on a cumulative basis. This means you need to take into account an employee's previous pay and tax figures in the tax year to find out the tax to deduct from their pay.

Sometimes, you may have to make deductions in a non-cumulative way. This is called a week 1 or month 1 basis.

Codes should be used on a week 1/month 1 basis when

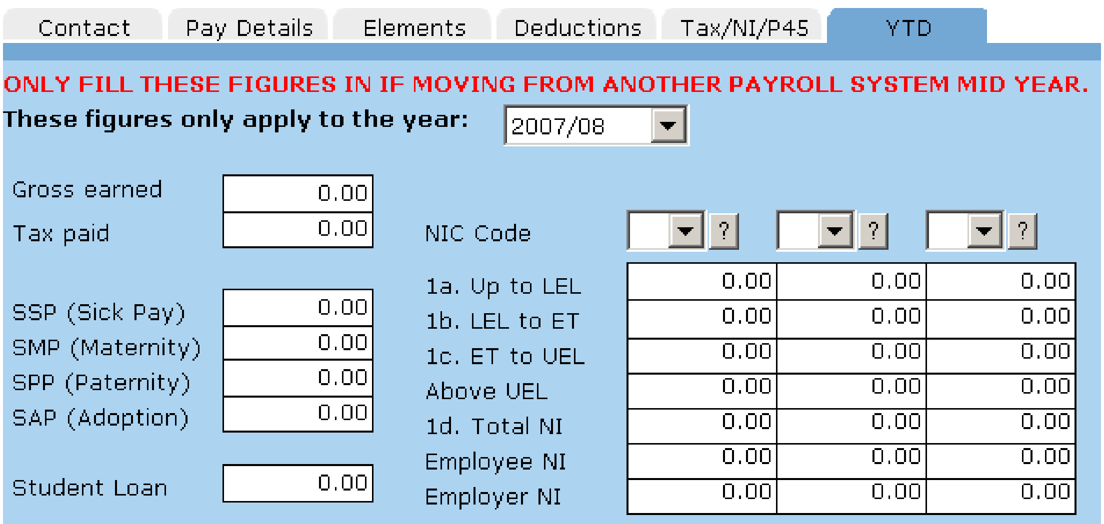
- You have a new employee and the tax code is on their P45
- Your HM Revenue & Customs office either
  - tells you to use a D code, or
  - adds a week 1/month 1 marking to any other code they tell you to use
- You have a new employee and this link; http://www.hmrc.gov.uk/employers/working_out.htm#7d tells you to use the emergency code on a week 1/month 1 basis
- A weekly pay day falls on 5 April or, in a leap year, on 4 or 5 April. If this occurs, see http://www.hmrc.gov.uk/guidance/cwg2.htm under 'Week 53 payments'.

P45 Totals

This tab is also used for employees who are starting employment mid-year. If a new employee is joining your company, you should use this screen to input their P45 data.

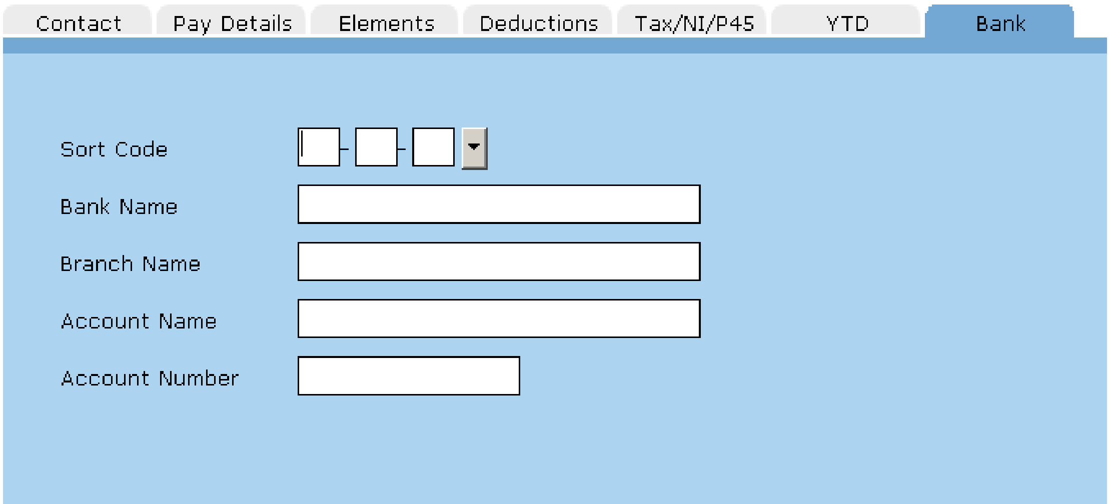
The totals you've typed in will be used to calculate the wages and for reports. If you've inadvertently typed an incorrect figure, but have already processed pay for the employee, you will first have to rewind all pay periods before you can change these totals.

YTD (Year To Date)



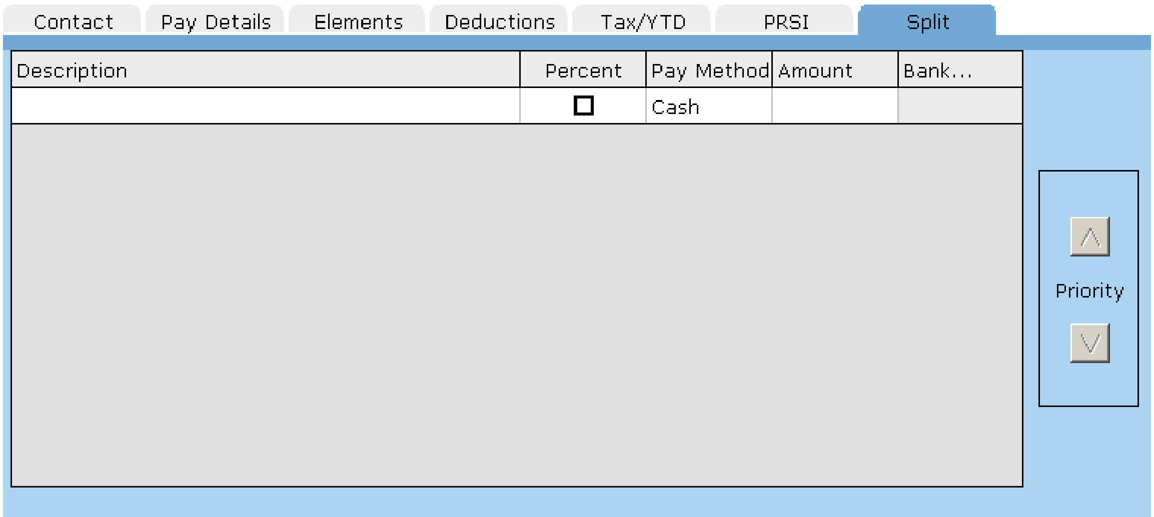
NOTE: you should only fill in these details if you are moving from a different payroll system mid-year. Put P45 information in the Tax/NI/P45 tab. The purpose of this screen is to ensure that cumulative details are recorded so that pay may be calculated correctly for your employees.

Bank Details



If the employee is being paid by credit transfer to their bank account, then you will have to input their bank account details. This is so that the money can be transferred to the correct bank account.
Please make sure you pay close attention that the details are correct.

Multiple Payment Methods (Split Pay)



Some employees may wish to be paid by more than one method. Using the split pay screen, payment amounts can be allocated to different payment methods. Payment methods can be prioritised using the 'Priority' arrows at the right hand side of the grid.

To set up multiple payment methods, input each payment into the Split Pay grid. Payments are prioritised, the closer to the top of the grid, the higher the priority. They have to be prioritised in case the employee does not get paid enough to cover all of the payment methods. Below is an example of how prioritising payment methods work:

An employee is paid £1000 Nett. Here is how the payment methods were prioritised:
Cheque: £500
Transfer: £400
Cash: £100
(Total: £1000)

One month, the employee only works two weeks. They only get paid £600. Here is how their wages will be split:
Cheque: £500
Transfer: £100
Cash: £0
(Total: £600)

Cheque took the priority because it was at the top of the list. Next came transfer, followed by Cash. 'Cash' was allocated a zero amount because it was the lowest priority.

The following month the employee does overtime, resulting in getting paid £1500. Here is how the pay will be apportioned:
Cheque: £1000
Transfer: £400
Cash: £100
(Total: £1500)

Note that 'Cheque' received the balance. This is because it was highest priority.

Payment methods may receive amounts that are different to what was originally allocated. This will happen if the employee is paid more or less than what the total split payments add up to (as in the above examples). To cater for this, when you pay the employee in the Payroll screen, there will be an additional column, 'Nett Pay'.

When setting up employees, only the 'Amount' Column is visible. This is because we won't know at that stage how much the employee will actually be paid.

The other columns are:
Description – A brief description about the payment.
Percent – Is the amount value expressed as a percentage of the nett pay, or a flat amount. (£50 or 50% of nett pay)
Amount – The target amount in either a percentage of nett pay, or a flat amount (depending on whether you ticked the 'Percentage' column)
(Nett Pay – The actual amount paid to the employee – only visible on the Payroll Screen)
Bank… - If paying by Paypath, click on View… to display the bank account details. It is possible to pay money into more than one bank account for the same employee.

Adding, editing and deleting employees

The five buttons at the top of the employee screen are used to add new employees, change the details of employees you've already set up, to delete employees and to issue and reverse P45s.

If you wish to add a new employee, click the 'Add New Employee' button. Enter all the details as described above. Click 'Update Employee' when you are finished. If you change your mind mid-way through adding a Employee, click the 'Cancel' button. Any changes will be lost.

To update an existing employee, first select the employee by clicking on the employees' list.

Frequency	ID	Surname	NI No.	Dept.	C. Centre
Weekly	109	Chris Barker	ST123461U	Personnel	Birmingham
Weekly	105	Stephen Brennan	KL123451M	Accounts	Brighton
Weekly	110	Harry Brown	UV123462X	Personnel	Brighton
Weekly	107	Mark Burns	OP123453Q	Accounts	Liverpool
Weekly	112	Larry Capstick	YZ123464A	Shop Floor	Birmingham
Weekly	100	Linda Cummins	AB123456C	Shop Floor	London
Weekly	102	Mary Feeney	EF123458G	Shop Floor	Liverpool
Weekly	101	Dave Hope	CD123457E	Shop Floor	Birmingham
Weekly	104	Patrick Morrow	IJ123450K	Personnel	London
Weekly	108	Janet O Connor	QR123454S	Accounts	Liverpool
Weekly	103	Eamon Roche	GH123459I	Sales and Marketing	London
Weekly	111	Richard Wiseman	QX123463Y	Shop Floor	London
Weekly	106	Emma Wright	MN123452O	Accounts	Brighton

The tabs will automatically fill in all the employee details. Make whatever amendments are required, and click the 'Update Employee' button.

To delete an employee, select whichever employee you wish to delete from the employees list. Click the 'Delete Employee' button. Payback will ask if you're sure you wish to delete the employee. If you are, click 'yes'.

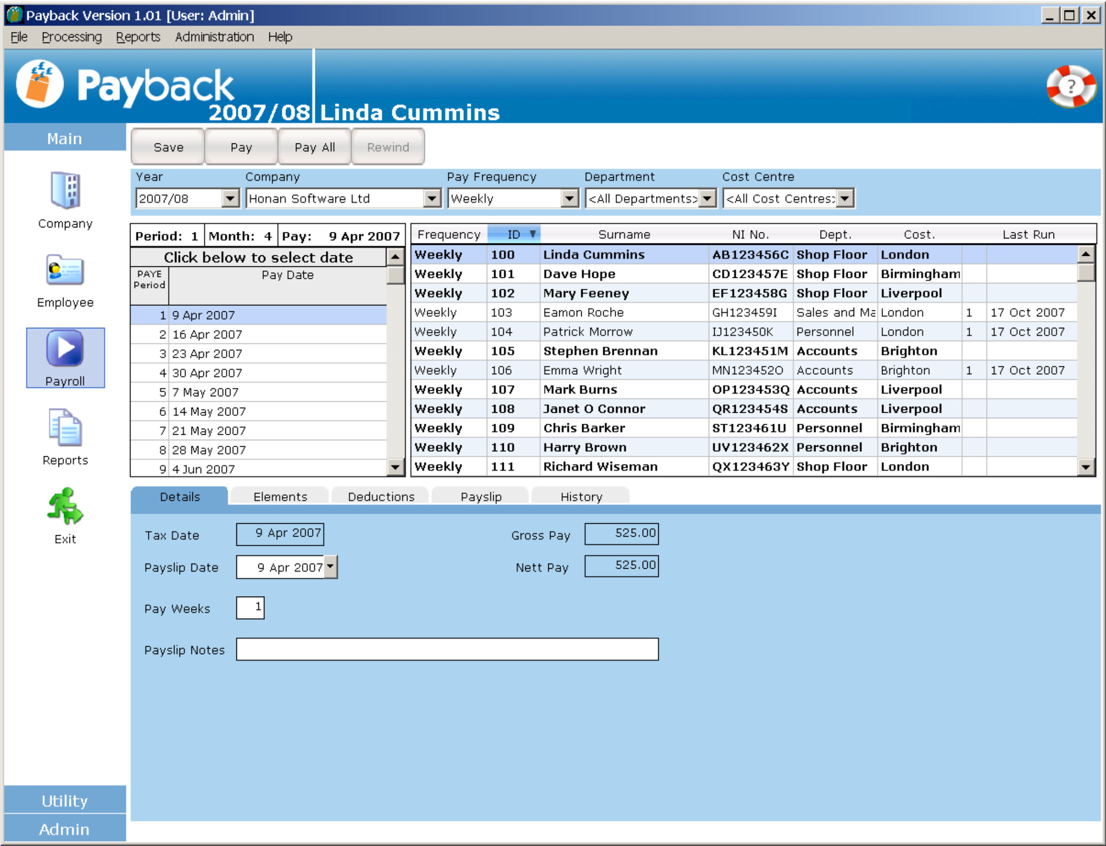
Note: As a precaution, you will be unable to delete employees that have had one or more payment periods processed. You will first have to rewind the Payments. This has to be done in reverse order.

If you've paid up to period 12, you will have to rewind periods 12, 11, 10, 9…3, 2, 1 (for the employee) before you can delete the employee. This is a safety feature to prevent accidental deletion of payroll data. To check the last period that an employee has been paid, click on the 'Pay Details' tab on the employee screen.

Chapter Five: Paying employees

The most common task you will do in Payback is to process pay for employees. This is done in the Payroll Screen.

Overview



How to pay an employee

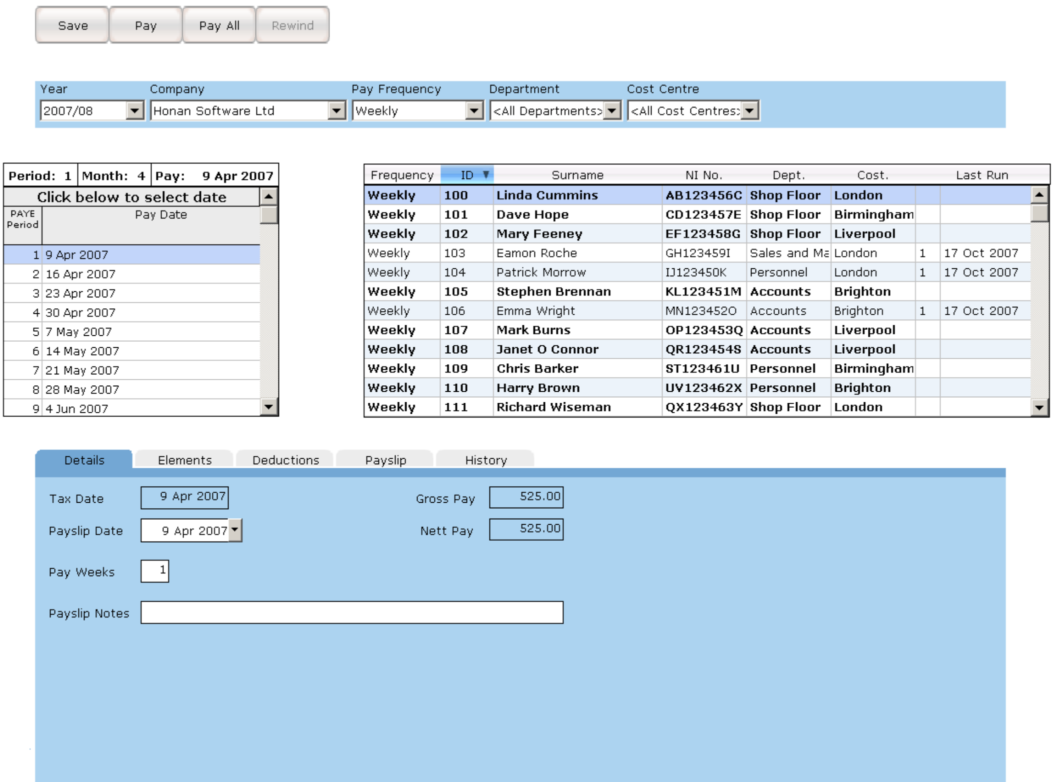
1. Select the Year. This will default to the current year.
2. Select the Company
3. Select the Payment Frequency
4. Filter by Department and Cost Centre (This is optional. If your company does not have departments of cost centres, this will not appear)
5. Choose the Payment Period from the calendar displayed at the top left of the screen.
6. Choose the employee to pay.
7. The employee's payment information will display at the bottom half of the screen. Check that these figures are correct. For convenience, the Gross and Nett pay is displayed at the very bottom of the screen.
8. Click the 'Pay' button at the top of the screen.
9. Payback will automatically progress to the next employee in the list.

Unprocessed employees are displayed in Bold. Once you process the Period for an employee, they will be displayed in normal text. You can see at a glance which employees have been processed.

Unlike other payroll software, you are free to move around payment periods by simply clicking on the calendar. There is no need to rewind all the employees for an entire period if you make a mistake. Employees may be processed independently. It is possible to run a payroll for one employee for weeks 1 to 5, and then process another employee for weeks 1 to 5. Reports should only be produced for a payment period when all the employees have been paid.

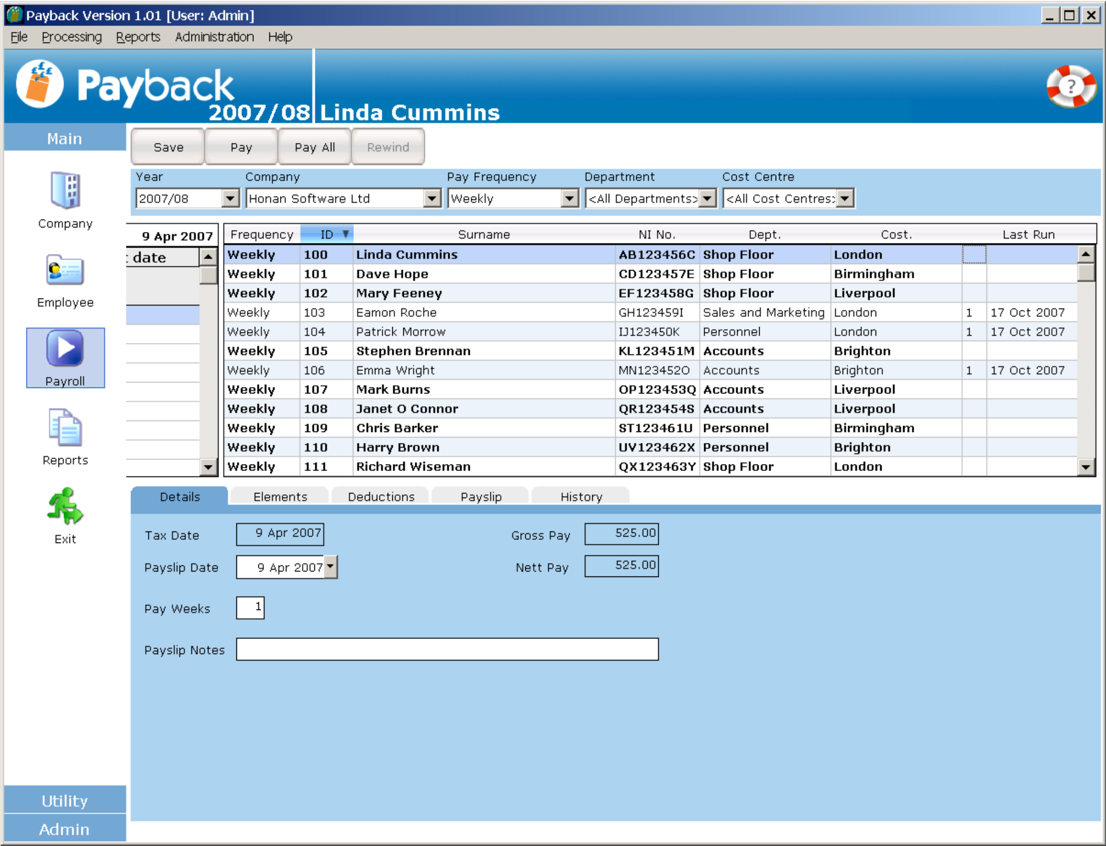
Features of the Payroll screen.

The Pay screen is split into five sections.



1. Buttons at the top of the screen
2. Filtering which employees to pay
3. Payment Period (calendar)
4. List of Employees
5. Employee's payment information

If you can not see all of the list of employees, you can resize the grid by clicking and dragging the left of the grid.



The employee list in the above screen shot has been filtered by Department and sorted by Employee ID. 'Kevin Hunter' has been selected. Dragging the left of the grid has enlarged the list of employees.

Payment Details.

The details for the pay is directly copied from the employee screen. The elements and voluntary deductions are a direct reflection of what was set up for the employee. Details can be amended in the Payroll screen, but they will only be saved for the current payment period. To permanently change payroll information, use the employee screen.

Payroll Tabs

At the bottom half of the screen are the payment detail tabs for the employee you have selected to pay. There are four tabs, five if you are paying with 'Split Pay'.

The Elements Tab

Details | Elements | Deductions | Payslip | History

	Description	Cost Centre	Units	Rate	Amount	Tax	NI	Pens	Hols	G.Up	Type
Del	Salary	London	35.00	15.0000	525.00	☑	☑	☑	☑	☐	Normal
Del			0.00	0.0000	0.00	☑	☑	☑	☑	☐	Normal
Del			0.00	0.0000	0.00	☑	☑	☑	☑	☐	Normal
Del			0.00	0.0000	0.00	☑	☑	☑	☑	☐	Normal
Del			0.00	0.0000	0.00	☑	☑	☑	☑	☐	Normal
Del			0.00	0.0000	0.00	☑	☑	☑	☑	☐	Normal
Del			0.00	0.0000	0.00	☑	☑	☑	☑	☐	Normal
Del			0.00	0.0000	0.00	☑	☑	☑	☑	☐	Normal
Del			0.00	0.0000	0.00	☑	☑	☑	☑	☐	Normal
Del			0.00	0.0000	0.00	☑	☑	☑	☑	☐	Normal
Del			0.00	0.0000	0.00	☑	☑	☑	☑	☐	Normal
Del			0.00	0.0000	0.00	☑	☑	☑	☑	☐	Normal

This is similar to the elements tab in the employee screen. The element details that were set up for the selected employee are copied across to this tab. If you make any changes to the elements tab in the Payroll Screen, they will only be valid for the current pay period.
If you need to make permanent changes, such as a salary increase, use the elements tab in the employee screen. The elements tab on the Payroll screen is useful for making temporary changes to the payment details, that you wish to process for the current period. If an employee has done overtime, or is going on holidays, this is where the details should be input.

Note the three figures at the bottom of the screen; Insurable weeks, Gross Pay and Nett Pay. The Gross Pay and Nett Pay are useful as a quick check to see if the figures are as expected. The 'Insurable Weeks' defaults to the number of weeks in the payment period. This can be overwritten if the employee leaves mid-payment period. For example, if the employee leaves after two weeks, in a four weekly payment period, this value can be over-written from '4' to '2'.

Click the 'Save' button at the top of the screen to save any changes you have made to the elements for the current period. Clicking the 'Save' button will not process the payment. This will allow you to enter all the details for a pay period for all your employees, before processing the wages.

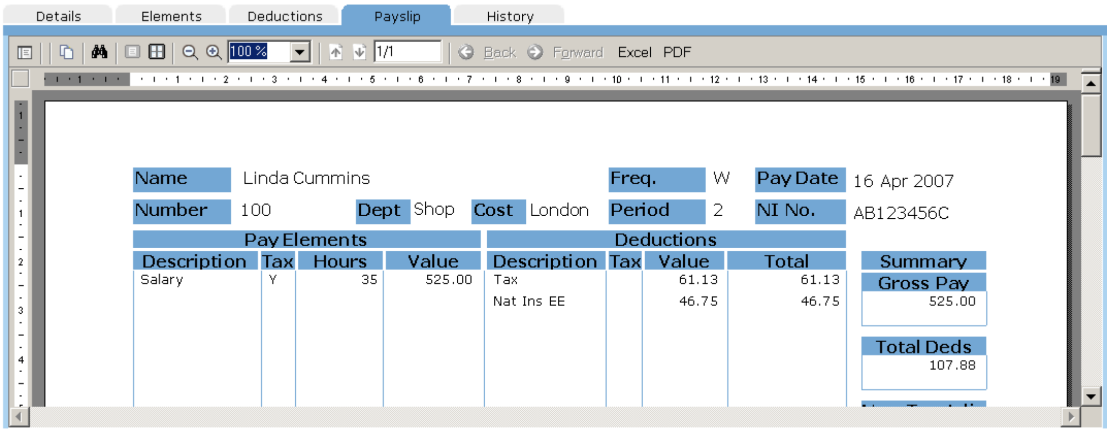
The Deductions Tab

Details | Elements | Deductions | Payslip | History

	Description	EE%	EE Amount	ER%	ER Amount	Tax	NI	Hols	Type	
Del		☑	0.00	☑	0.00	☑	☑	☑	Normal	Details
Del		☑	0.00	☑	0.00	☑	☑	☑	Normal	Details
Del		☑	0.00	☑	0.00	☑	☑	☑	Normal	Details
Del		☑	0.00	☑	0.00	☑	☑	☑	Normal	Details
Del		☑	0.00	☑	0.00	☑	☑	☑	Normal	Details
Del		☑	0.00	☑	0.00	☑	☑	☑	Normal	Details
Del		☑	0.00	☑	0.00	☑	☑	☑	Normal	Details
Del		☑	0.00	☑	0.00	☑	☑	☑	Normal	Details
Del		☑	0.00	☑	0.00	☑	☑	☑	Normal	Details
Del		☑	0.00	☑	0.00	☑	☑	☑	Normal	Details
Del		☑	0.00	☑	0.00	☑	☑	☑	Normal	Details
Del		☑	0.00	☑	0.00	☑	☑	☑	Normal	Details

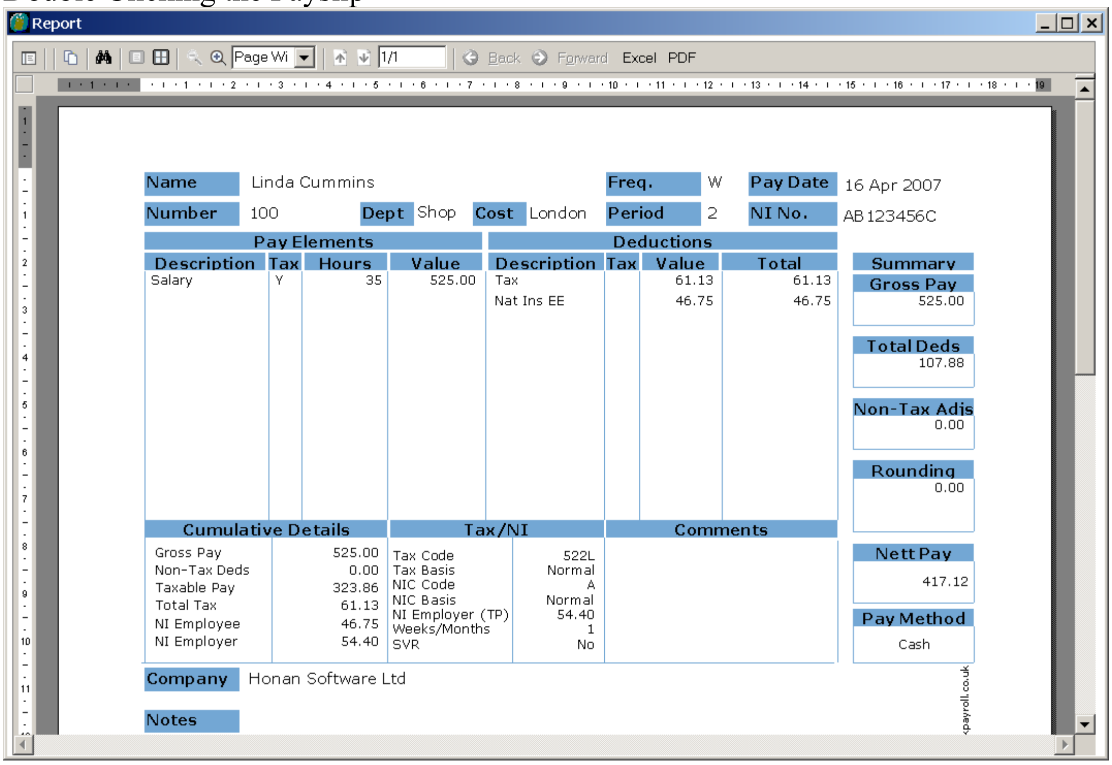
If you wish to set up (temporary) voluntary deductions, use this tab. This is useful for one off payments, such as the full repayment of a small loan. It is used in the same manner as the deductions tab in the employee screen.

The Payslip Tab



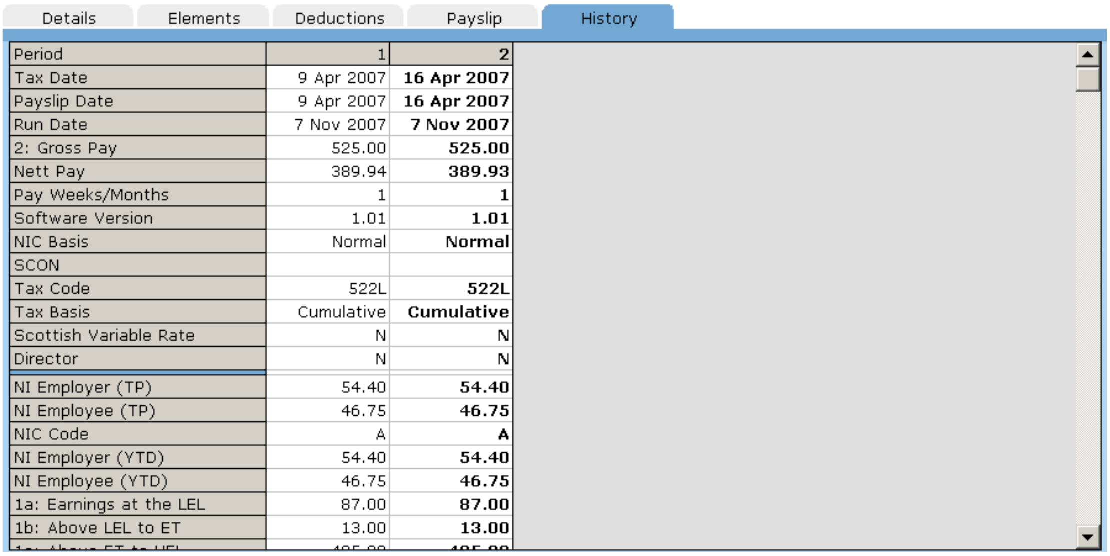
This tab allows you to preview the payslip. Old payslips can also be viewed by selecting the required date from the calendar. Double click on the payslip to display a larger payslip.

Double Clicking the Payslip



Payslips can also be printed or copied to the windows clipboard from here.

The History Tab

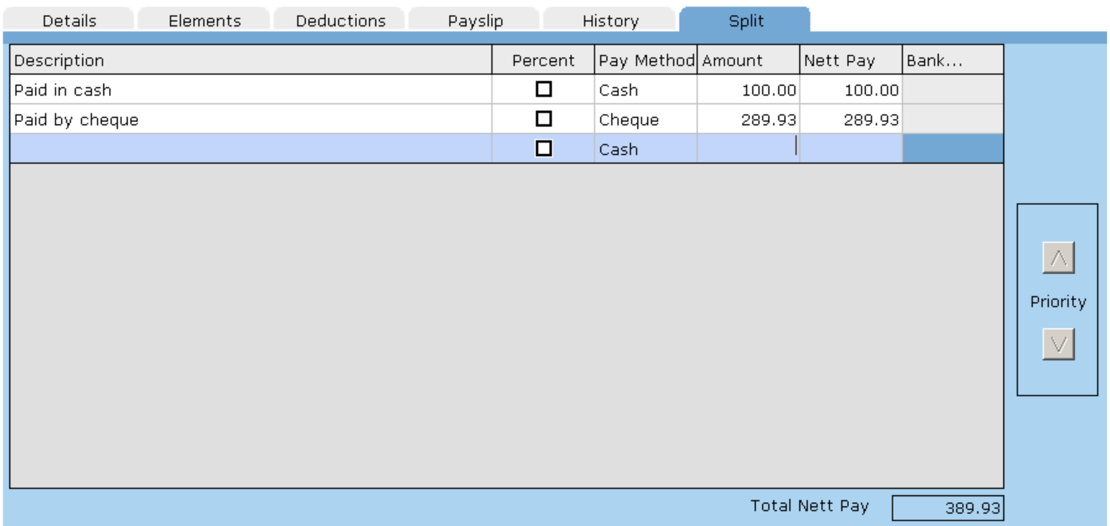


Period	1	**2**
Tax Date	9 Apr 2007	**16 Apr 2007**
Payslip Date	9 Apr 2007	**16 Apr 2007**
Run Date	7 Nov 2007	**7 Nov 2007**
2: Gross Pay	525.00	**525.00**
Nett Pay	389.94	**389.93**
Pay Weeks/Months	1	**1**
Software Version	1.01	**1.01**
NIC Basis	Normal	**Normal**
SCON		
Tax Code	522L	**522L**
Tax Basis	Cumulative	**Cumulative**
Scottish Variable Rate	N	**N**
Director	N	**N**
NI Employer (TP)	54.40	**54.40**
NI Employee (TP)	46.75	**46.75**
NIC Code	A	**A**
NI Employer (YTD)	54.40	**54.40**
NI Employee (YTD)	46.75	**46.75**
1a: Earnings at the LEL	87.00	**87.00**
1b: Above LEL to ET	13.00	**13.00**

The history tab allows you to refer back to previous periods. The column displayed in bold refers to the current payment period. This period has not been processed. Using the history tab, you can compare the pending payment details with previous processed periods. By scrolling down (using the scroll bar at the right of the grid) you'll be able to see how the pay was calculated.

If a payment amount doesn't seem correct, this is the first place to look. You can scroll down the list to make sure all the figures are correct and match what you expect.

The Split Tab



Description	Percent	Pay Method	Amount	Nett Pay	Bank...
Paid in cash	☐	Cash	100.00	100.00	
Paid by cheque	☐	Cheque	289.93	289.93	
	☐	Cash			

Some employees may wish to be paid by more than one method. Using the split pay screen, payment amounts can be allocated to different payment methods.

This is quite similar to the split pay tab in the employee screen. However, there is a new column, 'Nett Pay'. This column indicates how much money is allocated to each payment method. Payment methods can also be prioritised using the ‘Priority’ arrows at the right hand side of the grid.

To set up multiple payment methods, input each payment into the Split Pay grid. Payments are prioritised, the closer to the top of the grid, the higher the priority. They have to be prioritised in case the employee does not get paid enough to cover all of the payment methods. Below is an example of how prioritising payment methods work:

An employee is paid £1000 Nett. Here is how the payment methods were prioritised:
Cheque: £500
Transfer: £400
Cash: £100
(Total: £1000)

One month, the employee only works two weeks. They only get paid £600. Here is how their wages will be split:
Cheque: £500
Transfer: £100
Cash: £0
(Total: £600)

Cheque took the priority because it was at the top of the list. Next came Transfer, followed by Cash. ‘Cash’ was allocated a zero amount because it was the lowest priority.

The following month the employee does overtime, resulting in getting paid £1500. Here is how the pay will be apportioned:
Cheque: £1000
Transfer: £400
Cash: £100
(Total: £1500)

Note that ‘Cheque’ received the balance. This is because it was highest priority.

Payment methods may receive amounts that are different to what was originally allocated. This will happen if the employee is paid more or less than what the total split payments add up to (as in the above examples). To cater for this, there are two columns, ‘Amount’ and ‘Nett Pay’.

Here is an example of the ‘Amount’ and ‘Nett Pay’ columns. The employee is only paid £600:

	Amount	Nett Pay
Cheque:	£500	£500
Transfer:	£400	£100
Cash:	£100	£0
(Total:	£1000	£600)

Although £1000 was allocated, the employee was actually paid £600.

When setting up employees, only the ‘Amount’ Column will be visible. This is because we won’t know at that stage how much the employee will actually be paid.

The other columns are:
Description – A brief description about the payment.
Percent – Is the amount value expressed as a percentage of the nett pay, or a flat amount. (£50 or 50% of nett pay)
Amount – The target amount in either a percentage of nett pay, or a flat amount (depending on whether you ticked the ‘Percentage’ column)
Nett Pay – The actual amount paid to the employee
Bank… - If paying by Paypath, click on View… to display the bank account details. It is possible to pay money into more than one bank account for the same employee.

Saving Payroll Information

The pay details can be saved without having to process a period. This function is useful if you wish to input all the details of each employee first, before processing the payment. Saving the pay details does not process the period.

Many payroll professionals will enter in timesheet information, and then enter in adjustments and deductions and finally process the payroll. Click the ‘Save’ button to save the information without processing it.

Paying Employees

When you are happy that the payment details are correct, click this button to process the payment for the highlighted employee. Only the selected employee will be paid. Once paid, the employee details will turn from bold to normal text on the employee grid.
NOTE: Clicking the **Pay** button doesn’t transfer any money. If you make a mistake, you can easily undo it using the ‘Rewind’ Button.

Paying Employees all at once

When all of the employees have the correct payment details, click this button to process the period for all the listed employees. The employee details in the employee grid will change from **bold** to normal text. This indicates that they’ve been paid.

Rewinding Payments

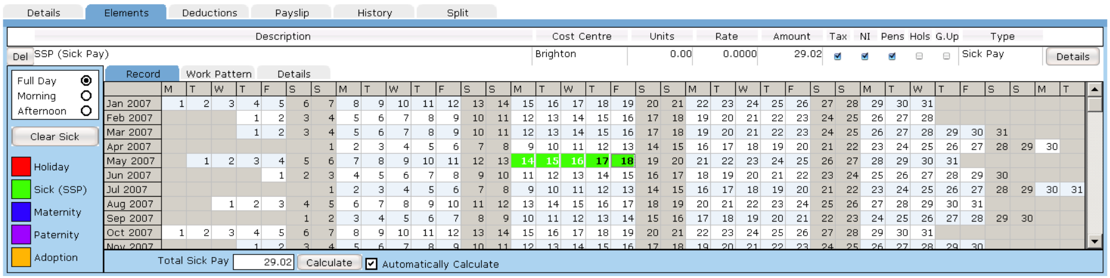
This undoes a processed period for the highlighted employee. It will only reverse the pay for the currently selected employee. Only the last period paid can be rewound. This is because of the way pay is calculated (on a cumulative basis). Refer to the **history** tab at the bottom half of the screen to see which periods have been processed. To find the last period paid, refer to the Pay Details tab in the Employee Screen.

If you have paid an employee up to period 35, but made a mistake on period 26, you can rewind to period 26. Select period 35 from the calendar, select the employee you wish to rewind and click the ‘Rewind’ button. Do this for periods 34, 33, 32, 31, 30, 29, 28, 27 and then 26. It is important that you do this in reverse order. You will not be able to rewind period 30 before you have rewound period 31 etc.

To undo all processed payments for an employee, you will have to systematically rewind all periods from the last paid period to the beginning of the year.

Chapter Six: SSP - Statutory Sick Pay

This can be set up either in the Employee screen, or the Payroll screen. Select 'SPP (Sick Pay) from the drop down list in the elements grid. The Sick Pay utility will be displayed in the elements grid, as shown below.



Click on the 'Record' tab to enter the days taken as Statutory Sick Pay. Selected days turn green. The date text is white for waiting days, and is displayed in black for qualifying days.

Terms you should be familiar with are

PIW: Period of Incapacity for work

In order to form a Period of Incapacity for work, an employee has to be sick for at least four days in a row. All days of sickness count towards the total number of days, even non working days. You only need to take action if there are four or more consecutive days of sick

QD: Qualifying days

Any day of the week can be a qualifying day, including those not normally worked by the employee. Qualifying days count towards waiting days. However, if you decide to have days not normally worked as qualifying days, this must be agreed by your workforce. For Statutory Sick Pay purposes the week always begins with a Sunday and there must be at least one qualifying day each week. Bank Holidays do not alter the normal pattern of qualifying days.

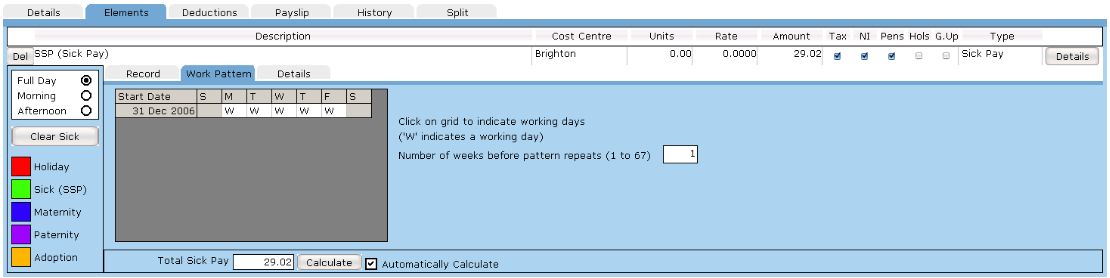
WD: Waiting Days

The first three qualifying days in a period of incapacity for work are called waiting days. Statutory sick pay is not payable for these days, and are displayed in white text in Payback.

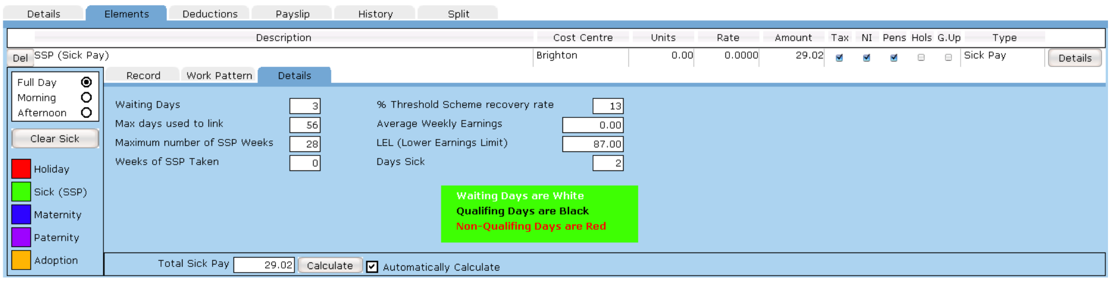
They are not always the first three days of sickness as the employee may have been sick on non QDs. Where PIWs are linked and **not** all of the three WDs have been served in the first PIW, the remaining WDs must be served at the beginning of the next linked PIW. But once served there is no need for them to be served in any further linked PIWs.

Linking Periods of Incapacity for work

Periods of Incapacity for Work (PIWs) are linked and treated as one PIW if the gap between them is 8 weeks or less. Payback automatically determines if periods should be linked.



To correctly work out sick pay, a work pattern must first be established. Click on the 'Work Pattern' tab to do this. Select the number of weeks the pattern repeats over and click on the grid to record the pattern. For example, if an employee works Monday, Wednesday, Friday, Tuesday, Thursday, Monday….and so on, enter '2' in the textbox and grey out the non-working days in the grid.



Click the Details tab to see the current waiting days, days used to link and other information about statutory sick pay

Payback will automatically calculate Statutory Sick Pay and apply the appropriate rates. It also works out when the Period of Incapacity for Work starts, the Qualifying Days, Waiting Days, and will link Incapacity for Work periods.

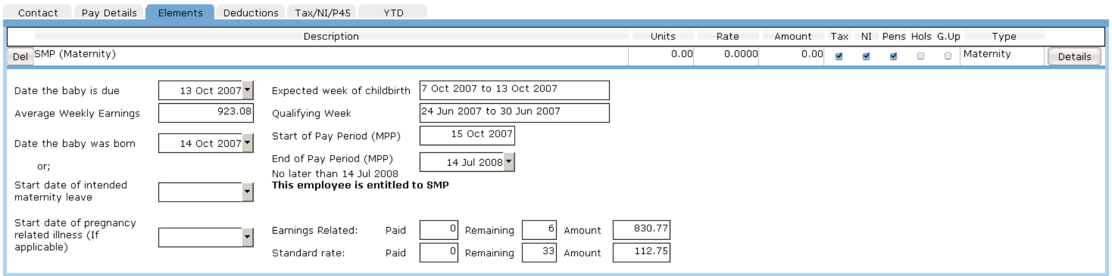
HMRC has an employer helpline you can call if you need more help on statutory sick pay. The number is 0845 7 143 143. They can also be emailed from here http://www.hmrc.gov.uk/employers/ssp-email.htm, and they should reply within two working days.

More information about Statutory Sick Pay

Download the most up to date version of Payback Payroll to make sure you are using the correct rates of SSP. You only need a medical certificate if the absence lasts more than 7 calendar days. SSP is subject to tax and NIC, and payback will automatically deduct these. SPP may be recoverable under the percentage threshold scheme.

Chapter Seven: SMP - Statutory Maternity Pay

This can only be set up in the Employee screen, for female employees. Select SMP (Maternity) in the elements grid.



Payback will automatically calculate the rates of maternity pay for the employee, and deduct the appropriate tax and national insurance. Statutory maternity pay is liable for tax and national insurance. Fill the appropriate dates in and Payback will automatically calculate the Statutory Maternity Pay each pay period.

Eligibility

To determine whether an employee is eligible for Maternity Pay, follow the flowchart published here; http://www.hmrc.gov.uk/employers/flowchart-from-e15.pdf. The pregnancy should be confirmed, usually by a MATB1 form, signed by a doctor or midwife. Once these qualifying conditions have been met, SMP can be paid.

If the employee is not eligible for Statutory Maternity Pay, they still may be eligible for Maternity Allowance. If they do not qualify for SMP, return the MATB1 to your employee after taking a photocopy for your records. Complete the form SMP1 and give this to your employee.
HMRC has an employer helpline you can call if you need more help on statutory maternity pay. The number is 0845 7 143 143. They can also be emailed from here http://www.hmrc.gov.uk/employers/ssp-email.htm, and they should reply within two working days.

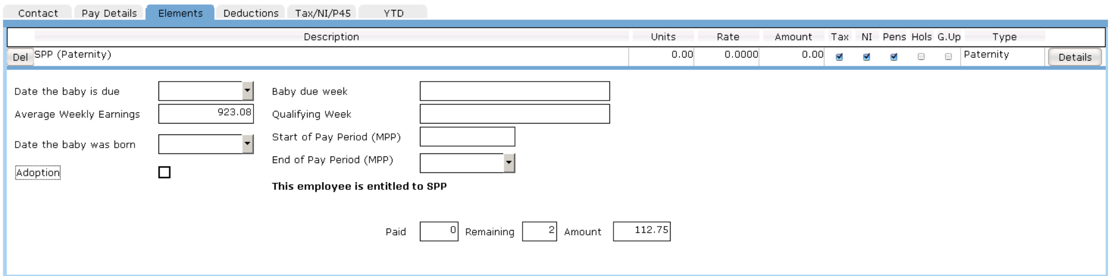
More information about Statutory Maternity Pay.

An employee is allowed to work up to ten 'Keep In Touch' days (KIT) for the employer paying their SMP, without losing their entitlement. If an employee has a pregnancy related illness, please refer to this document to determine whether statutory sick pay or statutory maternity pay should be paid;
http://www.hmrc.gov.uk/employers/employee_pregnant.htm#ill

If an employee's rate of pay changes during SMP, you should recalculate the weekly earnings. Eight weeks notice should be given by the employee before they return to work, if the full leave entitlement is not taken. If the baby is born early and the mother meets the qualifying conditions, you may still be able to pay SMP. For stillbirths other rules apply; http://www.hmrc.gov.uk/employers/employee_pregnant.htm#52
If you do not have enough money to pay SMP, you can ask your Accounts Office to pay you an advance of the amount you need to pay your employee's SMP. For more information see; http://www.hmrc.gov.uk/employers/statpayments-recovery.htm

Chapter Eight: SPP - Statutory Paternity Pay (including adoption)

Statutory Paternity Pay is set up in the Employee screen. It can be set up with or without adoption. Select SPP (Paternity) in the elements grid. Tick the 'Adoption' box if the child is adopted.



The appropriate rates of Paternity pay are automatically calculated by Payback. Statutory Paternity Pay is regarded as earnings for PAYE and NIC, and these deductions will be calculated by Payback. In some instances, it may be that the earnings will not be high enough to attract payment of NIC and may also produce a tax rebate.

Eligibility

To see if Statutory Paternity Pay should be paid, follow the flowchart; http://www.hmrc.gov.uk/employers/e16-p7.pdf Before you pay SPP, You must give your employee a Declaration of Family Commitment to be signed and returned to you. There are three forms and the reason for Paternity Pay will determine the declaration form.

- Paternity Pay for birth; http://www.hmrc.gov.uk/forms/sc3.pdf
- Adoption from UK; http://www.hmrc.gov.uk/forms/sc4.pdf
- Adoption from abroad; http://www.hmrc.gov.uk/forms/sc5.pdf

If the employee doesn't meet the criteria laid out, you do not have to pay SPP. Instead you should take a photocopy of the Declaration of Family Commitment for your records and return the form to your employee. Next complete; http://www.hmrc.gov.uk/forms/spp1.pdf, explaining why you cannot pay them SPP, and give it to your employee.

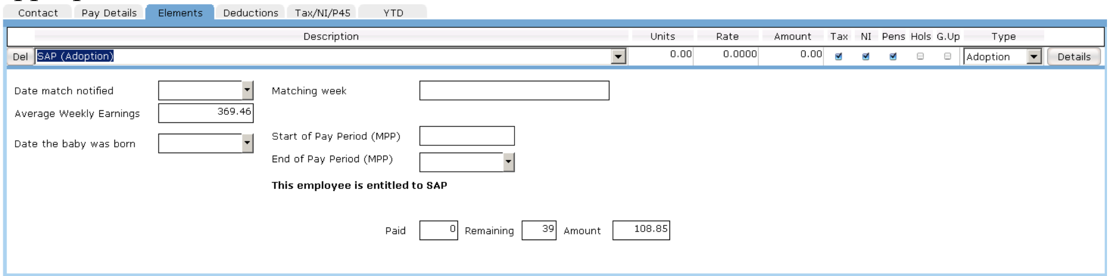
More information about Statutory Paternity Pay (SPP)

You employee can choose when they want to take the leave. They may choose to take one or two consecutive weeks leave but not two separate weeks. They have to give you 28 days notice. The chosen leave has to be completed within eight weeks after the date of birth. You may be able to recover Statutory Paternity Pay. The amount you get back depends on your total gross National Insurance Contributions liability you pay to HMRC.

HMRC has an employer helpline you can call if you need more help on statutory paternity pay. The number is 0845 7 143 143. They can also be emailed from here http://www.hmrc.gov.uk/employers/spp-email.htm, and they should reply within two working days.

Chapter Nine: SAP - Statutory Adoption Pay

In a similar fashion to Paternity Pay and Maternity Pay, Statutory Adoption Pay is set up in the Employee screen. Select SAP (Adoption) in the elements grid. Fill in the appropriate boxes.



The rates for Adoption Pay are automatically calculated by Payback. Adoption Pay is regarded as earning for NIC and PAYE purposes. Payback will calculate and deduct both of these. However, it may be that the earnings will not be high enough to attract payment of NIC and may also produce a tax rebate.

Eligibility

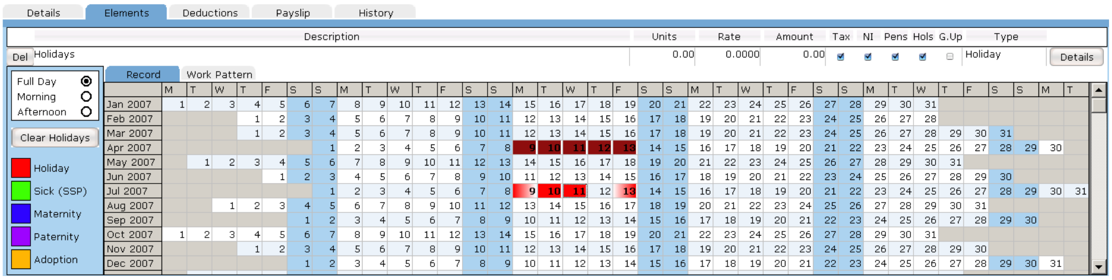
Before you pay Adoption Pay, your employee must provide evidence that they have been matched with a child. This is generally a matching certificate which the adoption agency provides. The employee should also inform you of the date they wish to start their leave and when they expect the child to be placed with them. The employee much also meet the conditions laid out in this document; http://www.hmrc.gov.uk/employers/e16-p7.pdf Adoption pay can also be given to people who are already fostering who go onto adopt. They must also provide evidence of matching.

If you find that your employee is not entitled to Statutory Adoption Pay, you should photocopy the matching certificate for your own records, and return it to your employee. The employee maybe entitled to other assistance, so they should contact their adoption agency. Complete the following; http://www.hmrc.gov.uk/forms/sap1.pdf and give it to your employee.

More information about Statutory Adoption Pay (SAP)

Statutory Adoption Pay is similar to maternity pay. The recovery rules (for employers) and the Keep In Touch days are the same. A main difference is that only one rate is paid throughout the leave (calculated by Payback). Only the first 39 weeks of leave is covered by SAP. Fifty Two weeks can be taken in total. SAP can also be recovered, depending on your total gross National Insurance Contributions.
HMRC has an employer helpline you can call if you need more help on statutory Adoption pay. The number is 0845 7 143 143. They can also be emailed from here http://www.hmrc.gov.uk/employers/sap-email.htm, and they should reply within two working days.

Chapter Ten: Holidays and Leave



Introduction

Payback has a facility whereby you can track holidays and leave taken by your employees.

Setting up Holidays and Leave

Holidays can be set up either in the Employee screen or the Payroll screen. Select 'Holidays' in the elements grid and click the 'Details' button. The holiday grid will be displayed.

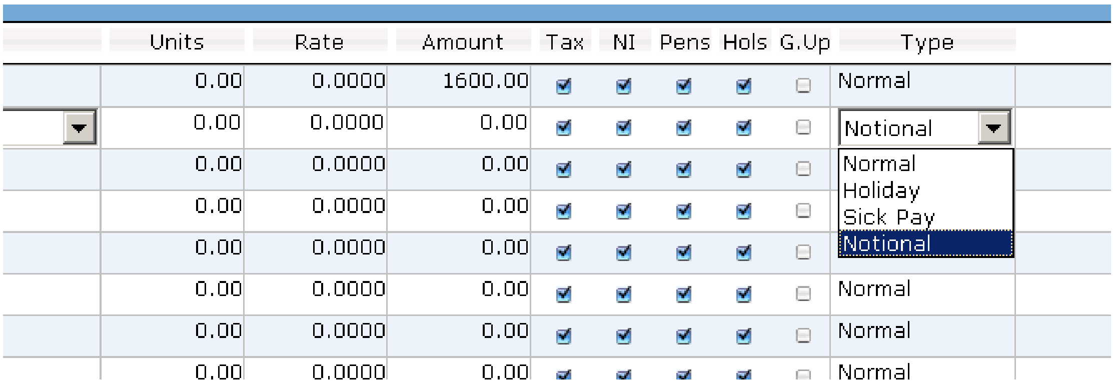
The portion of the day taken (Full day, Morning or Afternoon) can be selected from the left of the grid. Click on the grid to highlight the day taken. Afternoons and mornings will be displayed gradiented, either left to right or right to left accordingly. Full days are displayed as solid. Holidays taken in prior periods are displayed as dark red, whereas the current period holidays are displayed in a lighter shade.

Clicking a cell twice will toggle whether a holiday is displayed or not. In order to delete dark red days, the period the holidays were set up in must be selected first. The days then turn bright red.

Further Information about Holidays and Leave

Please refer to http://www.hmrc.gov.uk/guidance/cwg2chapter2.pdf for a more in depth information about holiday pay.

Chapter Eleven: Notional Pay



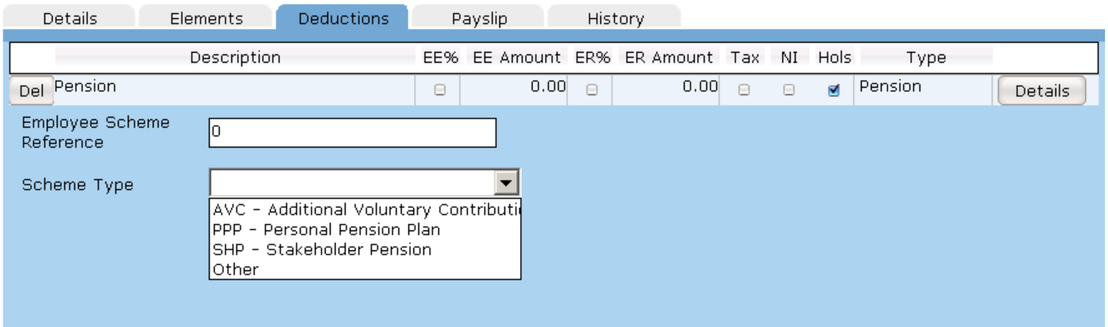
An employee may be in receipt of certain benefits that are liable for tax and national insurance. An example might be private use of a company car. With Payback, you have the option to put these benefits though the Payroll.

If an element is set up as ‘Notional’ type, then the value of the benefit is added to the employee’s gross pay and then tax and NI are applied. The value (notional pay) is then taken back off, leaving the additional tax and NI.

To set up a Notional Pay amount in Payback, first determine whether it is to be a once off benefit (such as concert tickets) or an ongoing benefit (such as a car). Once off benefits should be set up in the payroll screen; Ongoing benefits are set up in the employee screen, and are processed each pay run.

- Select the elements tab and click on the first empty row.
- Type the name of the benefit under the ‘Description’ column.
- Enter the value of the benefit in the ‘Amount’ column.
- Click the ‘Update employee’ button (employee screen) or the ‘Pay’ button payroll screen).

Chapter Twelve: Pensions



Pensions should be set up in the Deductions tab of the Employee screen. This is because they are on-going deductions. Three main types of pension can be set up, or 'Other' may be selected if the pension does not fall into any of the three categories.

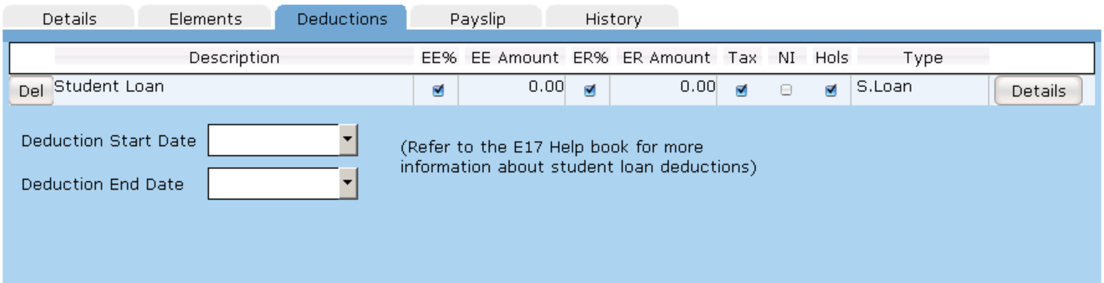
AVC – Additional Voluntary Contribution
PPP – Personal Pension Plan
SHP – Stakeholder Pension

- Click the Employee icon on the main menu at the left of the screen.
- Select the employee you wish to set the pension up for from the list of employees.
- Click on the Deductions tab near the bottom half of the screen. You will be able to see the voluntary deductions grid
- Click on the last empty row under the 'Description' column, a drop-down arrow will appear.
- Click the arrow to display the deductions.
- Select the Pension from the list.
- Fill in the pension details into the other columns. You can set up a pension as a percentage of gross pay, or as a flat amount.
- Click 'Details' to fill in the scheme type and the employee Scheme reference
- Click 'Update Employee' at the top of the screen.

Each time pay is processed for this employee, a pension amount will be automatically deducted. Any number of pensions may be set up for an employee. If you would like a fixed amount to be deducted each pay period (like £30), make sure the % column is deselected. If the pension contribution is a percentage of the salary (like 5%) make sure the percent column is ticked.

The 'EE' means employee contribution, ie, how much the employee is paying toward the pension. 'ER' means the employer contribution.

Chapter Thirteen: Student Loans



Introduction

Student loans are available to help students meet their expenses while they are studying. When a student finishes or leaves their course, and their income reaches a certain level, they should repay their loan to the Student Loans Company. This can either be direct to the student loans company or through the PAYE system.

The employer should only commence student loan deductions when;

- An employee gives the employer a P45 with a 'Y' in the 'Continue Student Loan Deductions' box
- The employer receives a form SL1 (start notice)
- The employer receives a P46 with a tick in the Student Loans box

The employer stops making student loan deductions when;

- Ordered to by the HMRC. This is confirmed in writing.
- The employer receives a form SL2 (stop notice)
- The employee has been accepted by the 'Repayment of Teachers' loan' scheme

Setting up a Student Loan

Student loans should be set up in the employee screen, because they are on-going deductions.

- Click the Employee icon on the main menu at the left of the screen.
- Select the employee you wish to set the Student loan up for from the list of employees.
- Click on the Deductions tab near the bottom half of the screen. You will be able to see the voluntary deductions grid
- Click on the last empty row under the 'Description' column, a drop-down arrow will appear.
- Click the arrow to display the deductions.
- Select the Student Loan from the list.
- Fill in the Student Loan repayment amount into the EE amount column.
- Click 'Details' to fill in the start date and end date (if known)
- Click 'Update Employee' at the top of the screen.

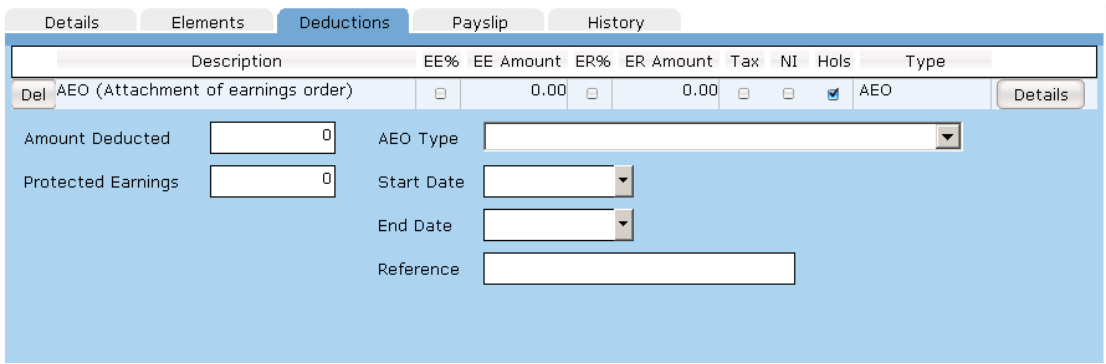
Further Information about Student Loans

If an employer over-collects loan repayments, the borrower will receive a refund.

The following help lines are available;

New and inexperienced employers 0845 60 70 143
More experienced employers 0845 7 143 143
For a full list of Help lines please visit; www.hmrc.gov.uk/contactus/helplines.htm

Chapter Fourteen: AEO – Attachment of Earnings Order



Introduction

AEO stands for Attachment of Earnings Order and are issued by the courts. They tell you to take money from an employee's pay to cover an unpaid debt. These debts could be for fines, civil court judgement debts or maintenance.

Setting up an AEO

AEOs should be set up in the employee screen, because they are on-going deductions.

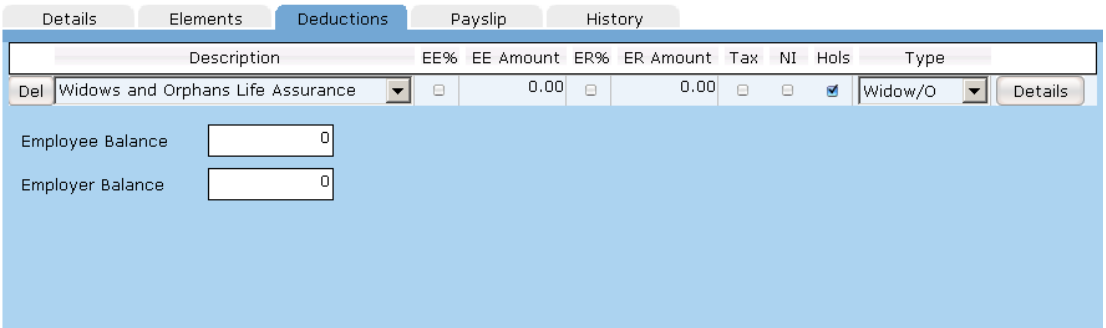
- Click the Employee icon on the main menu at the left of the screen.
- Select the employee you wish to set the Student loan up for from the list of employees.
- Click on the Deductions tab near the bottom half of the screen. You will be able to see the voluntary deductions grid
- Click on the last empty row under the 'Description' column, a drop-down arrow will appear.
- Click the arrow to display the deductions.
- Select AEO (Attachment of earnings order) from the list.
- Fill in the repayment details.
- Click 'Details' to fill in the other relevant details about the AEO.
- Click 'Update Employee' at the top of the screen.

Further information about AEOs

If you have a query about a particular order, you should contact the court which made the order, quoting the case or reference number.

The Department for Constitutional Affairs has issued an Employer's Guide to AEOs. Copies can be obtained from local Magistrates' Courts and from; http://www.hmcourts-service.gov.uk/

Chapter Fifteen: Widows and Orphans and other Voluntary Deductions.



Voluntary deductions are set up in a similar was to payment elements. If a deduction is a once- off deduction, it should be set up in the payroll screen. If it is a continual deduction, then it should be set up in the employee screen.

Setting up the Widows and Orphans deduction

The Widows and Orphans Life Assurance deduction should be set up in the employee screen.

- Click the Employee icon on the main menu at the left of the screen.
- Select the employee you wish to set the pension up for from the list of employees.
- Click on the Deductions tab near the bottom half of the screen
- You will be able to see the voluntary deductions grid
- Click on the last empty row under the 'Description' column, a drop-down arrow will appear.
- Click the arrow to display the deductions.
- Select 'Widows and Orphans Life Assurance' (This description may be over-written)
- Fill in the deduction amount into the other columns.
- Click 'Details' if you wish to input an employee and employer balance.
- Click the 'Update Employee' button at the top of the screen.

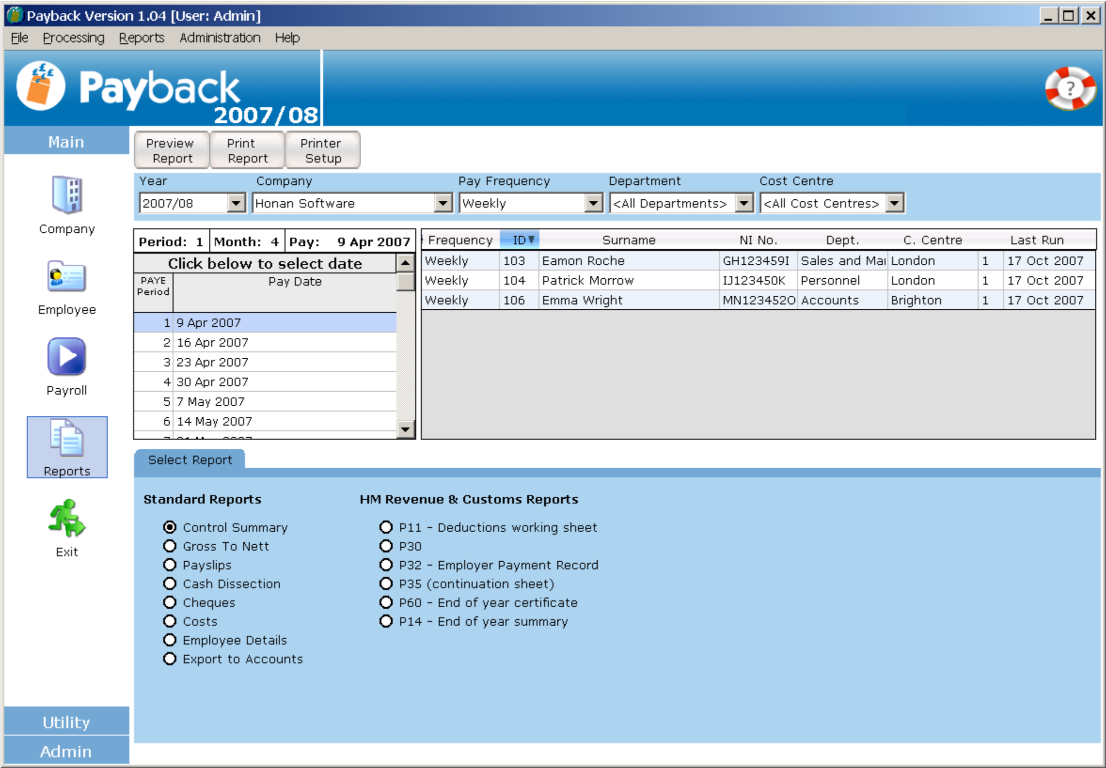
Setting up other voluntary deductions

You can set your own voluntary deductions up like Christmas savings funds or union fees. To set up a voluntary deduction, click the 'Deductions' tab. If it is going to be an on-going deduction (like a Christmas savings fund) set it up in the employee screen. For a once-off deduction (like paying a loan off in full), set it up while you are processing the payroll, in the Payroll screen.

- You will be able to see the voluntary deductions grid
- Click on the last empty row under the 'Description' column and type the name of the deduction (eg. Union Fees)
- Under EE% and ER%, tick the boxes is you wish to enter contributions as a percentage of gross pay. Leave them unchecked if you want to enter flat amounts.
- Tick the 'Tax' and 'NI' columns. Most voluntary deductions will have tax and National Insurance applied.
- If you want the employee to contribute to the fund while they are on holiday, tick the 'Hols' box. Contributions will be automatically taken out of their holiday pay.
- Select the type. E.g., For a Christmas savings fund, you probably want the balance to be increasing so that you can see how much the employees have paid into the fund. Select 'Increasing'
- Some deductions require more information. If this is the case a 'Details' button will appear. Click this button to provide more information.
- When you have finished filling in the amounts, click on the 'Update Employee" button at the top of the screen

Whenever you run the payroll for this employee, they will have a Union fees deduction.

Chapter Sixteen: Reports



Introduction

The reports screen is divided in Standard Reports and HM Revenue and Customs Reports. The Standard reports are there to help to run your payroll, and can be used for everyday data analysis.

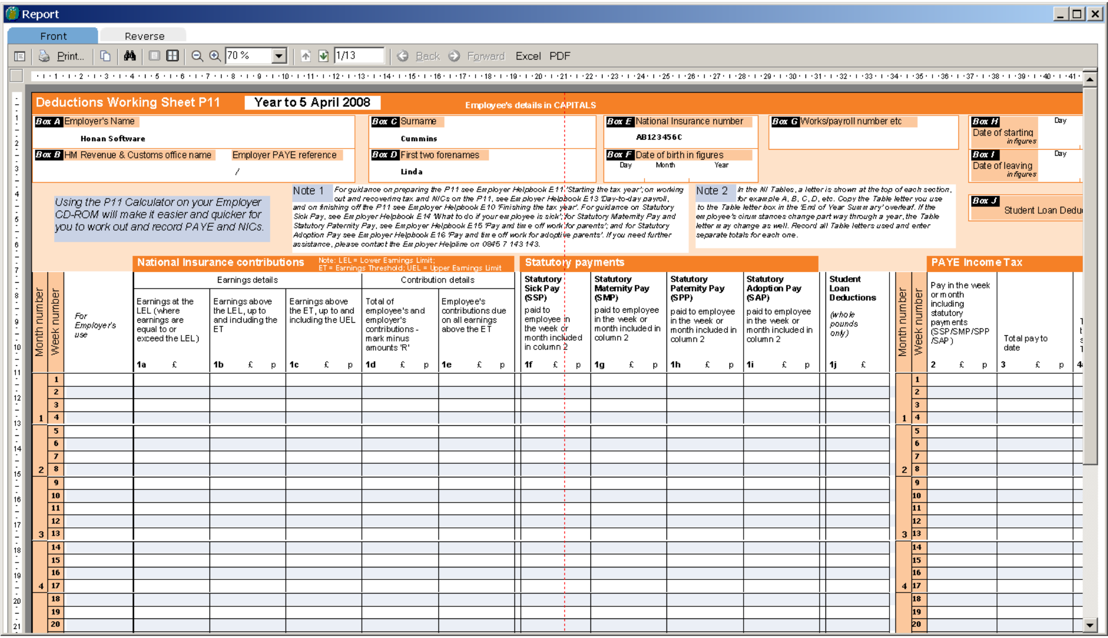
To generate these reports, click on the 'Reports' icon on the main menu. The reports screen will appear.

The layout of the reports screen is similar to the employee screen. The employees can be filtered by company, pay frequency, department and cost centre. Along the left of the employees' grid are check boxes. These can be used to select individuals for reports. To run a report, select the company and payment frequency. (You may filter by department and cost centre, if you have these set up.) Ensure that all the employees you want included in the report are ticked. Deselect any employees you do not wish to include.

Note that certain reports will only display the employees relevant to that particular report. For example the P45 report should only display those employees who have left.

When you are happy with the list of employees you wish to report on, select the report by clicking the radio button and then click 'Run Report' at the top of the screen.

P11 Report – Deductions Working sheet

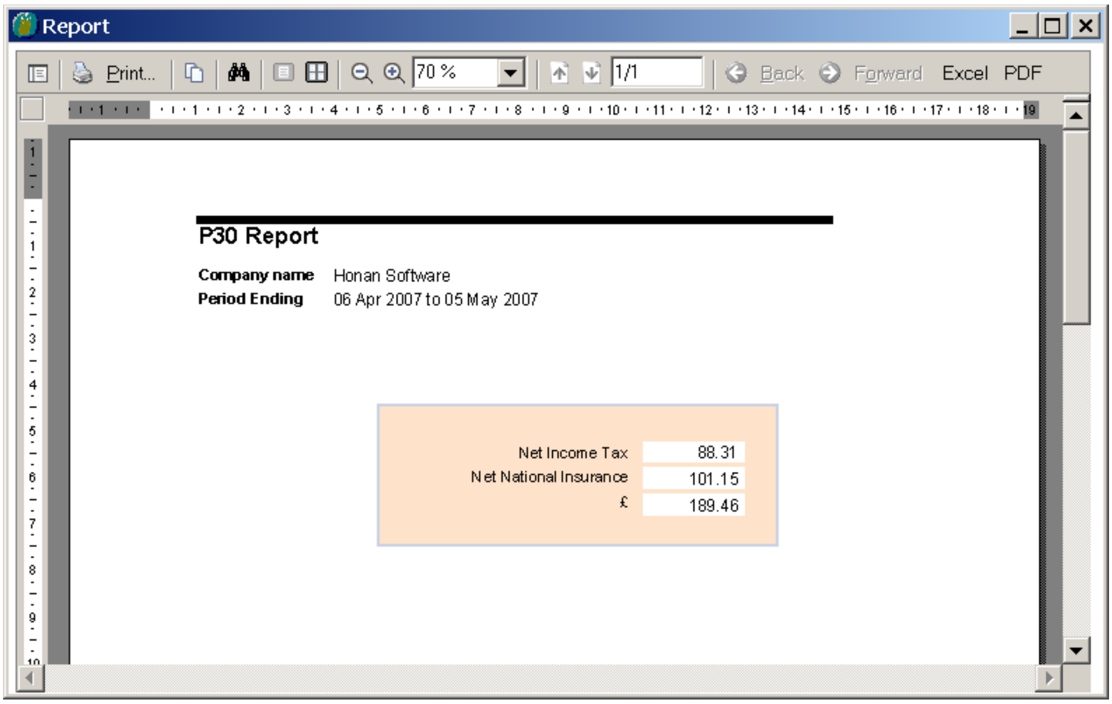


The P11 report is formatted in the same way as the P11 form you would receive from HMRC. At the top of the report are two tabs, ‘Front’ and ‘Reverse’. Click on the ‘Reverse’ tab to see the back page of the report. The report will probably be too large to fit onto your screen, and is certainly too large to print to one page of A4 paper. It is possible to zoom into sections of the report using the magnifying glass on the report toolbar. You can also reposition the report by clicking and dragging a section of the report.

This report is of most use to people who have gone from manually calculating the payroll. It should closely reflect the manual calculations.

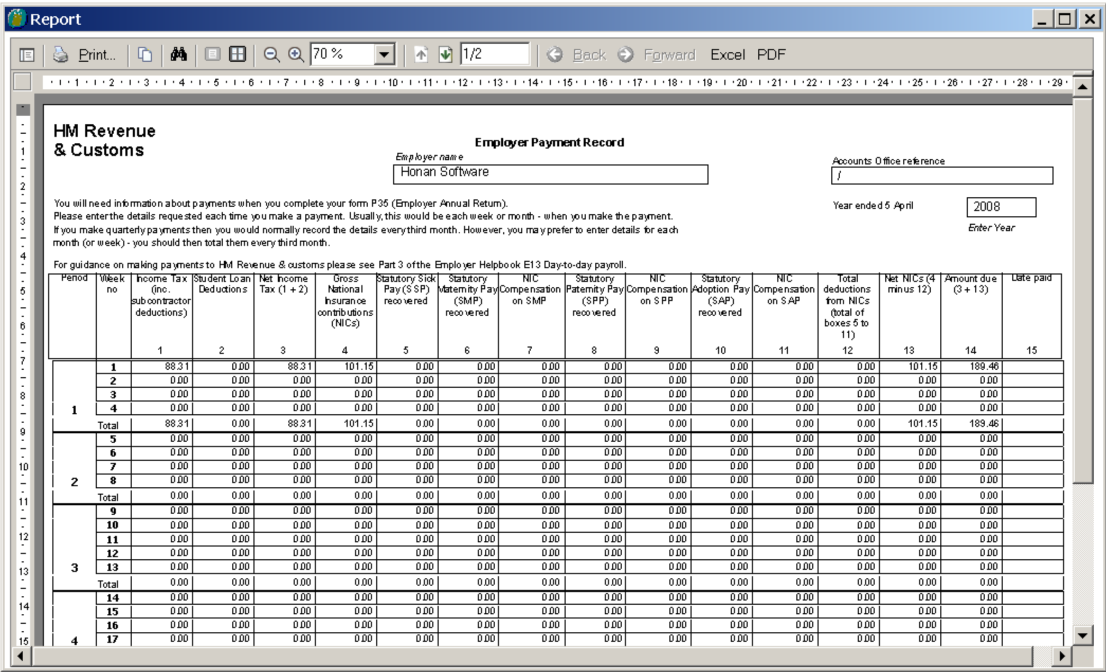
P30 Report

P30s have to be produced every month for the HMRC. All payments made from the sixth day in the selected month to the fifth day in the next month will be recorded in the file. P30 reports are run on a monthly basis, so there is no option to select by week.



Select P30, and click ‘Run Report’ to run the P30 report. Click on the required month on the calendar at the left of the screen. Please ensure that you’ve processed all payments to your employees before running the P30 report.

P32 Report – Employer Payment Record



HM Revenue & Customs

Employer Payment Record

Employer name: Honan Software

Accounts Office reference: /

Year ended 5 April: 2008 *Enter Year*

You will need information about payments when you complete your form P35 (Employer Annual Return). Please enter the details requested each time you make a payment. Usually, this would be each week or month - when you make the payment. If you make quarterly payments then you would normally record the details every third month. However, you may prefer to enter details for each month (or week) - you should then total them every third month.

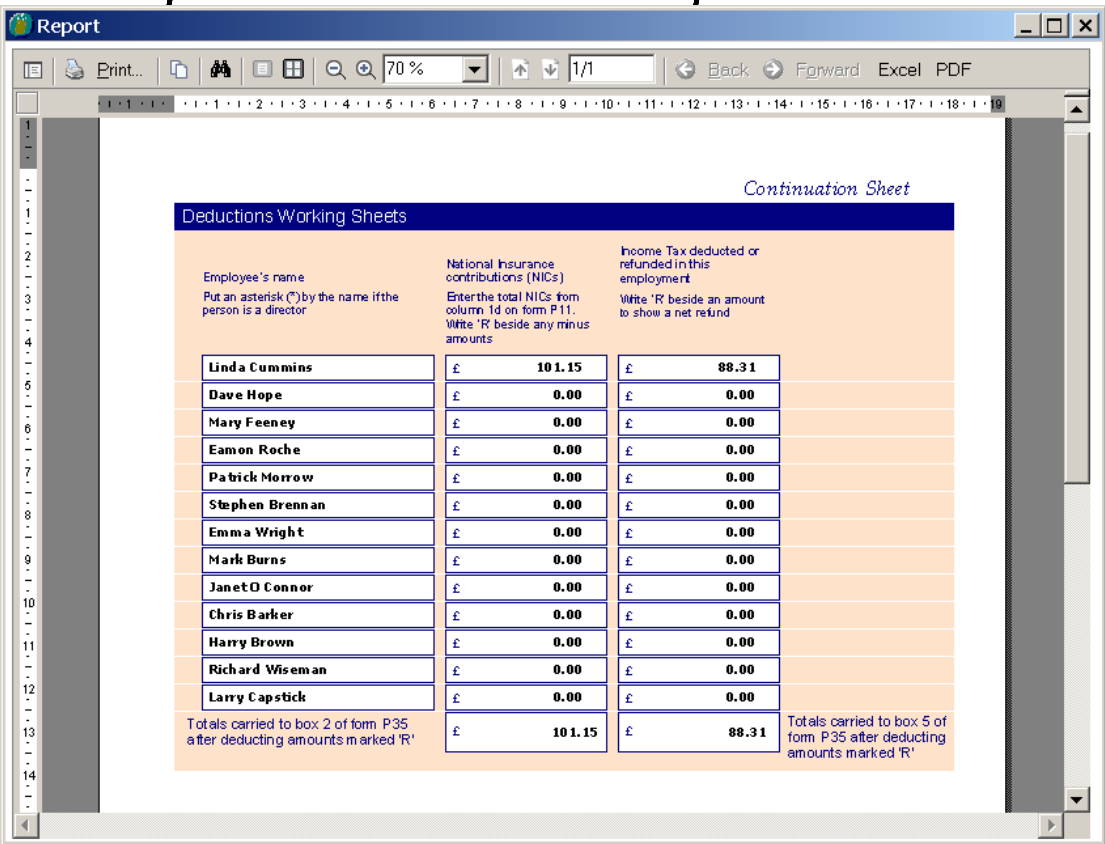
For guidance on making payments to HM Revenue & customs please see Part 3 of the Employer Helpbook E13 Day-to-day payroll.

Period	Week no	Income Tax (inc. subcontractor deductions) 1	Student Loan Deductions 2	Net Income Tax (1 + 2) 3	Gross National Insurance contributions (NICs) 4	Statutory Sick Pay (SSP) recovered 5	Statutory Maternity Pay (SMP) recovered 6	NIC Compensation on SMP 7	Statutory Paternity Pay (SPP) recovered 8	NIC Compensation on SPP 9	Statutory Adoption Pay (SAP) recovered 10	NIC Compensation on SAP 11	Total deductions from NICs (total of boxes 5 to 11) 12	Net NICs (4 minus 12) 13	Amount due (3 + 13) 14	Date paid 15
	1	88.31	0.00	88.31	101.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	101.15	189.46	
	2	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1	4	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	Total	88.31	0.00	88.31	101.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	101.15	189.46	
	5	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	6	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	7	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	8	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	9	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3	13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4	17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

The P32 report is similar to the P11 report. The P32 shows the sum of all employees for each payment period. The totals should tally with the P30 reports.

Select P32, and click ‘Run Report’ to run the P32 report. This is an annual report, so you do not have to select a date.

P35cs Report - Continuation Sheet Report



Continuation Sheet

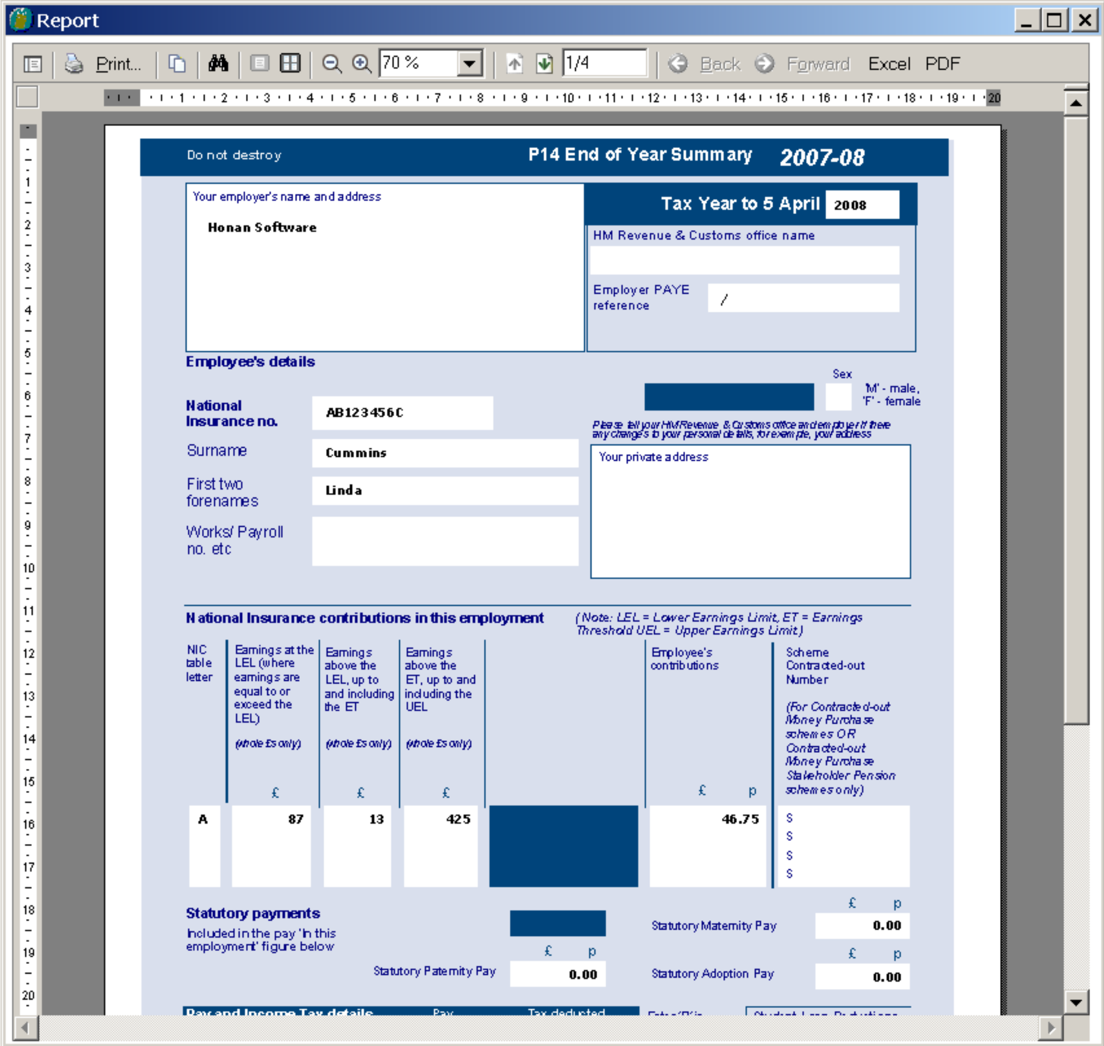
Deductions Working Sheets

Employee's name Put an asterisk (*) by the name if the person is a director	National Insurance contributions (NICs) Enter the total NICs from column 1d on form P11. Write 'R' beside any minus amounts	Income Tax deducted or refunded in this employment Write 'R' beside an amount to show a net refund
Linda Cummins	£ 101.15	£ 88.31
Dave Hope	£ 0.00	£ 0.00
Mary Feeney	£ 0.00	£ 0.00
Eamon Roche	£ 0.00	£ 0.00
Patrick Morrow	£ 0.00	£ 0.00
Stephen Brennan	£ 0.00	£ 0.00
Emma Wright	£ 0.00	£ 0.00
Mark Burns	£ 0.00	£ 0.00
Janet O Connor	£ 0.00	£ 0.00
Chris Barker	£ 0.00	£ 0.00
Harry Brown	£ 0.00	£ 0.00
Richard Wiseman	£ 0.00	£ 0.00
Larry Capstick	£ 0.00	£ 0.00
Totals carried to box 2 of form P35 after deducting amounts marked 'R'	£ 101.15	£ 88.31

Totals carried to box 5 of form P35 after deducting amounts marked 'R'

The P35cs is an annual report, so you do not have to choose a date. It lists all the employees and their National Insurance and Income tax payments for the year. Select P35cs, and click 'Run Report' to run the P35cs report

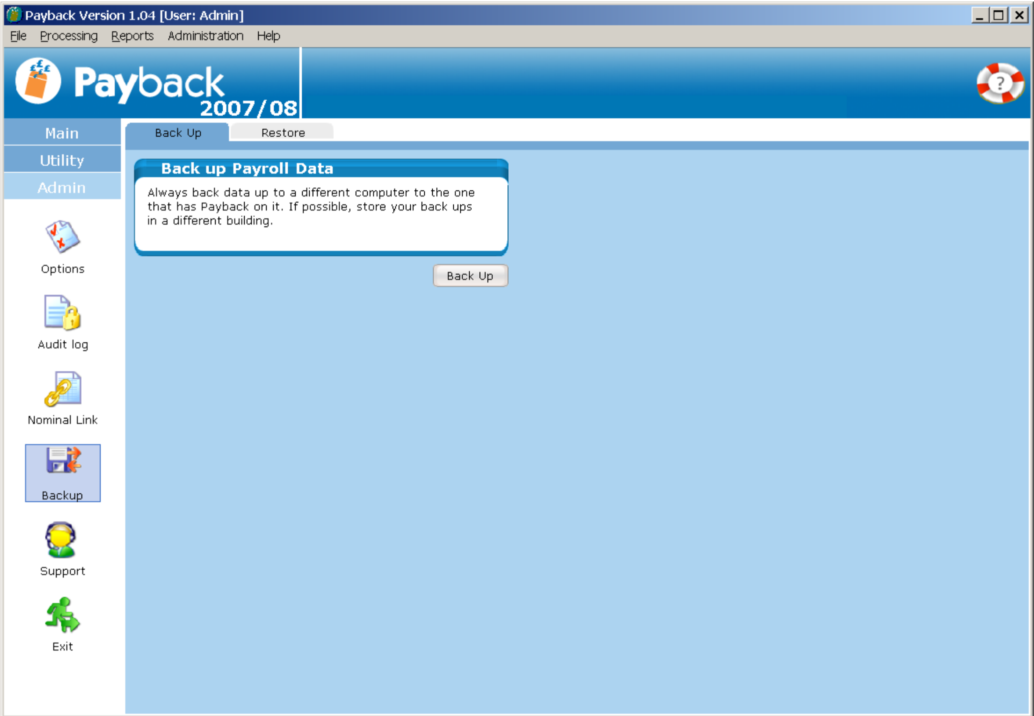
P14/P60 Reports - End of year summary



The P14 and the P60 are very similar reports. They should be produced at the end of the year and given to your employees. Make sure that you have processed all the pay for the year before generating these reports.

These reports are annual, so you do not need to select a date. Select either P14 or P60, and click ‘Run Report’ to run the reports.

Chapter Seventeen: Backup and Restore



Backing up your data

It is very easy to back up your data. Click on **Admin** and click the **Backup** icon. The Backup screen will appear. Select the **Backup** tab at the top of the screen and click the **Backup** button. A file dialogue will appear. Select the location you wish to back the file up to (preferably on a different computer) and type a name for your backup. You could call your backup files 'JunePayback.log', or use a sequential numbering system 'PBBackup1.log'. Click **Save** to back up your data.

It is strongly recommended that you back up your payroll data on a regular basis, preferably after you've processed each pay period. This is in case something happens to your computer resulting in the loss of data. Ideally you should keep a copy of your payroll data in a different building to where Payback is installed.

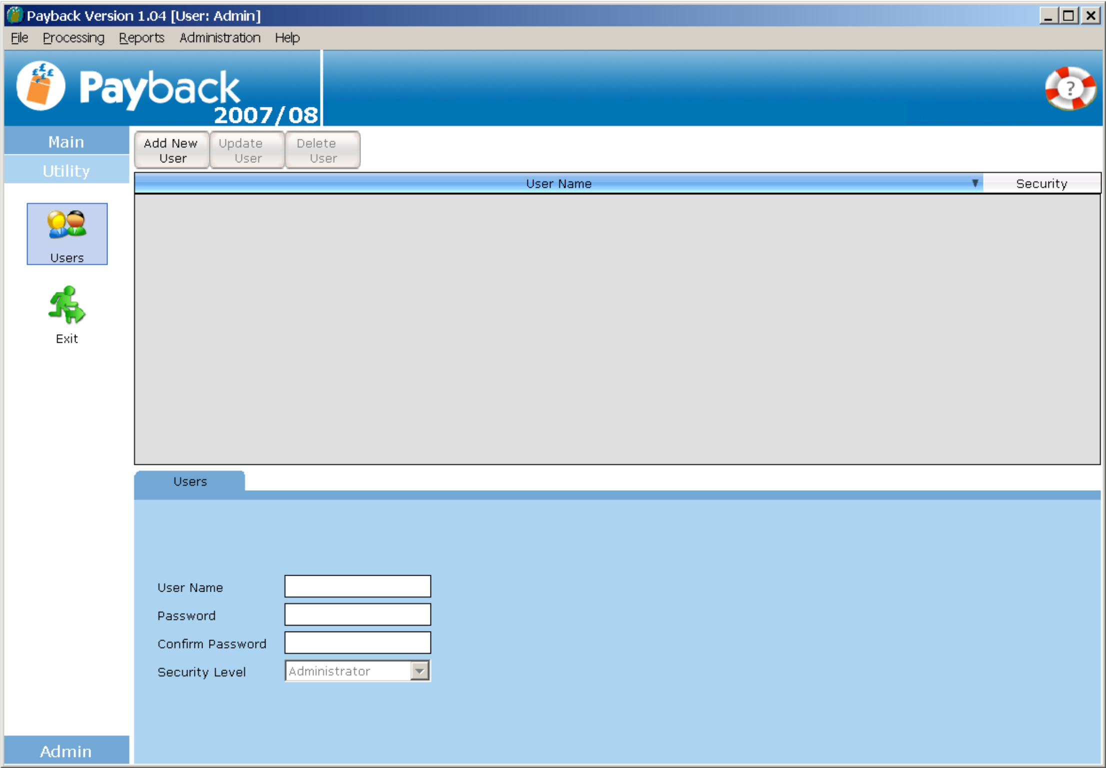
It is a good idea to periodically copy your backups to a CD, for off site storage. **NOTE: It is not possible to write directly to a CD. First copy the file to your hard disk and then use your CD burning software to burn the file to a CD.**

Restoring old data

On rare occasions you may need to recover old data. Payback has been designed to minimise this occurrence. Mistakes can be easily rectified in Payback. If you do wish to revert to old data, you can do this via the Restore screen. Caution – Restoring old payroll information will overwrite your current payroll information. It is advised that you first back up your existing payroll data.

Click **Admin** in the main menu and select **Backup**. Click on the **Restore** tab and click the **Restore** button. A file dialogue will appear. Select the file you wish to restore and click **Open**.

Chapter Eighteen: Network System and Multiple Users



Introduction

Payback can be installed on more than one machine across a network to allow more than one person to access the payroll. Payback can also be set up to allow multiple users to access the Payroll. This has certain security implications that are handled by levels of access and passwords.

Setting up users

To set up multiple users, click **Utility** and click the **Users** icon. The **Users** screen will appear. Users can be set up as administrators or as normal users.

To Add a new user

- Click the **Add New User** button at the top of the screen.
- Type a user name and a password.
- Retype the same password in the **confirm password** text box
- Select a security level, 'User' or 'Administrator'
- Click the **Update User** button at the top of the screen.

Security level of 'Administrator' can access all areas of Payback.
Security level 'User' has limited access. They will only be able to view the **Company**, **Employee** and **Payroll** screens. You will also be able to tailor the companies and employees within the company that they have access to.
If you set up a multi-user system, you will have to have at least one administrator.
Try to remember the administrator password you used, because you'll need this to access Payback once you have set up users.

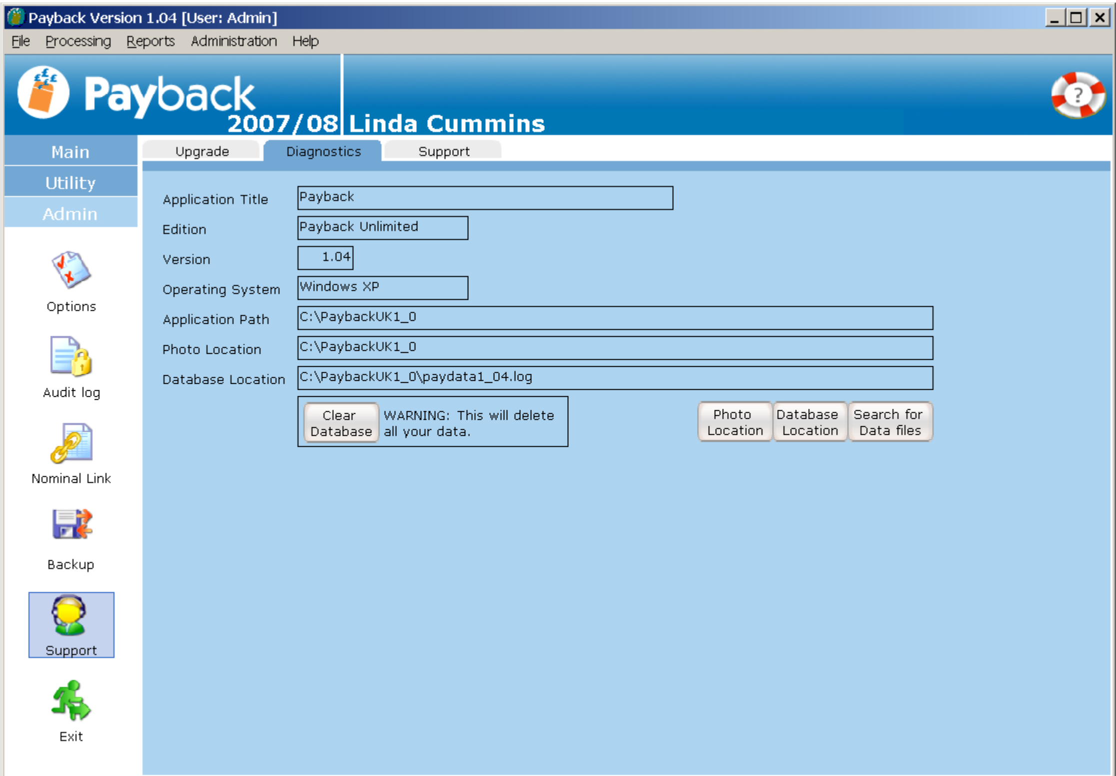
Entering at least one user enables the multi-user system. Every time Payback is opened a login screen is displayed. A correct user name and password has to be entered before access is allowed.

Returning to single user mode with no password

To return to single user mode (no users set up) delete all the users. You will have to delete the last administrator last. The login screen will no longer be displayed when payback starts up.

Setting up Payback on a Network

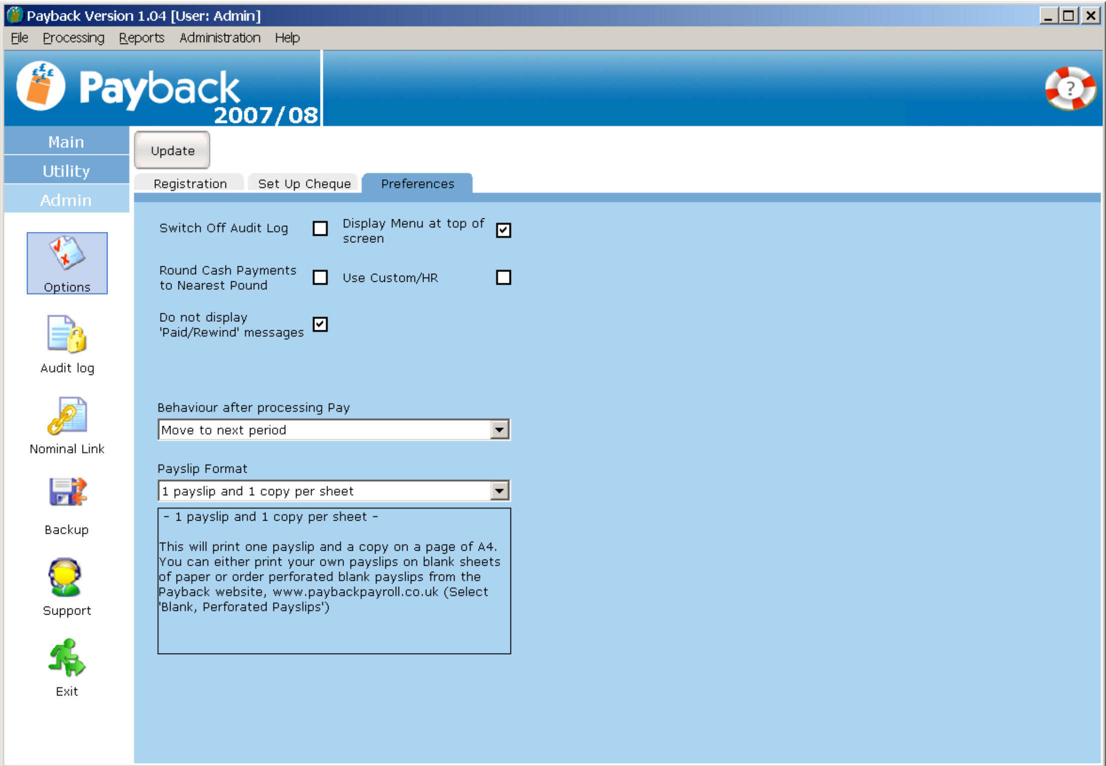
By setting payback up on a network, multiple users can use the system at one time.
- Install Payback on the Computer you wish to use as a server.
- Take note of the directory where you are installing payback.
- Install Payback on the client machines.
- Configure the client machines so they are all referring to the same Payback database.
- On each client machine, Click on **Admin** and click the **Support** icon. The Payback **support** screen will appear.



- Click **Diagnostics** to display the database location.
- Click the **Set Location button**. A file dialogue will appear.
- Select the ‘Payback1_04.log’ file on the server. (The first machine you installed Payback on.)
- Click the **Update button** at the top of the screen.

You will also need to fill in the registration details on each machine. Click the Registration tab (in Admin, Options) and fill in your registration details. Click the Update button

Chapter Nineteen: Administration



Registering Payback

When you receive your registration code, use this screen to unlock Payback.

Click on **Admin** on the main menu and select the **Options** icon. Click the **Registration** tab to display the registration screen.

- In the Company Name box type the company name you received in the unlocking email (Note: This name is used for registration purposes and does not appear anywhere else in the software, so please enter it exactly as you see it)
- In the Registration Code box, type the seven letter registration code.
- Click the 'Update' button at the top of the screen. Your software is now unlocked and registered.

Type the company name provided by Payback. Phone the payback support desk on 0844 202 0109, or email sales@paybackpayroll.co.uk if you don’t have this information. Note that the company name is only used for registering payback and is not displayed or used anywhere else within Payback. The ‘expire date’ will update to a year from the current date. This is when your licence expires.

If ‘Invalid Code’ appears, check the details you have entered. If the problem persists, please call the payback support desk.

Setting up the Cheque format

If you want to print cheques from Payback, you will have to calibrate the cheques to your printer and cheque format. Different banks issue different cheque formats. Cheques can be set up in the **Set Up Cheque** screen. To access the **Set up Cheque** screen click **Admin** on the main menu, and click **options**. Select the **Set Up Cheque** tab.

To design your own cheque format, select <user def1> from the drop down list at the top of the screen. Adjust the values (Top Margin, Left Margin) until you are happy that the cheque report lines up correctly with your pre-printed cheques.

This process is largely one of trial and error. It is a good idea to hold the Payback print out with a cheque template against a window. You'll be able to see if the print lines up. When you are happy that the adjustments are correct, click the **Update** button at the top of the screen to save your changes.

Note that an example cheque can be printed from the report at the bottom half of the screen.

Preferences

Different companies may use different parameters when paying employees. For example, some companies will round payments to the nearest euro, especially for cash payments. To tailor payback to your company, click **Admin** and select the **Options** icon. Click the **Preferences** tab to display the preferences screen.

Tick the option boxes to change the preferences. Click the **Update** button at the top of the screen to save any changes you make.

Switch Off Audit Log

As a security feature, every action made by users is recorded in Payback. Whenever someone updates an employee's pay details, or processes a pay period, it is logged in the audit log. By deselecting this option, actions will not longer be recorded.

Round Cash Payments to Nearest Pound

If you are paying employees in cash, you might want to round the payments to the nearest Pound. This will reduce the workload of counting change. Over the course of the year, the payments will even out so that the employee receives the same wages. Some roundings may seem odd (for example, rounding £256.70 to £256.00 or £312.10 to £313.00). However, this is the nature of the rounding algorithm, the payments will average out.

Do not display 'Paid/Rewind' messages

If you have a large number of employees to process, it can get quite annoying for the 'Paid Employee' message to appear every time you process an employee's pay. Here you can switch this message off or on.

Display menu at the top of the screen

Ticking this will make a standard windows menu appear at the top of the screen. Some users prefer to navigate Payback using this menu. It has exactly the same options as the menu at the left of the screen.

Use Custom/HR

There is the facility to add extra fields to the employee screen in Payback. This allows the user to store custom information about employees (such as disciplinary details or allergies etc.) Ticking this will make a new tab appear on the employee screen called 'Custom/HR'.

Behaviour after processing Pay

Choices are
Move to Next Period - after the Pay button has been clicked in the Payroll screen, the next period (pay date) for the same employee is selected. This is handy if the user wishes to process a few weeks at a time for one employee.

Move to Next Employee – after the Pay button has been clicked, the period (pay date) stays the same, but the next employee in the list is selected. Use this if you wish to process one period at a time for a list of employees

Stay on same period and employee - when the Pay button has been clicked, the same employee and period (pay date) is selected.

Payslip Format

Select from the list which payslip format you wish to use. Some companies do not require a company copy of the payslip.

Chapter Twenty: Contact Information

United Kingdom

Website:	http://www.paybackpayroll.co.uk
Email:	sales@paybackpayroll.co.uk
General enquiries:	info@paybackpayroll.co.uk
Support forum:	http://www.paybackpayroll.co.uk/phpBB2/
Telephone:	0844 202 0109

Republic of Ireland

Web site:	http://www.payback.ie
Email:	sales@payback.ie
General enquiries:	info@payback.ie
Support forum:	http://www.payback.ie/phpBB2/
Telephone:	065 685 0010
Fax:	065 685 0511

Postal Address:

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