

# Employees

- [Adding a New Employee](#)
- [Making an Employee a Leaver](#)
- [Changing an Employee Wage / Hourly Rate](#)
- [Setting an Employee's Holidays](#)

# Adding a New Employee

## Required Information

To add a new employee you need the following employee's information first. **This information can either be found in the employee's new start form or in their contract.**

Field	Example
Title	Mr
First Name	Joe
Surname (Last Name)	Bloggs
Personal Email Address	joe.bloggs@gmail.com
Date of Birth	22/05/1986
National Insurance Number	AB123456C
Gender	Male
Home Address	123 A Random Street, Glasgow, G1 8RY. Scotland
Off-Payroll Worker	No*
Start Date	01/05/2022
Contract Type	Hourly or Salaried
Pay Rate	Salaried Example - £24,000 Per Year Hourly Example - £10.50 Per Hour
Number of Hours Per Week	40 Hours
Pay Frequency	Weekly, Monthly, Fortnightly etc (default is Monthly)

<b>Has Private Pension?</b>	No**
<b>Job Title</b>	Professional Guy
<b>Phone Number</b>	07712341234
<b>Emergency Contact</b>	<b>Name:</b> Jane Blogs <b>Phone Number:</b> 01236 712345
<b>P45 If the employee has one</b>	No
<b>Does Employee have a student loan to pay off?</b>	If yes... <b>Plan Type, Start date and End date are required</b>

\*An **Off-Payroll Worker** is usually a **contractor paid by invoice**, we do not use payroll to manage contractors.

**\*\*Private Pensions** - By default our system use Nest as our Pension supplier, employees have the option of us paying directly into their own private pension. This will usually be described in the employees contract.

# Process for Adding a New Employee

## Employee Details Screen

1. From the top navigation menu go to "Payroll > Employees"

Matic Media Services Ltd ▾

Dashboard

Business

Accounting

Payroll

Contacts

Matic Media Services Ltd

Overview

Employees

Time off

Timesheets

Pay employees

Pension filings

RTI filings

Taxes & filings

2. From the Employees Screen click "Add Employee > Add New"

Employees

Current

History

Current Employees

Download PAYE Reports ▾

Add Employee

Invite to My Payroll

Share P60

Search Employees

Add New

Bulk Upload

<input type="checkbox"/>	First Name	Last Name	No.	Email	Pay Calendar	Next Pay Day	
<input type="checkbox"/>	Adrian	McCombe	5	adrianmccombe@yahoo.com	Monthly	27 May 2022	P60

3. Fill in the Start Form from the collected information in the [Required Information step](#)

### Add an employee ✕

Title	First name	Middle name (optional)
Mr	Test	

Last name

McTest

Date of birth

22 / 5 / 1986

36 years old

Gender

☒ Male ☐ Female

Home address

Address Line 1

123 A Random Street

Address line 2 (optional)

Town or city

Glasgow

County (optional)

Please select ▼

Postcode

G1 8RY

4. You will then be show an incomplete Employee

Employee Name <b>Test McTest</b> ▾	<div><div>✓ Details</div><div>2 Employment</div><div>3 Taxes</div><div>4 Pension</div></div>	Setup <b>Incomplete</b>							
Details	Employment	Taxes	Pension	Time Off	Pay	Payslips	Pay Template	Opening Balances	Notes

5. On the employees Details screen

1. Enter the employee's Personal Email Address
2. Check the box for Invite to My Payroll
3. Enter the Employee's Job Title
4. Enter the Employees Phone Number

Email address (required for inviting to My Payroll)

joe.bloggs@gmail.com



Invite to My Payroll

Allow your employee to log in and view payslips, request time off or submit timesheets. Learn more about My Payroll at [Xero Central](#).



Approve Time Off

Job title (optional)

Professional Guy

Primary phone number (optional)

07712341234

6. Click on Add Emergency Contact

[+ Add emergency contact](#)

1. Enter the emergency contact information (Name and Phone Number is enough)

**Emergency contact**

Name (optional)

Jane Blogs

Relationship (optional)

Phone number (optional)

01236 712345

Email (optional)

7. Click "Save & Next"

Save & Next

## Employee Employee Screen

Steps...

1. [Enter the Fields as below...](#)
2. [Enter the Salary and Wages](#)
3. Click "Save and Next"

Save & Next

Fields

<b>Employee Number</b>	<p>This needs to be a unique number, pick the next number from the Employees Screen</p> <p>e.g. in the example below it would be 95</p> <table><tr><th>First Name</th><th>Last Name</th><th>No.</th></tr><tr><td>Adrian</td><td>McCombe</td><td>5</td></tr><tr><td>Andrew</td><td>Roddie</td><td>79</td></tr><tr><td>Brendan</td><td>Caldwell</td><td>94</td></tr><tr><td>Brian</td><td>Johnston</td><td>72</td></tr><tr><td>Frances</td><td>McCorry</td><td>57</td></tr><tr><td>Gary</td><td>Leckie</td><td>26</td></tr><tr><td>Graham</td><td>Halley</td><td>64</td></tr></table>	First Name	Last Name	No.	Adrian	McCombe	5	Andrew	Roddie	79	Brendan	Caldwell	94	Brian	Johnston	72	Frances	McCorry	57	Gary	Leckie	26	Graham	Halley	64
First Name	Last Name	No.																							
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Gary	Leckie	26																							
Graham	Halley	64																							
<b>Employment Start Date</b>	The date the employee started. Fill this in from the details collected in <a href="#">Required Information</a>																								
<b>Payroll Calendar</b>	This is how often we pay the employee, as standard it is paid Monthly																								
<b>Paid Intermittently</b>	Their pay is intermittent e.g. long term sick or 0 hour contract																								
<b>Holiday Group</b>	Leave this as None																								
<b>Employee Group</b>	Leave this as None																								
<b>National Insurance Number</b>	Fill this in from the details collected in <a href="#">Required Information</a>																								
<b>NI Category</b>	This should be NI category A unless the employee has let us know otherwise																								

Filled in Example




Employee number 

11

Employment start date

01 May 2022 

Payroll calendar

Monthly 

Paid intermittently 

☐ Yes

Holiday group

None 

Employee group

None 

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National Insurance number

AB123456C

National Insurance category

[Change category](#)

**NI category A**

Unsaved



All employees, apart from those eligible for another category

 [Learn more about National Insurance rates and categories](#) 

## Salary and Wages

1. Click "Change Salary and Wages"

Salary & wages

Change salary and wages

2. Enter "**Regular Hours**" as the earnings type
3. Choose whether they are Annual (Salaried) or Hourly paid - [as in Required Information](#)
4. Enter their hourly or salaried wage - [as in Required Information](#)
5. Enter the number of hours they work per week - [as in Required Information](#)
6. Enter the employee start date - [as in Required Information](#)
7. Click "Confirm"

Confirm

Example Filled in...

### Salary and wages

×

Regular earnings type

Regular Hours ▾

☒ Annual Salary ☐ Hourly Rate

Annual salary amount

24000

Standard hours per week

40

Effective date

01 May 2022 📅

Cancel

Confirm

# Taxes

There are two methods for setting up an employees Tax, with or without a **P45**

Steps...

## Employee has a P45

<b>Starter declaration</b>	a) First job in this tax year b) Currently only working in this job (not their first job in this tax year) c) They are working more than one job
<b>Tax Code</b>	Match tax code with p45
<b>Previous taxable pay</b>	From the p45 copy over the previous taxable pay and previous tax paid (BOX 7 on P45)

## Employee does not have a P45

<b>Starter declaration</b>	a) First job in this tax year b) Currently only working in this job (not their first job in this tax year) c) They are working more than one job
<b>Tax Code</b>	Let the default tax code entered automatically by xero do the work

## [OPTIONAL] Student Loans

To add a student loan...

[+ Add new student loan](#)

<b>Student Load Type</b>	Collected in <a href="#">required information</a>
<b>Start date</b>	Collected in <a href="#">required information</a>
<b>End date</b>	Collected in <a href="#">required information</a>

Once all tax information is completed click "Save and Next"

**Save & Next**

# Pension

Employees are given the option to pay into the company pension scheme, ours is run by Nest but if employees have a private pension they can pay directly into that.

If an employee has a private pension

**Ask Robert**

If an employee is using auto-enrolment (Nest)

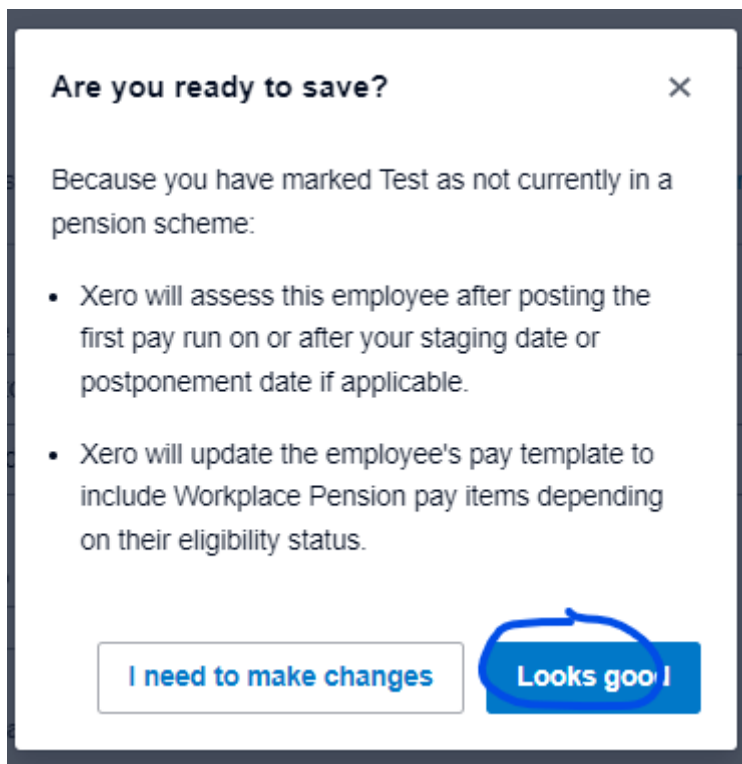
1. Click "Needs to be assessed for auto enrolment"

☒ Needs to be assessed for auto enrolment

2. Click "Save"

Save

3. Click "Looks Good"



Set up Time Off (Holidays)

On the time off screen

Details	Employment	Taxes	Pension	Time Off	Pay	Payslips	Pay Template	Opening Balances	Notes
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**For 2022 Only - You need to calculate the total allowance for the year and then deduct off the allowance between 01/01/2022 and 01/04/2022**

Calculate the number of holidays in hours an employee has

- All employees are entitled to 5.6 weeks of holidays a year including bank holidays
- In days this is 28 days
- In hours this is 224 hours
- Or 0.1076923076923077 hours per hour worked

**OUR HOLIDAY YEAR RUNS JANUARY TO DECEMBER NOT APRIL TO APRIL**

To calculate the number of hours a new start has for a full year.

224 hours - business holidays in hours = allowance

To calculate the number of hours a new start starting part way through a year

Use the allowance calculator provided by uk gov - [Calculate holiday entitlement - GOV.UK](https://www.gov.uk/calculate-holiday-entitlement)  
([www.gov.uk](https://www.gov.uk))

AMOUNT PROVIDED BY GOV WEBSITE - BUSINESS HOLIDAYS IN HOURS = ALLOWANCE

e.g

**Employee starts on 1st of May, works 40 hours per week**

152 Hours

**How many company holidays are left between 1st of May and 31st December 2022?**

You can view this on the holiday calendar here: [Matic Media Holiday Calendar](#)

- June Jubilee Bank Holiday (2 days - 8 hours x 2 = 16 hours)
- December 25th - 31st (5 days - 8 hours x 5 = 40 hours)

Total business holidays - 56 hours

### How many holidays left?

152 hours - 56 hours = 96 hours

### How to apply hours...

1. Click assign time off

**Assign Time Off Type**

2. Fill in the form as below and enter in the calculated number of holidays.

Assign Time Off Type

Time Off ⓘ

Holiday

Schedule of Accrual ⓘ

Beginning of Calendar Year

Hours Accrued Annually ⓘ

224.0000

Maximum to Accrue

0.0000

Balance ⓘ

96

Save

Close

# Making an Employee a Leaver

**AN EMPLOYEE SHOULD ONLY BE MADE A LEAVER AFTER THEIR FINAL PAY RUN IS COMPLETED.**

**LEAVER PAY RUNS SHOULD BE DOWN IN SEPARATE PAY RUNS**

**HOLIDAYS REMAINING CAN BE A NEGATIVE, IN THIS CASE THEY SHOULD BE A DEDUCTION - EXACTLY THE SAME PROCESS, EXCEPT NEGATIVE HOURS**

**FOR 2022 LEAVERS AN ADDITIONAL 55.3HOURS MUST BE DEDUCTED OFF THE ALLOWANCE**

## Steps to ending an employee's employment in Xero...

1. Calculate the number of holidays an Employee has left
2. Ask Richard or Robert about any outstanding deductions an employee has
3. Do a [Pay Run for only the leaver](#)
4. When doing the Pay Run add the
  1. [Holidays Left \(or Deduct over holiday allocation\)](#)
  2. [Any other deductions](#)
5. End the employee's employment
6. Generate the employee's P45

# Calculate the number of holidays an employee has left

Steps...

1. Use GOV website use the calculator to find out the number of holidays the employee is due for the period they have worked of the holiday year
2. Total the holidays an employee has used in the holiday year
3. Deduct the total holidays from the remaining holiday allowance

Use GOV website use the calculator to find out the number of holidays the employee is due for the period they have worked of the holiday year

Using the calculator at [Calculate holiday entitlement - GOV.UK \(www.gov.uk\)](https://www.gov.uk/calculate-holiday-entitlement) enter the following information

- Year Start Date - **This is always the first of January**
- Employee Start Date (if within this holiday year)
- Employee Leave Date
- Employee Hours Per Week
- Employee Days Per Week

The calculator will tell you the number of hours the employee is entitled to.

## Total the holidays an employee has used in the holiday year

Total any holidays the employee has had in this from the entitled to calculation. You can get a total calculation from the employee's screen and the **"Time Off" section**.

1. Add up all the hours in the time off section up to the point of the employee's end date.
2. In the example below the employee has had **20 hours total paid Holiday**  
**(In this example the employee's last date is the 1st of June 2022)**

**Remember to add on business holidays to this amount, they are not automatically added to this list**



Details
Employment
Taxes
Pension
**Time Off**
Pay
Payslips
Pay Template
Opening Balances
Notes

Time Off Balances

Assign Time Off Type

Holiday  
**76** Hours

Time Off

New Time Off Request

Search

All
Status

Not yet paid

KM

Holiday

2 May 2022 • Half Day

4 hours

KM

Holiday

20–23 May 2022 • Holiday

16 hours

Deduct the total holidays from the remaining holiday allowance

**Equation to be used:** Total remaining holidays to be paid = Remaining allowance = holidays used

## Example in use

Leaver started in 2011, leaving on the 1st of June 2022.

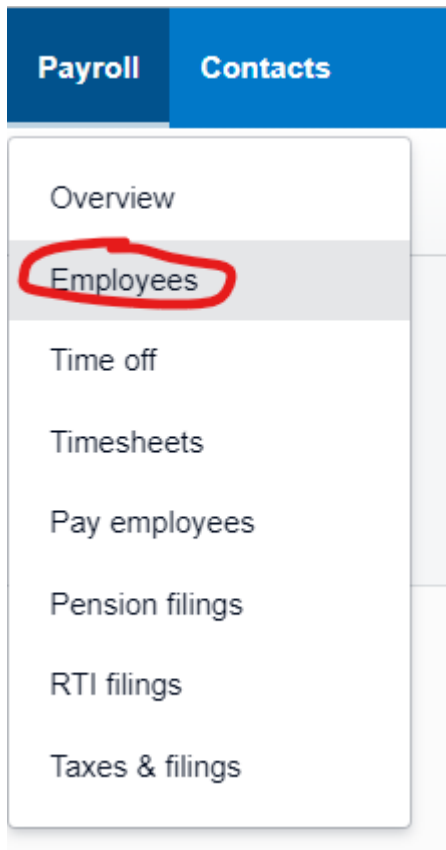
<b>Leaver Start Date</b>	01/02/2011
<b>Leaver End Date</b>	01/05/2022
<b>Holiday Allowance (Using Calculator)</b>	93.3
<b>Holidays Allowance Used</b>	20
<b>Business Holidays Used</b>	16
<b>Total Allowance Used</b>	36
<b>Holidays Remaining</b>	57.3 = round up to nearest hour = 58

End the employee's employment

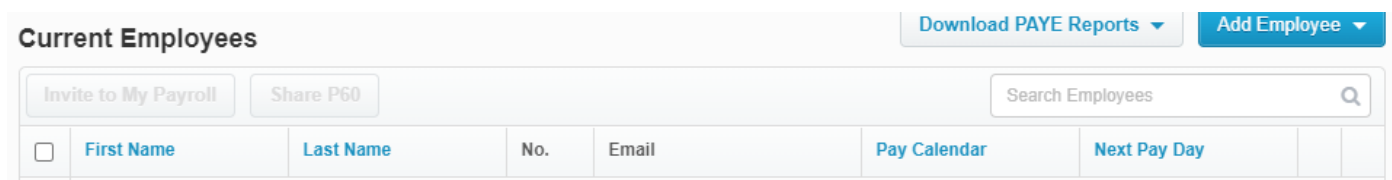
After finishing the

# Changing an Employee Wage / Hourly Rate

Step 1: Go to Employee's Screen



Select the employee...



Step 2: Go to Employee's Employment Screen

## Employees

Employee Name [REDACTED]	Annual Salary View	Earnings YTD View	Next Pay Day 27 May 2022
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[Details](#)[Employment](#)[Taxes](#)[Pension](#)[Time Off](#)[Pay](#)[Payslips](#)[Pay Template](#)[Opening Balances](#)[Notes](#)

### Step 3: Select **"Change salary and wages"**

Salary &amp; wages

[Change salary and wages](#)

Step 4: Enter new pay rate and the start date from which the new pay rate begins

### Salary and wages

×

Regular earnings type

Regular Hours ▾

☒ Annual Salary ☐ Hourly Rate


Annual salary amount

20592

Standard hours per week

40

Effective date

01 May 2022 

Cancel

Confirm

Step 5: Repeat step 4 for additional pay rates (Overtime, Nightshift allowance, etc)

# Setting an Employee's Holidays