

## Payroll

### Types of Payroll

Payrolls can be operated either manually via the tables supplied in the Employers packs or via payroll packages.

Most payroll packages are excellent, and packages like [Payroll Manager](#), Iris PAYE Master and “Sage” Payroll are used by small, medium and large employers.

[Payroll Manager](#) is inexpensive and very flexible, and has an excellent help function.

When setting up a payroll, even with only a few employees a payroll system like Payroll Manager is recommended to reduce the time, errors and administration of payroll and PAYE.

Payrolls can be processed

- Weekly – starting 6<sup>th</sup> April until 5<sup>th</sup> April following with the year being 52 weeks.
- Two weekly – starting 6<sup>th</sup> April and paying fortnightly, this payment style can often mean that there is a higher variability on the monthly PAY due to when the fortnight falls.
- Four weekly – starting 6<sup>th</sup> April and is suitable when pay includes bonuses as this gives 13 periods in the year.
- Monthly – starting 6<sup>th</sup> April and payment made to the 5<sup>th</sup> of each month until 5<sup>th</sup> April following.
- Yearly – a system used infrequently by directors.

Once a payment frequency has been set, changing to another is not recommended and most systems will not allow it. Payroll frequency must be set at the start of the employee being paid, and not midway through a tax year.