

Fees

All fees illustrated below are optional - and selected accordingly.
Please refer to the details as illustrated on the **PSC Option Form**.

GOLD Service	£23.00 per week	Plus Optional Invoicing Cost
SILVER Service	£18.00 per week	Plus Optional Invoicing Cost
BRONZE Service	£15.50 per week	No Invoicing Cost

Company Formation Fee	£75.00 (one-off)
Support with Company Filing & Returns	Variable (on item)
Payroll Bureau (PAYE)	£20.00 (per payroll)
Dividend Distribution Fee (DDF - if chosen)	£5.00 (per issue)
Invoicing Fee (Freelancer Invoicing Services)	Variable (on item)
Accountants Fee (Annual Accounts)	£80.00 (per annum)
VAT Registration & Returns	£55.00 (per item)
RACS Book-keeping	£350.00 (per annum)
Accountants Fee (simple SA tax returns)	£50.00 (per annum)
Insurance Fee (i)	£5.00 (per week)
Insurance Fee (ii)	Profession Specific

(The DDF is only applicable if salary and dividends are chosen)

VAT is applicable on all fees at a rate of 20.00% and at a rate of 6% for Insurance Premium Tax (Insurance Fee). Companies need not register for VAT unless they turnover (or are likely to turnover) the statutory amount for registration (see VAT section).

PSC Expenses

Being a Director of your own Limited Company allows you to off-set a wider range of business expenses. HMRC rules clearly state that business expenses **MUST** be incurred and **MUST** be wholly and exclusively in-line with your business activities.

Typical Expenses:

Subsistence, Lunch, Breakfast, Evening Meals, Accommodation, Business Travel (See *Mileage Allowance*), Business Telephone Calls, Mobile Bills, Internet, Use of Home as Office etc. Please refer to your Guide to Expenses for further details.

Corporation Tax	2010 - 2011	2011 - 2012
Tax Rate	28% (£300K+)	28% (£1,500,000+)
Marginal Relief	£300K+ to £1.5M	£300K+ to £1.5M
Small Company Rate	21% to £300,000	20% to £300,000
Marginal relief 2011/2012 will be at 26%		

VAT

The standard rate of VAT is 20.00% at 4th January 2011

Turnover Registration limit	Last 12 Months / Next 30 Days
From 1 April 2010	£70,000 Turnover/Sales

Flat Rate Scheme

You can choose to operate the Flat Rate Scheme if your VAT exclusive turnover does not exceed £150,000. This turnover figure is **VAT exclusive** so it is not affected by the change in the standard rate of VAT.

Note: If your company is likely to or has actually reached or exceeded the current year's registration limit then it **MUST** apply to become VAT registered.

Mileage Allowance (2011 - 2012)

Mileage allowances paid to individuals who use their own cars for business purposes are not taxable if allowance paid is within certain limits.

Rate of Allowance (per mile travelled)

	First 10,000 miles	Excess over 10,000 miles
All Cars	£0.40	£0.25
Each Passenger	£0.05	£0.05
Motorcycles	£0.24	£0.24
Bicycles	£0.20	£0.20

RACS requires evidence of all mileage claimed in the form of VAT Petrol receipts. Audits may take place where appropriate.

VAT registered companies have a specific fuel guide to work from and this is dependent upon car engine size and fuel type. Please contact us for a more detailed breakdown.



TAX RATES

& FEES

2011 - 2012

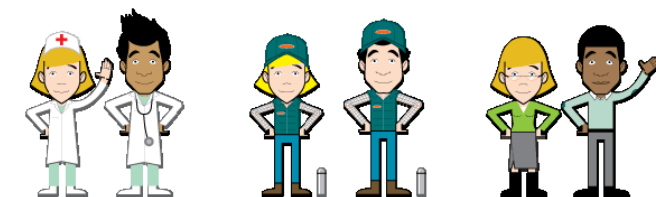


General Tel: 0845 604 0571

Sales Tel: 0845 604 0572

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Income Tax *(Applicable to all RACS Products)*

Taxable Income	Rate	Weekly (divide by 52.2)
(6th April 2011 to 5th April 2012)		
£0.00 to £35,000	20%	£0.00 to £670.50
£35,000+ to £150K	40%	£670.50+ to £2,873.56
£150K+	50%	£2,873.56+

Standard UK Tax Code (at 6th April 2011)	747L
Annual Tax Free earnings limit	£7,475.00

Note: Tax Codes are notified by HMRC and are dependent on personal circumstances. RACS will not adjust Personal Tax Codes without prior written confirmation from HMRC.

National Insurance Contributions *(Applicable to all RACS Products)*

Employer's (Class 1)

	Weekly	Monthly	Annual
Secondary Threshold (ST)	£136.00	£589.33	£7,072
Weekly Contributions (Contracted In)			
If earnings exceed Earnings Threshold	£136.00	13.8% on all Earnings above £139	

Employee's (Class 1)

	Weekly	Monthly	Annual
Lower Earnings Limit (LEL)	£136.00	£589.33	£7,072
Primary Threshold (PT)	£139.00	£602.33	£7,228
Upper Earnings Limit (UEL)*	£817.00	£3,540.33	£42,484

* Upper Earnings Limit for Employees ONLY—NOT Employers

Weekly Contributions (Contracted In)

If earnings exceed Earnings Threshold	£139.00	12% on all earnings between £139 and £817 Plus 2% above £817	
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Self-Employed (Class 4)

9.00%

Minimum Wage

National Minimum Wage Rate (Oct 10)	Changes in October
National Minimum Wage Rate (Oct 11)	£5.93 per hour
	Not Yet Published

Holiday Entitlement

Statutory Holiday Entitlement since 1 Apr 2009 **Since 1st April 2009**

5.6 weeks per annum
 holiday pay is accrued per payroll period until requested by the employee in writing.

Rate at which Holiday is accrued per Period	12.07%
Charge for processing Holiday Pay per payment	£5.50



Fees

RACS PAYE product is a standard PAYE process for end users not wishing to run a payroll. The process includes all returns to HMRC, Monthly and Annual, Pay Advice (per cycle) and P60, P35 and P45 production.

The End User or Recruitment Business pays these fees:

Processing Fee (per person, per cycle)	£2.50 per cycle
Employer's National Insurance Contribution	(See NIC Section)
VAT is applied to Processing Fee only	£0.50 per cycle
<i>(VAT at standard rates - see VAT)</i>	



PAYE UMBRELLA & CIS UMBRELLA PRODUCT

Fees

RACS Collective & RACS CIS Collective are HMRC-approved Umbrella Products with agreed dispensations and fully compliant with current legislation - NOT affected by IR35 or MSC Legislation.

As with PAYE, the RACS Collective & CIS Collective process includes all returns to HMRC, Monthly and Annual, Pay Advice (per cycle) and P60, P35 and P45 production.

Fees deducted prior to payment:

Administration Fee (per person, per day)	£5.50 per day
<i>(One day constitutes 6 hours worked and fees are rolled up)</i>	

Uplift Possibilities—Variable Fee (where Applicable) *(3 Options)*

- (i) End User or Recruitment Business offers maximum 13.8% uplift
- (ii) End User or Recruitment Business offers a certain % uplift
- (iii) End User or Recruitment Business offers NO uplift

Note: Your Agency or End User must pre-agree what uplift is payable at outset.

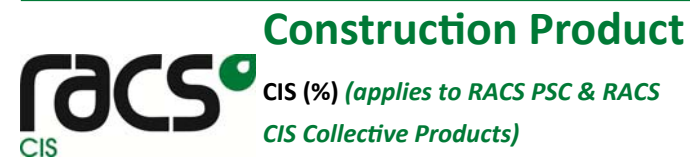
VAT is applied to total invoice	20.00% per invoice
<i>(VAT at standard rates - see VAT)</i>	

Maximum Weekly Fee	£30.00
Charge to Join and/or Leave	Nil
Charge for processing Expenses	Nil
Charge for additional pay advice sheets	£0.50

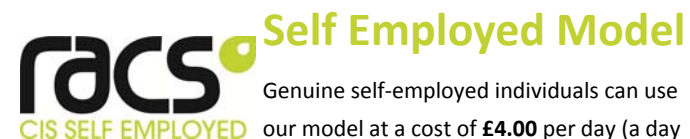
RACS Collective & RACS CIS Collective Expenses

Typical Expenses:

Subsistence, Lunch, Breakfast, Evening Meals, Accommodation, Staying With Friends, Business Travel *(See Mileage Allowance)*, Business Telephone Calls, Mobile Bills, Internet, Use of Home as Office etc. Refer to your Guide to Expenses for further details.



HMRC apply certain % deductions to gross payments at source for contractors being paid under CIS rules either: **0% 20% 30%**



Genuine self-employed individuals can use our model at a cost of **£4.00** per day (a day constitutes 12 hours worked) - Maximum Fee will never exceed **£20.00** per week worked.