



The Contractor Company

Professional Services
for anyone working in the
temporary contract market



FREELANCE PROFESSIONAL
SERVICES LIMITED

a member of

CHARTERHOUSE
GROUP INTERNATIONAL

Introduction

Freelance Professional Services Limited is a member of Charterhouse Group International. As a provider of fiduciary services since 1989 the Group has obtained an enviable reputation for developing numerous tax-efficient products that enable contractors around the world to maximise their income.

Charterhouse Group International manages the invoicing of £300million+ per annum for over 10,000 contractors worldwide. With offices in London, Dublin, the Isle of Man, Jersey and Cyprus, the Group employs over 200 staff and has a wealth of international experience and expertise that means it can provide a range of global solutions to contractors.

Designed in conjunction with leading UK legal and financial professionals, Freelance Professional Services Limited is widely accepted by recruitment companies as the premier limited company structure for UK-based contractors who wish to use UK companies.

WHY CHOOSE THE CONTRACTOR COMPANY?

The Contractor Company has been designed to offer contractors working in the UK an alternative way of providing services to clients. If you are currently on the payroll of your recruitment company or client, you may be able to provide your services in a different way and so significantly increase your net income.

An ever-increasing number of contractors are choosing to work through the Contractor Company to increase their income and obtain greater control of their financial affairs.

We operate hand-in-hand with some of the largest recruitment companies in the UK to improve your net income in the easiest, quickest and most cost-effective way. Through the Contractor Company you can enjoy the financial benefits and flexibility only normally available to those who set up and run their own limited companies; by joining together with other contractors to form a limited company administered by Freelance Professional Services Limited, you can eliminate much of the administrative hassle associated with company ownership.



THE CONTRACTOR COMPANY OFFERS YOU...

- Up to 20% increase in your net weekly income
- Full UK employee status
- Benefits of working through a limited company
- Fewer responsibilities as you are not a director
- A complete company administration service
- No setting-up or winding-up costs
- No long term commitment required from you
- No accountancy bills

About the Contractor Company

HOW DOES IT WORK?

Rather than operating as an employee of your recruitment company or client and being paid via their PAYE payroll, you will become an employee and shareholder of a limited company. You will neither be a director nor a shadow director of that company.

As an employee of the limited company, you will receive a salary. The salary is calculated using the information you give us regarding the number of hours worked and the elected salary level. Because you will also be a shareholder in that company, you will be eligible to receive some of your income in the form of a dividend rather than as salary.

Assuming you are outside the legislation known as IR35, receiving dividends rather than salary will increase your income. When you sign the enclosed application form, you will be confirming that you are outside IR35, so it is important that you understand what this legislation is and how it applies to you.

Enclosed in this brochure you will find an information sheet titled 'IR35 - How does it affect me? Please read it carefully and make sure that you understand all the information contained within it.

The Contractor Company is administered by Freelance Professional Services Limited, which means that you have no responsibility for the administration of the company. Likewise there are no accountancy fees to pay. Our fee is deducted from your payment each week and covers the full administration of the Contractor Company. If you do not work for whatever reason, there is no fee to pay during those periods.

On your instruction, the limited company invoices the recruitment company or client each week for the services provided. On receipt of cleared funds, the company then credits your bank account with your salary and (if elected) a dividend when applicable. Any receipted business expenses claimed can also be paid at that point.

You maintain your status as an employee within the UK and as you receive a salary from your limited company this will be subject to PAYE and National Insurance, preserving your entitlement to various state benefits. Freelance Professional Services Limited ensures that your company issues you with the correct paperwork such as PAYE payslips, tax vouchers, P60's and (eventually) your P45.

WHAT THE CONTRACTOR COMPANY DOES FOR YOU...

- Acts as your intermediary
- Invoices your recruitment company or client on your behalf
- Handles corporate responsibilities such as Company Accounts, VAT, National Insurance, Tax, etc
- Calculates your net payment and credits your bank account with this amount upon receipt of cleared funds from your recruitment company or client
- Can assist you to open a personal bank account

Getting Started

GETTING STARTED WITH THE CONTRACTOR COMPANY

You should inform the recruitment company or client that you intend using the Contractor Company so that they can make the necessary arrangements to take you off their payroll.

To join the Contractor Company and gain all these benefits you will need to complete the Application Form inside the flap of this brochure and return it to us in the pre-paid envelope provided.

On receiving your application, we will allocate a limited company to you and establish you as a shareholding employee within that company. As one of a number of shareholding employees of a UK incorporated Contractor Company, your services will be offered under a "Contract for Services" to the recruitment company or client. Under your individual contract of employment with your company you will receive a salary. The exact amount of salary will be agreed between you and your limited company. Any surplus funds, after salary and expenses, may be paid as dividend at the discretion of the directors.

In the meantime we will send all of the required corporate and statutory information to your specified recruitment company or client.

Please be aware that in most cases contractors will experience a delay of three working days on their first payment compared to when they would have normally been paid through PAYE.

SCHEDULE OF CHARGES

Whilst you are using the services of the Contractor Company there is a charge of 5% of each invoice amount raised, subject to a minimum of £22 per invoice. If you are claiming business expenses then a 5% charge will be made. To cover the Company's Employer's and Public Liability Insurance there is a charge of 0.25% of each invoice raised. If you do not work, for whatever reason, there is nothing to pay. There are no other charges.

REDUCE YOUR CHARGES

By introducing a friend you could reduce our standard fee by 0.5%. Simply complete and return the enclosed information sheet with your friends details and we will send them our information pack. If the 5 individuals that you recommend join our service and bill through us, you will halve the standard fee that will be charged to you.

Call us today to put more money in your pocket!

Freephone 0800 634 4848



Questions & Answers

Q. Will I be a director of the Company?

A. No. You are simply a shareholding employee.

Q. What happens if I change my recruitment company or client?

A. No problem! Please notify us straight away in writing of any changes to your details so that we can update our information accordingly and send the necessary paperwork to your new recruitment company or client.

Q. How do I join and how long will it take?

A. An application form can be found in the flap of this brochure. Simply complete it and send it to us along with a copy of your passport and proof of your entitlement to work in the UK (please see the application form). We will acknowledge receipt and assuming everything is in order we will forward to you a Welcome on Board Pack within 5 working days. Your recruitment company or client will be notified of your company details within 24 hours. This is assuming that we receive a fully completed application form and supporting documentation.

Q. What happens if I use more than one recruitment company or client?

A. Simply let us know the details of the recruitment companies or clients that you are working with and we will ensure that separate contracts are issued. When asking us to invoice make it clear which recruitment company or client the invoicing details refer to. Please send any additional recruitment company details to us on a separate piece of paper, details of the information required can be found on section 3 of your application form.

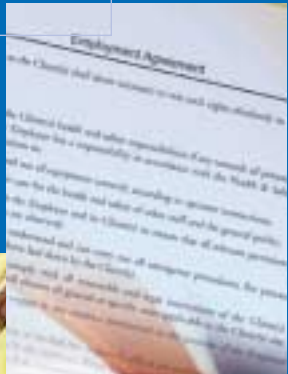
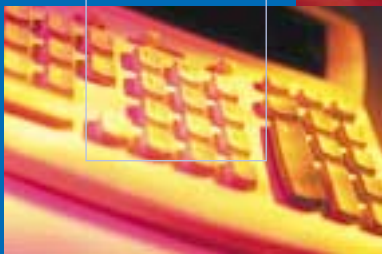
Q. How can I get up to date information?

A. Our Operations Call Centre is open 8am - 8pm Monday to Thursday and 8am - 5pm Friday. We also provide an Interactive Website at www.fpsgroup.com that allows you to access billing and payment information 24 hours a day.

Q. What should my next step be?

A. We suggest that you contact us between 8am and 6pm Monday to Friday on freephone 0800 634 4848 or e-mail us on sales@fpsgroup.com to request a personal illustration or if you would like to talk in confidence about your specific circumstances.







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INFORMATION SHEET **i**

FREELANCE PROFESSIONAL SERVICES LIMITED

IR35 - HOW DOES IT AFFECT ME?

The information contained within this sheet is to provide you with some general rules and guidance regarding IR35, which you should consider when you join and use the services of the Contractor Company.

Guidance and Rules

The 2000 Finance Act and the Welfare Reform and Pensions Act 1999 introduced rules commonly referred to as IR35. Before April 2000 many temporary workers legitimately used limited companies as a tax and National Insurance planning device. From April 2000 it has been necessary for you to demonstrate that you meet the characteristics of self-employment if you wish to continue to benefit from these fiscal advantages.

The Inland Revenue has indicated that in determining whether or not a particular assignment falls outside IR35 it will consider the following:

- The specific contractual arrangements between client, recruitment company and the company of which you will be a shareholder and employee;
- Other factors and wider circumstances.

The directors of your company will negotiate with recruitment companies a "Contract for Services" which includes terms that are clearly indicative of self-employment. However, this contract alone will not take you outside IR35. To be outside IR35 it is necessary for you to be able to show that the relationship between you and your client would have been one of self-employment if you had been working for them directly (ie without a limited company and with no recruitment company involved). If this relationship has one or more of the following characteristics you can be comfortable that you are outside IR35:

- You do not have to do the work personally; the limited company that employs you has the right to send a substitute to the client. Clearly the client can refuse the offer of a particular substitute if that substitute is unsatisfactory, but the client's permission is not required before a substitute can be sent. The Revenue may also ask your client to confirm that he accepts that your limited company has this right, and you may find it useful to obtain the client's direct confirmation of this in advance of any such enquiry;
- You can do the work in your own time and/or wherever you choose, and you can decide how you do the work as long as it is completed in accordance with the contract;
- You provide significant equipment necessary for the work. This includes providing a vehicle with which you carry out the work - such as a lorry or van if you work delivering items to customers. However it does not include the provision of a car to take you to the client's site or between sites.

Other factors which indicate self-employment

If none of the above points apply to the relationship you have with your client, you will need to review other factors. This is a more difficult exercise as it involves weighing a number of different elements; if you are unsure of your position you should consider getting professional advice to establish whether you are outside or inside IR35.

FREELANCE PROFESSIONAL SERVICES LIMITED

Bourne Concourse, Peel Street, Ramsey, Isle of Man, IM8 1JJ. TEL: 0800 634 4848 FAX: 0800 634 4849 EMAIL: sales@fpsgroup.com

www.fpsgroup.com

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If the following factors exist in your relationship with your client, they indicate self-employment - but remember that no single factor on its own decides the case:

- The work to be performed for the client is specific and the scope of the work is set down in the contract. The client has no right to direct you to do other work;
- You take on financial risk whilst working in that any problems caused by your negligence will be corrected in your own time and at your own cost;
- Between contracts or in your own time you have incurred expenditure on training. This is an investment in your business, which an employee does not have to make;
- You have the opportunity to profit from the sound management of your business. If you work efficiently and effectively you can enhance your reputation in the market place and so negotiate an increase in your future rates of pay;
- You may be told when and where the engagement is carried out and what is to be done but not how to do the work;
- You carry out a number of engagements at the same time as the present engagement;
- You have several short engagements with different clients in succession;
- You are in business on your own account - you have an office at home, you have your own business cards and stationery; you actively seek contracts with clients;
- You and the client clearly do not intend that you should be an employee of the client's business;
- You do not receive any employee-type benefits from the client e.g. sick pay, holiday pay or pension contributions.

In addition, the following more minor pointers are useful indicators that you are not integrated within your client's business:

- Sign into the Visitors Book each day;
- Obtain a Contractor or Visitor Pass;
- Attend employee social functions only as a guest;
- Always introduce yourself as an independent consultant in the name of your company;
- Always offer advice as an independent consultant, both oral and written;
- Remember that you are an employee of your company not the recruitment company or client.

Remember that it is possible for one assignment to be outside IR35 but for the next to be inside. By signing the application form you confirm that you are outside IR35 and it is your responsibility to ensure that your relationship with future clients also meets the self-employment tests.

Assuming you have good grounds for considering yourself to be outside IR35, Freelance Professional Services Limited will support you and provide assistance where necessary in the event of an Inland Revenue enquiry that leads to a challenge to your employment status. This is in sharp contrast to those individuals who provide their services to recruitment companies or clients through their own limited companies who must handle all these issues without the support of an organisation such as ours.

information




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THE CONTRACTOR COMPANY APPLICATION FORM ASSISTANCE

Front Page



freelance professional services limited APPLICATION FORM CONTRACTOR COMPANY SERVICE A

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Please complete this form using BLOCK CAPITALS throughout and return with supporting documentation in the prepaid envelope provided.

SECTION 1 - Personal Details

Title: (PLEASE TICK) Mr Mrs Miss Other (IN FULL) Address: _____

Surname: _____

Forename(s): (IN FULL) _____ Postcode: _____

Home Tel: _____ Work Tel: _____

E-mail Address: _____

Date of Birth: D D M M Y Y _____ Nationality: _____

Occupation: _____ National Insurance No: _____

How did you hear of the Contractor Company Service? Please insert details in the space provided.

Recruitment Company Friend Advert Other Name of Friend/Recruitment Company/Publication _____

SECTION 2 - Bank Details

Please provide your banking details. Unfortunately we cannot transfer funds into a bank or building society account based outside the UK, Isle of Man or Channel Islands.

Name of Bank: _____ Name of Bank Branch: _____

Name of Account Holder: _____ Branch Sort Code: _____

Bank Account Number: _____

Building Society Reference Number: _____

If you would like assistance to open a UK bank account please tick here Please note this process will be subject to standard bank procedures.

SECTION 3 - Invoicing Details

Please provide details of your Recruitment Company or client we are to invoice, together with details of your hourly rates.

Name of Recruitment Company/Client: _____ Branch Address: _____

Recruitment Company/Client Payroll Address: _____

Post Code: _____ Post Code: _____

Your Payroll Contact: _____ Your Recruitment Company Consultant: _____

Tel Number: _____ Branch Tel Number: _____

Fax Number: _____ Branch Fax Number: _____

No. of hours worked: _____ Rate: _____ Per Hour: Per Day: (PLEASE TICK)

Overtime Rate: _____ Rate currently paid via: (PLEASE TICK) PAYE Ltd Co.

Are you paid: (PLEASE TICK) Weekly Monthly

Required Start Date: D D M M Y Y _____ Please proceed to section 4 overleaf

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Please let us have all your Personal Details including all contact telephone numbers so that we can get in touch when we need to.

If you have worked in the UK you will have one of these. Please refer to a previous payslip or your local DHSS office.

Believe it or not some contractors give us the wrong bank details. Please double check these details are correct and legible.

This may well be your Recruitment Company's Branch address. It is more likely to be their Payroll Department's address (if different). Getting this wrong may delay your salary - please check!

The specific consultant and Recruitment Company Branch who placed you.

Please tick to coincide with your pay rate.

Check with your consultant if unsure.

Please indicate whether you are paid monthly or weekly.

Please remember that all the information on this sheet is mandatory and must be completed in full. Without it we cannot process your application form and payment to you may be delayed. As a licensed service provider we are required by law to ensure we have enough information to identify our clients.



Back Page

IMPORTANT

We require a clear copy of one of the requested pieces of information (including all relevant pages) - if in any doubt please call **0800 634 4848**. Without this we cannot process your application and payment to you may be delayed.

SECTION 4 - Verification of Right to Work

Please indicate which document you are enclosing. We require a black and white COPY of one of the following documents that verifies your right to work in the UK before processing your application.

- Current British Passport+ EC Passport or National Identity Card+ for a citizen of a EEA Member State Other Passport+ with a Certificate of Entitlement to reside and work in the UK UK Residence Permit

If you are unable to supply one of the above documents then please supply one document from both list A and B:

List A

- Current Passport+ Provisional or full driving licence bearing photograph and signature National Identity Card bearing photograph and signature

List B

- P45 with full National Insurance Number P60 with full National Insurance Number Other official document displaying full National Insurance Number
- Certificate of registration or naturalisation A UK or Irish Birth Certificate A letter issued by the Immigration and Nationality Directorate of the UK Home Office indicating that the person named has permission to take employment
- An entry clearance to enter the UK A Home Office letter of immigration control exemption

+ All relevant pages. Please note we are unable to accept applications from individuals on work permits.

SECTION 5 - Your Payment Details

Please tick one of the following levels of salary to indicate the level of salary you require. After the salary has been paid the directors will instruct the company to pay any business related expenses from company funds. Any surplus funds, after salary and expenses, may be paid as dividend at the discretion of the directors.

Minimum Wage £5 per hour £10 per hour All salary Other: (PLEASE SPECIFY) £ _____ per hour

SECTION 6 - Signature

I confirm that the above details are correct and that I have read Information Sheet 1 (IR35 - How does it affect me?). Having reviewed the way in which I supply my services, in light of IR35 legislation, I confirm that my services are of a self employed nature. I have been made aware of charges that may apply. I am entitled to work in the UK and enclose a copy of supporting documentation.

Signed: _____ Dated: _____

FOR OFFICE USE ONLY

Application No:	Application Complete:	Yes / No
CF Login:	Valid Entitlement:	Yes / No
Limited Company No:	Recruitment Company No:	
Branch No:	Cert Letter No:	
NB Login:	Contractor No:	A/C No:
Employment No:	Contract No:	
Date WOB Issued:		

Item	Comments	Date	Initial

Select the salary you would like to receive. Any surplus company profits after our fee, salary, employers NIC, expenses (if relevant) and statutory deductions have been accounted for, may then be paid to you as a dividend. Please see your personal illustration for an example

DO NOT complete - for FPS use.

Please remember to sign and date the form, once fully completed.

Please remember that all the information on this sheet is mandatory and must be completed in full. Without it we cannot process your application form and payment to you may be delayed. As a licensed service provider we are required by law to ensure we have enough information to identify our clients.



Please complete this form using BLOCK CAPITALS throughout and return with supporting documentation in the prepaid envelope provided.

SECTION 1 - Personal Details

Title: (PLEASE TICK) Mr Mrs Miss Other (IN FULL) Address:

Surname:

Forename(s): (IN FULL) Postcode:

Home Tel: Work Tel:

E-mail Address:

Date of Birth: D D M M Y Y Nationality:

Occupation: National Insurance No:

How did you hear of the Contractor Company Service? Please insert details in the space provided.

Recruitment Company Friend Advert Other Name of Friend/Recruitment Company/Publication

SECTION 2 - Bank Details

Please provide your banking details. Unfortunately we cannot transfer funds into a bank or building society account based outside the UK, Isle of Man or Channel Islands.

Name of Bank: Name of Bank Branch:

Name of Account Holder: Branch Sort Code: - -

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Building Society Reference Number:

If you would like assistance to open a UK bank account please tick here Please note this process will be subject to standard bank procedures.

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Please provide details of your Recruitment Company or client we are to invoice, together with details of your hourly rates.

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Recruitment Company/Client Payroll Address:

Post Code: Post Code:

Your Payroll Contact: Your Recruitment Company Consultant:

Tel Number: Branch Tel Number:

Fax Number: Branch Fax Number:

No. of hours worked: Rate: Per Hour: Per Day: (PLEASE TICK)

Overtime Rate: Rate currently paid via: (PLEASE TICK) PAYE Ltd Co.

Are you paid: (PLEASE TICK) Weekly Monthly

Required Start Date: D D M M Y Y

Please proceed to section 4 overleaf

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- Current British Passport+
 EC Passport or National Identity Card+ for a citizen of a EEA Member State
 Other Passport+ with a Certificate of Entitlement to reside and work in the UK
 UK Residence Permit

If you are unable to supply one of the above documents then please supply one document from both list A and B:

List A

- Current Passport+
 Provisional or full driving licence bearing photograph and signature
 National Identity Card bearing photograph and signature

List B

- P45 with full National Insurance Number
 P60 with full National Insurance Number
 Other official document displaying full National Insurance Number
- Certificate of registration or naturalisation
 A UK or Irish Birth Certificate
 A letter issued by the Immigration and Nationality Directorate of the UK Home Office indicating that the person named has permission to take employment
- An entry clearance to enter the UK
 A Home Office letter of immigration control exemption

+ All relevant pages. Please note we are unable to accept applications from individuals on work permits.

SECTION 5 - Your Payment Details

Please tick one of the following levels of salary to indicate the level of salary you require. After the salary has been paid the directors will instruct the company to pay any business related expenses from company funds. Any surplus funds, after salary and expenses, may be paid as dividend at the discretion of the directors.

Minimum Wage
 £5 per hour
 £10 per hour
 All salary
 Other: (PLEASE SPECIFY) £ per hour

SECTION 6 - Signature

I confirm that the above details are correct and that I have read Information Sheet 1 (IR35 - How does it affect me?). Having reviewed the way in which I supply my services, in light of IR35 legislation, I confirm that my services are of a self employed nature. I have been made aware of charges that may apply. I am entitled to work in the UK and enclose a copy of supporting documentation.

Signed: Dated:

FOR OFFICE USE ONLY

Application No:	Application Complete:	<input type="text"/> Yes / No
CF Login:	Valid Entitlement:	<input type="text"/> Yes / No
Limited Company No:	Recruitment Company No:	<input type="text"/>
Branch No:	Cert Letter No:	<input type="text"/>
NB Login:	Contractor No:	A/C No: <input type="text"/>
Employment No:	Contract No:	<input type="text"/>
Date WOB Issued:	<input type="text"/>	

Item	Comments	Date	Initial



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