

## Self employed form – Guidance notes

*The following may help you complete the self employed form.* If you want more advice, please telephone us on 01636 650000.

If you are self employed you should register with HM Revenue & Customs (HMRC) immediately. If you register late you may have to pay a penalty.

### **Section 1a – About you**

Complete this section with your personal details including your name and where you live. Please provide your telephone number and email address (if you have one), in case we have a query and need to contact you.

### **Section 1b – About your business**

Please tell us the name of your business and the business address (this may be the same as your home address).

For the nature of your business we need brief details of what you do; what you sell; or what service you provide, and the date you started trading.

- If you have more than one business you will need to complete a separate form for each business:
- If you are a director of a company **do not** complete the self employed form. Please complete an earnings certificate which can be found on the back of the housing and council tax benefit application form or alternatively submit your last two months payslips:
- If you are a sub-contractor please **do not** complete the self employed form. Provide your last three months invoices or CIS vouchers.

### **Section 1c – About you**

Average hours worked please give the number of hours you work during a typical week. If you are a new business you may need to estimate the hours you will work.

The start date of your current financial year, for new businesses this will be the date you began trading.

### **Section 1d – Business start up scheme**

This section should be completed if you have received any money from a business start up scheme. This could be an allowance or grant from the Enterprise Allowance, access to work scheme or the Prince's Trust. Certain grants and allowances are disregarded as business incomes please provide the details.

### **Section 1e – About you**

Please complete this section if you have received any benefit within the previous year, or for businesses trading less than a year, from the start of your self-employment.

### **Section 2a – Statement of accounts**

Most small businesses do not have their accounts audited; if you have your accounts prepared by an accountant you do not need to complete this section, instead please provide a copy of your latest accounts. However if your latest accounts do not reflect your current trading position, you can complete this form and we will calculate your income based on your current circumstances.

The trading period 'from and to' must be completed. This is the accounting or assessment period and is the period used to calculate your income. We need to assess your income over the period that most accurately describes your current trading position.

- If you have recently had a change, for example reduced your hours or lost a customer, please complete the 'from' box with the date this change occurred and the 'to' box with the most recent date you have obtained receipts for.

- If you are only just starting trading, please complete the 'from' box with the date you started trading and the 'to' box with what the date will be - 13 weeks from the start up date.
- If you are a new business but have been trading longer than 13 weeks please use the date you started trading until the most recent date you have obtained receipts for.

You must add up your total sales (takings) received during your trading period (within the specified dates you gave above). This is the total of the business' sales, takings and receipts for the business as a whole including money owed to the business.

If you are VAT registered please complete with the details.

Any other income, does the business receive any income not included in sales, takings and receipts? Include all other income with a description of what it is. **If you have another business please complete a separate form**, or if you have another job please provide your payslips or complete an earnings certificate.

### Section 2b – Money going out of the business

In order to calculate your income for the trading (assessment) period we need to deduct any expenses you incurred whilst running the business. These expenses should relate to the trading period you specified in section 2a. The total amount spent in each category must be entered in the total spent column. If the category is not listed put this in the 'any other expenses' column. If you are a new business you need to predict what your expenses will be over the next 13 weeks, and then keep receipts of your actual expenses for your review. Each expense needs to be divided between private and business use, please see the example in fig. 1. If the expense is solely for business use then the amount for business use will match the total spent; and a £0 will be entered for the amount for private use.

Fig. 1

Road tax is £125 per year. It is used for the business 60% of the time.

Expenses	Total	Amount for private	Amount for business	Estimated expenses
Road tax	£125	£50	£75	

*(Only complete this column if you are a new business)*

Please retain receipts for all the expenses listed as we may require further information and proof.

### Section 3 – National Insurance

Please complete this section with the details of your National insurance contributions. If you are self-employed you normally have to pay Class 2 National Insurance contributions. In certain circumstances you may be exempt from paying. For assistance with National Insurance or small earnings exemptions please use the HM Revenue & Customs helpline 08459154655. For customers who are deaf or hearing or speech impaired the number to call is 08459153296 (Textphone).

### Section 4 – Further information

This section is available for you to provide any other information you think will help us to calculate your income. You may wish to describe changes in the business, or tell us that you expect your income to increase or decrease in the future, or give further information on the accounting period you have used.

### Section 5 – Declaration

Please read this carefully and complete. If you have had help from someone in completing this form please ask them to complete the bottom section.