

1450 Exam ID

Model Answer Booklet for the following Qualifications:

1400: Level 1 Certificate in Payroll QCF: 60104740

1410: Level 1 Award in Computerised Payroll QCF: 60107339

Time Allowed 1 Hour 30 Minutes

Tax Year 2015-16

FOR USE BY ASSESSOR ONLY:

IAB ID	Units covered	Possible marks
1406	Computerised Payroll Administration: T5051157	75

TASK 1

Below is the correct legislative information for Income Tax and National Insurance Contributions. This must be checked before you start the paper.

INCOME TAX

Rates:	Basic Rate	20%
	Higher Rate	40%
	Additional Rate	45%

Bandwidths:	From £0.01	to £31,785	20%
	From £31,785.01	to £150,000	40%
	From £150,000.01	to Excess	45%

'K' Code regulatory limit 50% Emergency code 1060L

NATIONAL INSURANCE CONTRIBUTIONS

Table A - NI Rates:

Description	Annual Bandwidths £	Employer %	Employee %
Standard Rate Contributions	£5,824.00 to £8,060.00	0.00	0.00
Standard Rate Contributions	£8060.01 to £8,112.00	0.00	12.00
Standard Rate Contributions	£8,112.01 to £40,040	13.80	12.00
Standard Rate Contributions	£40,040.01 to £42,385	13.80	12.00
Standard Rate Contributions	£42,385.01 to Excess	13.80	2.00

Table C - NI Rates:

Description	Annual Bandwidths £	Employer %	Employee %
Employer Only Contributions	£5,824.00 to £8,060.00	0.00	0.00
Employer Only Contributions	£8,060.01 to £8,112.00	0.00	0.00
Employer Only Contributions	£8,112.01 to £40,040	13.80	0.00
Employer Only Contributions	£40,040.01 to £42,385	13.80	0.00
Employer Only Contributions	£42,385.01 to Excess	13.80	0.00

Table M (under 21's)

Description	Annual Bandwidths £	Employer %	Employee %
Standard Rate Contributions	£5,824.01 to £8,060.00	0.00	0.00
Standard Rate Contributions	£8,060.01 to £8,112.00	0.00	12.00
Standard Rate Contributions	£8,112.01 to £40,040	0.00	12.00
Standard Rate Contributions	£40,040.01 to £42,385	0.00	12.00
Standard Rate Contributions	£42,385.01 to Excess	13.80	2.00

Candidates should note that it is not possible to update a previous version of Sage Payroll to include NIC Table M.

Task 3

GROSS PAY CALCULATIONS FOR PAYMENT WEEK 1 ON THE 10th APRIL 2015 (Not Marked)

Employee	Basic Hours	Basic Pay £	Overtime Rate £	Overtime hours £	Total overtime pay £	Gross Pay £	Savings Scheme £
Teresa Smithe	16	160.00	N/A	0	N/A	160.00	5.00
Peony James	38	361.00	11.88	4	47.52	408.52	0.00

Task 5

GROSS PAY CALCULATIONS FOR PAYMENT WEEK 2 ON THE 17th APRIL 2015 (6 marks)

Employee	Basic Hours	Basic Hourly Rate £	Basic Pay £	Overtime Rate £	Overtime hours £	Total overtime pay £	Week In Arrears £	Holiday Pay £	Gross Pay £	Savings Scheme £
Teresa Smithe	16	10.00	160.00	N/A	0	N/A			^{1/2} 160.00	5.00
Peony James	38	9.50	361.00	11.88	2	^{1/2} 23.76	^{1/2} 361.00	^{1/2} 361.00	^{1/2} 1106.76	0.00
Jason Barclay	36	8.00	^{1/2} 288.00	10.00	6	^{1/2} 60.00			^{1/2} 348.00	5.00
Camilla Talbot	16	7.50	^{1/2} 120.00	9.98	^{1/2} 3	^{1/2} 29.94			^{1/2} 149.94	0.00

Task 5 - Continued

RISE AND SHINE TIME SHEET	
NAME: Camilla Talbot	Week Ending: 10 th April 2015

	AM IN	AM OUT	PM IN	PM OUT	DAILY TOTAL HOURS
MONDAY	0930	1215	1245	1500	5.0
TUESDAY	0915	1300	1330	1515	5.5
WEDNESDAY	DAY OFF	DAY OFF	DAY OFF	DAY OFF	0
THURSDAY	0930	1230	1300	1430	4.5
FRIDAY	1000	1300	1345	1445	4.0
SATURDAY	DAY OFF	DAY OFF	DAY OFF	DAY OFF	0
SUNDAY	DAY OFF	DAY OFF	DAY OFF	DAY OFF	0
TOTAL HOURS					1 19

TASK 7 (6 marks)

- a) What form must be submitted with the FPS to HMRC if a Statutory Payment had been paid?**

EPS (2)

- b) When generating employee records, why is it important to include Employment Status and the Contracted Hours?**

The employment status and contracted hours are submitted to HMRC as part of RTI. (2)

- c) How much National Insurance does an employer pay for a 20 year old earning less than £42,385 p.a.?**

0% (2)

MARKING FOR PRINTOUTS

TASK 1	3 MARKS
Tax and NIC Legislation	(1 mark)
Award $\frac{1}{2}$ mark each for the correct print out of the Tax and NIC Legislation. If these are not correct use Own Figures for the remainder of exam.	
Company Details	(2 marks)
Award 2 marks for the Company Details Report, deducting $\frac{1}{2}$ mark for each error up to a maximum of 2 marks. No marks will be deducted for an incorrect Tax Reference.	
TASK 2	11 MARKS
Employee Details – Personal:	(6 marks)
Allocate 2 marks per employee deducting $\frac{1}{2}$ mark for each error, to a maximum of 2. Errors to include omitted employment status	
Employee Details – Deductions:	(2 marks)
Allocate 1 mark per employee provided they match the Model Answers.	
Deduct 1 mark if all employees are shown and 1 mark if there are no amounts shown for the employees.	
Employee Contracted Hours for RTI:	(3 marks)
Allocate 1 mark per employee provided they match the Model Answers.	
TASK 3	11 MARKS
Payment Summary Part 1	(7 Marks)
For each COLUMN TOTAL award 1 mark for each of the following correct entries (must match MA's): (5 Marks)	
<ul style="list-style-type: none">• Total Gross Pay• PAYE• EE's NIC• Post Tax Deduction• Net Pay	
Award a further 1 mark for each employee's Net Pay (2 Marks)	
Own figures only allowed for individual's net pay provided all processing has been completed correctly. Allow rounding errors (up to 1p) related to overtime calculations to impact on Gross Pay.	
Payment Summary Part 2	(2 Marks)

For each TOTAL award **1 mark** for each of the following correct entries (must match MA's):

- EE's & ER's NIC
- ER's NIC

Payslips

(2 Marks)

Award **1 Mark each** for each payslip provided the Net Pay matches MA's.

TASK 4

6 MARKS

Employee Details – Personal:

Allocate **3 marks** to each employee's personal details, deducting **½ mark** for each error to a maximum of 3 per employee. Errors to include omitted employment status

TASK 5

27 MARKS

See Page 2 for individual marks for **Gross Pay table**

(6 Marks)

See Page 3 for mark for **Timesheet**

(1 Mark)

Payment Summary Part 1

(9 Marks)

For each COLUMN TOTAL award **1 mark** for each of the following correct entries (must match MA's): **(5 Marks)**

- Total Gross Pay
- PAYE
- EE's NIC
- Post Tax Deduction
- Net Pay

Award a further **1 mark** for each employee's Net Pay (own figures accepted, if processed correctly) **(4 Marks)** Allow rounding errors (up to 1p) related to overtime calculations to impact on Gross Pay.

Payment Summary Part 2

(2 Marks)

For each TOTAL award **1 mark** for each of the following correct entries (must match MA's):

- EE's & ER's NIC
- ER's NIC

Cash Analysis **1 mark**, own figures accepted.

(1 Mark)

Payslips

(6 Marks)

Award **1 Mark each** for Teresa, Jason and Camilla's Payslips provided the Net Pay matches MA's.

Award **3 Marks** for Peony's Payslip provided her Holiday Pay and Payment in Arrears are shown on separate lines (own Figures accepted) but deduct **1 mark** if Net Pay does not match MA's.

P45

(2 Marks)

Award **2 Marks** for Peony's P45 for Gross Pay To Date and Tax To Date matching MA's. Own Figures can be accepted provided there is evidence that the payroll has been updated for both weeks 1 & 2.

TASK 6

11 MARKS

Payment Summary Part 1

(5 Marks)

For each COLUMN TOTAL award **1 mark** for each of the following correct entries (must match MA's): **(5 Marks)**

- Total Gross Pay
- PAYE
- EE's NIC
- Post Tax Deduction
- Net Pay

Own figures are allowed for individual's net pay provided the wages have been processed correctly Allow rounding errors (up to 1p) related to overtime calculations to impact on Gross Pay.

Payment Summary Part 2

(2 Marks)

For each TOTAL award **1 mark** for each of the following correct entries (must match MA's):

- EE's & ER's NIC
- ER's NIC

BACS Report

Award **1 Mark** for the BACS Printout (must show the Total Amount to pay).

(1 Mark)

Payslip

Award **3 Marks** for Verity's Payslip provided her Bonus is shown on a separate line, (must match MA's) and her new Tax Code is correct. Deduct $\frac{1}{2}$ mark if own figure for Net Pay

(3 Marks)

TASK 7

6 MARKS

See page 4

