

198 Exam ID

1450 Exam ID

Question Paper for the following Qualifications:

197: Level 1 Award in Computerised Payroll QCF: 60061352

1400: Level 1 Certificate in Payroll QCF: 60104740

1410: Level 1 Award in Computerised Payroll QCF: 60107339

Units

198: Computerised Payroll Administration: L5040956

1406: Computerised Payroll Administration: T5051157

Time Allowed 1 Hour 30 Minutes

Paper No: 0045

General Instructions

1. Enter your IAB Student Number, Candidate Number, Name of Examination Centre and Software used in the spaces provided on the front cover of your Answer Booklet
2. The Tasks are to be answered using legislation relating to the Tax Year 2013/2014, and income tax parameters as at 6th April 2013
3. PAYE deductions should be calculated using the income tax legislation as at April 6th 2013.
4. National Insurance Contributions should be calculated using either NIC Table A (CA38) or NIC Table C (CA41) as appropriate.
5. All Answers to be written in blue or black ink
6. Cross out errors neatly or use correcting fluid in moderation, marks may be deducted for work which is deemed to be untidy and badly presented.
7. Calculators are permitted
8. A blank page is provided in the Answer Booklet for workings if required
9. The Question Paper and Answer Booklet have information and data printed on both sides of the pages
10. Mobile phones are not permitted

Scenario

In this Examination Paper you are presented with seven Tasks based on basic payroll calculations and processing from the IAB Level 1 Award in Computerised Payroll syllabus.

All Questions will be based on the company, The Cheeky Chippy, a fish and chip shop that has both a take away and an eat in section, Peter Valvona manages the shop, which is open Monday to Saturday.

The Cheeky Chippy is based at 15 Park Parade, Baytrees, Essex. The HMRC Office is Colchester and the Reference No is 155/C697.

There are 2 staff in the shop who are paid weekly, whilst Peter is paid monthly by BACS.

All Tasks must be completed.

Company Information:

COMPANY DETAILS

Company Name	The Cheeky Chippy		
Address	15 Park Parade, Baytrees Essex CO4 8DF	Telephone:	01206 464163
		Fax	01206 464165
		Email	Orders@cheekychippy.co.uk
Tax Office	Colchester	Tax Reference	155/C697

BANKING DETAILS

Company Bank	HSBC Bank PLC 150 The High Street Colchester Essex CO8 2DU	Account Name	The Cheeky Chippy
		Account No:	01243697
		Sort Code	45-56-33
		BACS Ref:	CCM

Additional Information:

- Peter also has an account with the same HSBC branch in Colchester and he is paid directly into his account by BACS each month. His bank details are shown in his Employee information on page 3.
- Weekly staff will be paid weekly in cash, there are no £50.00 notes or £2.00 coins to be included in their pay.
- A savings scheme is available for all employees to contribute to. The monthly paid staff will pay £45.00 per month whilst the weekly paid staff will pay £12.50 per week.
- The weekly staff are paid on a Friday in arrears, whilst Peter is paid on the last Friday of the month.

Employee Information

Employee Details			
Works Number:	001	Date of Birth:	11 August 1971
Employee Name:	Peter Valvona	Start Date:	1 st June 2009
Address:	15 The Hermitage Baytrees Essex CO4 4DL	Gender:	Male
		Marital Status:	Divorced
		Tax Code:	944L
		NI Number:	AX 123452 A
Bank Details			
Account Name:	Mr P Valvona	NB: You do not need to enter the Bank's address in this employee's record	
Account Number:	01268796		
Sort Code:	45-56-33		
BACS Reference:	CCM001		
Pay Information			
Salary:	£28,560	Job Title:	Manager
Contracted hours:	37.5 hours per week	Payment Method:	BACS
		Pays into the Savings Scheme	

Employee Details			
Works Number:	002	Date of Birth:	23rd July 1951
Employee Name:	Janice Mundy	Start Date:	1 st June 2009
Address:	38 Stratford Road Baytrees Essex CO4 8BP	Gender:	Female
		Marital Status:	Married
		Tax Code:	BR
		NI Number:	YA 315148 C
Pay Information			
Hourly Rate:	£7.17 per hour	Job Title:	Shop Assistant
Contracted hours:	24 hours per week	Payment Method:	CASH
		Janice has handed in a CA4140	

Employee Details			
Works Number:	003	Date of Birth:	21 st August 1983
Employee Name:	Lily Hamilton	Start Date:	1 st June 2009
Address:	3 Juniper Grove Colchester Essex CO1 6DQ	Gender:	Female
		Marital Status:	Single
		Tax Code:	944L
		NI Number:	YX 259876 D
Pay Information			
Hourly Rate:	£7.91 per hour	Job Title:	Senior Fryer
Overtime Rate:	£9.89 per hour	Payment Method:	CASH
Contracted hours:	37.5 hours per week	Pays into the Savings Scheme	

You are required to complete all of the following Tasks.

TASK 1 – Set up Company

Set up the company information, including Pay Elements, ensuring that the software is set up for the Income Tax and NI parameters for tax year 2013/2014

Candidates are required to compare the legislative information with that given in the Answer Booklet. If the information shows any discrepancies the parameters should be corrected before continuing.

Required:

Print reports detailing:

- Income Tax bandwidths.
- NI Rates for Tax Year 2013/2014
- Company details.

3 marks

TASK 2 – Generate Employee Records

Create employee records for all the employees including their personal details, pay and deductions elements, onto the computerised system.

Required:

Print reports detailing:

- Employee Details (Personal).
- Employee Details (Deductions).

11 marks

TASK 3 - Processing Pay

It is now Monday 8th April 2013 and you need to process the payroll for the weekly paid employees, using the processing date of Friday 12th April 2013 (Week 1). You should take the following information into consideration:

Required:

- Using the information from the completed Gross Pay table, on Page 2 of your Answer Booklet, process the Payroll as at 12th April 2013 (Week 1).
- Print a Payroll Summary(ies) using a 'landscape' format, for Week 1 to include Employer's NIC.
- Print a Cash Analysis for Week 1, this must show the **total net pay** due to each employee. (See Additional Information for criteria for Cash Analysis).
- Back up and Update your records.

10 marks

TASK 4 – New Employees

Janice has handed in her notice and will be leaving the company on the 19th April 2013 and Peter has employed Leah Green to replace her. Leah will work a basic 25 hours with any additional hours paid at a fixed rate as shown on her employee record card below.

Peter has also taken on Felipe Fergosta to work in the eat-in part of the shop. Felipe's hours are variable depending on the times the eat – in section is open. Felipe has to complete a timesheet at the end of each week to show what hours he has worked. Felipe receives overtime pay at time and a quarter of his hourly rate.

The following points apply:

- Both employees started work on the 8th April 2013.
- Leah has completed a new starter form, on which she has ticked Statement B, so her tax code will be on a non-cumulative basis.
- Felipe has handed in his P45, which shows that his Tax Code is 944L on a Cumulative basis.
- Both employees will be paid weekly in cash.

Employee Details			
Works Number:	004	Date of Birth:	2 nd March 1974
Employee Name:	Leah Green	Start Date:	8 th April 2013
Address:	87 Shakespeare Road Colchester Essex CO8 1LX	Gender:	Female
		Marital Status:	Married
		Tax Code:	944L/Week 1
		NI Number:	TR 665987 B
Pay Information			
Hourly Rate:	£7.47	Job Title:	Shop Assistant
Overtime Rate:	£9.00	Payment Method	CASH
Contracted hours:	25 hours a week	Pays into the Savings Scheme	

Employee Details			
Works Number:	005	Date of Birth:	23 rd April 1991
Employee Name:	Felipe Fergosta	Start Date:	8 th April 2013
Address:	Flat 7 93 St Albans Road Colchester Essex CO8 0QP	Gender:	Male
		Marital Status:	Single
		Tax Code:	944L
		NI Number:	NB 586793 C
Pay information			
Hourly Rate:	£7.63	Job title:	Shop Assistant
Overtime Rate:	£9.54	Payment method:	CASH
Contracted hours:	37.5 hours a week		
Previous Employer Details			
Starting declaration	P45 - STATEMENT A	Total pay to date	£335.61
Previous Emp. Ref	587/K968	Total tax to date	£ 30.60
Date left employment	6 th April 2013	NI Category	A
Tax code at leaving	944L		

Task 4 (cont)

Required:

- Enter Leah and Felipe's details onto your computerised payroll system.
- Print a report showing Leah and Felipe's personal details only.

6 marks

TASK 5 – Processing Pay

The date is Monday 15th April 2013 and it is now time to process the payroll for the weekly paid employees, using the processing date of Friday 19th April 2013 (Week 2).

- As Janice is leaving on the 19th April this is her final week of pay. The weekly staff are paid in arrears so she will receive her normal week's pay plus one week's pay in arrears for this. Janice is also to be paid £71.70 holiday pay, both these payments should be shown as separate payments.

Required:

- Complete Felipe's Time Sheet given on Page 3 of your Answer Booklet.
- Complete the Gross Pay table on page 2 of your Answer Booklet and calculate the Gross Pay for the weekly paid employees. You will need to transfer the TOTAL hours from Felipe's timesheet so that you can calculate his Gross Pay.
- Using this completed Gross Pay information process the Payroll as at 19th April 2013 (Week 2).
- Print a Payroll Summary(ies) using a 'landscape' format, for Week 2 to include Employer's NIC.
- Print a Cash Analysis for Week 2, this must show the total net pay due to each employee. (See Additional Information for criteria for Cash Analysis).
- Print payslips for all the weekly paid employees for week 2.
- Back up and Update.
- Print out Page 1 of Janice's P45.

27 marks

TASK 6 – Processing Pay

It is Monday 22nd April and you need to calculate and process the Gross Pay due to Peter using a processing date of 26th April 2013 (Month 1). You need to take the following information into account:

- You have received notification of a change of Tax Code for Peter, which is to be applied immediately. His new code has been changed to 763L.
- Peter is to receive a standard month's salary plus a bonus of £275.00.

Required:

- Using the information given above, process the Payroll as at 26th April 2013 (Month 1).
- Print a Payroll Summary(ies) using a 'landscape' format, for Month 1 to include Employer's NIC.
- Print a BACS report which includes the **total** to be paid.
- Print a Payslip for Peter.
- Back up and Update.

12 marks

TASK 7

Using the space on Page 4 of your Answer Booklet, answer the following questions:

- a) State at least two reasons why it is important to "Back Up" your work.
- b) What procedure must be carried out to finalise the payroll, this should include the name of the form that must be submitted to HMRC and the relevant date?
- c) Provide a Back Up and Restore Log of your work.

6 marks

END OF EXAMINATION