

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

General Instructions

1. Enter your IAB Student Number, Candidate Number and Name of Examination Centre in the boxes 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, Barry's Bazaar, which is a small shop that sells a miscellany of goods. It is managed by Viktor Mazenko.

Barry's Bazaar is based at 14 The Parade, Bognor Regis, West Sussex, PO21 1JK. The HMRC Office is Chichester and the Reference No is 155/B493.

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

All Tasks must be completed.

Company Information:

COMPANY DETAILS

Company Name	Barry's Bazaar		
Address	14 The Parade Bognor Regis West Sussex PO21 1JK	Telephone:	01243 689457
		Fax	01243 689458
		Email	V.Mazenko@BB.co.uk
Tax Office	Chichester	Tax Reference	786/B493

BANKING DETAILS

Company Bank	NatWest plc 93 The Avenue Bognor Regis West Sussex PO21 5PO	Account Name	Barry's Bazaar
		Account No:	07693612
		Sort Code	44-15-46
		BACS Ref:	BAZ

Additional Information:

- Viktor also has an account with the same NatWest branch in Bognor Regis 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 in cash, there are no £50.00 notes or £2.00 coins to be included in their pay.
- A voluntary savings scheme is available for all employees to contribute to. If they wish to join, the monthly paid staff will pay £50.00 per month whilst the weekly paid staff will pay £15.00 per week.
- The weekly paid staff are paid on a Thursday in arrears, whilst Viktor is paid on the last Friday of the month.

Employee Information

Employee Details			
Works Number:	BB001	Date of Birth:	9 April 1947
Employee Name:	Viktor Mazenko	Start Date:	1 st June 2001
Address:	3 Beach Drive Bognor Regis West Sussex PO21 4OP	Gender:	Male
		Marital Status:	Married
		Tax Code:	527L
		NI Number:	YA 123452 D
Bank Details			
Account Name:	Mr V Mazenko		
Account Number:	07695870		
Sort Code:	44-15-46		
BACS Reference:	BAZ001		
Pay Information			
Salary:	£30,750	Job Title:	Manager
		Payment Method:	BACS
		Pays into the Savings Scheme	
		Viktor has handed in a CA4140	

Employee Details			
Works Number:	BB002	Date of Birth:	30 th June 1960
Employee Name:	Debbie James	Start Date:	1 st June 2005
Address:	179 Queens Drive Middleton-on-Sea West Sussex PO22 8HD	Gender:	Female
		Marital Status:	Married
		Tax Code:	944L
		NI Number:	NR 315148 A
Pay Information			
Hourly Rate:	£7.67 per hour	Job Title:	Shop Assistant
Overtime Rate:	£9.59 per hour	Payment Method:	CASH
Contracted hours:	37.5 hours per week	Pays into the Savings Scheme	

Employee Details			
Works Number:	BB003	Date of Birth:	1 st July 1979
Employee Name:	Frank Spencer	Start Date:	1 st June 2009
Address:	43 Cedar Court Bognor Regis West Sussex PO21 5QP	Gender:	Male
		Marital Status:	Single
		Tax Code:	BR
		NI Number:	YX 259876 D
Pay Information			
Hourly Rate:	£7.67 per hour	Job Title:	Shop Assistant
Contracted hours:	20 hours per week	Payment Method:	CASH

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.

4 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).

10 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 Thursday 11th 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 11th 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

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TASK 4 – New Employees

Frank Spencer has handed in his notice and will be leaving the company on the 19th April 2013, Viktor has taken on a new employee to replace him, her name is Becky Mills and her basic working week will be 20 hours, any hours she does over this will be paid at a fixed rate as shown on her employee record card below.

Viktor has also taken on Jules Thompson to work in the warehouse taking in and checking deliveries. Jules hours are variable depending on the times the deliveries arrive, so he has to complete a timesheet at the end of each week to show what hours he has worked. Jules does not receive any overtime pay, but gets a higher hourly rate to compensate for this.

The following points apply:

- Both employees started work on the 8th April 2013.
- Becky handed in a P45, the details of which are shown on her employee record below.
- Jules completed a P46 on which he ticked Starting Declaration B, so his tax code will be on a non-cumulative basis.
- Both employees will be paid cash weekly in arrears.

Employee Details			
Works Number:	BB004	Date of Birth:	19 th June 1995
Employee Name:	Becky Mills	Start Date:	8 th April 2013
Address:	29 Powers Place Bognor Regis West Sussex PO21 2DU	Gender:	Female
		Marital Status:	Single
		Tax Code:	944L
		NI Number:	NB 586793 C
Pay information			
Hourly Rate:	£6.49	Job title:	Shop Assistant
Overtime Rate:	£8.00	Payment method:	CASH
Contracted hours:	20 hours a week		
Previous Employer Details			
Starting declaration	P45 - STATEMENT B	Total pay to date	£165.30
Previous Emp. Ref	486/K7044	Total tax to date	£ 0.00
Date left employment	6 th April 2013	NI Category	A
Tax code at leaving	944L		

Employee Details			
Works Number:	BB005	Date of Birth:	9 th March 1978
Employee Name:	Jules Thompson	Start Date:	8 th April 2013
Address:	71 Chichester Road Middleton-on-Sea West Sussex PO22 9JR	Gender:	Male
		Marital Status:	Married
		Tax Code:	944L/Week 1
		NI Number:	TR 665987 B
Pay Information			
Hourly Rate:	£7.63	Job Title:	Warehouse Operative
Contracted hours:	Variable	Payment Method	CASH
		Pays into the Savings Scheme	

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Task 4 (cont)

Required:

- Enter Becky and Jules details onto your computerised payroll system.
- Print a report showing Becky and Jules 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 Thursday 18th April 2013 (Week 2).

- As Frank Spencer is leaving on the 19th April this is his final week of pay. The weekly staff are paid in arrears so he will receive his normal week's pay plus one week's pay in arrears for this. Frank is also to be paid £115.50 holiday pay, both these payments should be shown as separate payments.

Required:

- Complete Jules 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 Jules timesheet so that you can calculate his Gross Pay.
- Using this completed Gross Pay information process the Payroll as at 18th 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 Frank's P45.

26 marks

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TASK 6 – Processing Pay

It is Monday 22nd April and you need to calculate and process the Gross Pay due to Viktor 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 Viktor, which is to be applied immediately. His new code has been changed to 225L.
- Viktor is to receive a standard month's salary plus a bonus of £250.00.

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 Viktor.

11 marks

TASK 7

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

- a) Why is it important to "Back Up" your work?
- b) Explain, step by step, how to "Restore" your work?
- c) Identify the minimum employee data required in order to process the payroll.
- d) What form must be submitted to HMRC before the employees are paid each pay period?

8 marks

END OF EXAMINATION