



MODEL ANSWERS/MARKING SCHEME

PREPARED FOR TAX YEAR 2011/12

For use with the following Qualifications:

Unit: Computerised Payroll Administration

JUNE 2012

Tax Year 2011/2012

Student Number:	
Candidate Number:	
Name of Exam Centre:	

Candidates should note that all answers should be completed in blue or black ink

For use by assessor only:

Task	1	2	3	4	5	6	7	8	9	Total
Marks	5	25	20	5	35	35	10	5	10	150

GRADE.....

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	50%	
Bandwidths:	From £0.01	to £35,000	20%
	From £35,000.01	to £150,000.00	40%
	From £150,000.01	to Excess	50%
'K' Code regulatory limit	50%	Emergency code	747L

NATIONAL INSURANCE CONTRIBUTIONS

Table A - NI Rates:

Description	Annual Bandwidths £	Employer %	Employee %
Standard Rate Contributions (Secondary Threshold)	£5,304 to £7,072	0.00	0.00
Standard Rate Contributions (Secondary Threshold)	£7,072.01 to £7,225	13.80	n/a
Standard Rate Contributions (Primary Threshold)	£7,225.01 to £40,040	13.80	12.00
Standard Rate Contributions	£40,040.01 to £42,475	13.80	12.00
Standard Rate Contributions	£42,475.01 to Excess	13.80	2.00

Table D - NI Rates:

Description	Annual Bandwidths £	Employer %	Employee %
Standard Rate Contributions (Secondary Threshold)	£5,304 to £7,072	-3.7%	-1.6%
Standard Rate Contributions (Secondary Threshold)	£7,072.01 to £7,225	10.10	-1.6%
Standard Rate Contributions	£7,225.01 to £40,040	10.10	10.40
Standard Rate Contributions	£40,040.01 to £42,475	13.80	12.00
Standard Rate Contributions	£42,475.01 to Excess	13.80	2.00

UNIT: COMPUTERISED PAYROLL ADMINISTRATION**Task 3****GROSS PAY CALCULATIONS FOR PAYMENT WEEK 42 ENDING 21ST JANUARY 2012 (Not Marked)**

Employee	Basic Hours	Basic Hourly Rate £	Basic Pay £	Overtime Rate £	Overtime hours	Total overtime pay £	Gross Pay £	Payroll Giving £	Savings Scheme £
Alfie Simmonds	40	7.75	310.00	9.69	5	48.45	358.45	0.00	15.00
Becky Junesko	40	7.93	317.20	9.91	0	0.00	317.20	8.72	0.00
Susanna Hart	40	7.88	315.20	9.85	5	49.25	364.45	0.00	15.00

TASK 5

GROSS PAY CALCULATIONS FOR PAYMENT JANUARY 2012, MONTH 10 **4 marks**

Employee	Monthly Salary £	Directors Bonus 2.5% £	Holiday Pay £	Gross Pay £	Company Loan Repayment £	Payroll Giving 2.75% £	Savings Scheme £
Will Bernard	4,166.67	1,250.00		5,416.67		114.58	
Janice Bernard	3,750.00	1,125.00		4,875.00		103.13	75.00
Julie Garston	1,166.67	0.00	2 583.34	2 1750.01	150.00	48.12	150.00

PENSION SUMMARY FOR JANUARY 2012 (only Mark if no report produced) **5 marks**

Pension Report produced from Payroll software package?

Y/N please circle.

Mth No.	Name	Total Pensionable Pay £	Employee Pension £	Employer Pension £	Total Pension Contribution £
Mth 10	W Bernard	5416.67 1	216.67 1/2	325.00 1/2	541.67 1/2
	J Bernard	4875.00 1	195.00 1/2	292.50 1/2	487.50 1/2

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TASK 6

GROSS PAY CALCULATIONS FOR PAYMENT WEEK 43 ENDING 28TH JANUARY 2012 **Max 5 marks**

Employee	Basic Hours	Basic Hourly Rate £	Basic Pay £	Overtime hours	Total overtime pay £	Statutory Payments (SAP)	Gross Pay £	Payroll Giving £	Savings Scheme £
Alfie Simmonds	40	7.75	310.00	3.5	33.92		343.92	0.00	15.00
Becky Junesko	40	7.93	317.20	4	39.64		356.84	8.72	0.00
Susanna Hart	0	7.88	0.00	0	0.00	1 110.34	1 740.34 or 110.34	0.00	2 -630.00

IF all figures match Model Answers award a further 1 mark

TASK 8 PAYROLL SUMMARY SHEET FOR DECEMBER 2011 (MONTH 9)

Employee Name	Gross Pay £	Income Tax £	Employee N.I.C £	Employee Pension £	Payroll Giving £	Savings Scheme £	Statutory Payments (SSP)	Net Pay £	Employer N.I.C £	Employer Pension £
Alfie Simmonds	1567.59	188.80	115.87			60.00		1202.92	135.04	
Becky Junesko	797.60	73.20	23.47				163.20	700.93	28.78	
Susanna Hart	1325.60	133.00	86.83		36.45	60.00		1009.32	101.65	
Will Bernard	4,166.67	1105.06	318.77	166.67	114.58			2461.59	453.18	250.00
Janice Bernard	3,750.00	667.06	310.44	150.00	103.13	75.00		2444.37	395.68	225.00
Julie Garston	1,166.67	233.20	0.00		32.08	75.00		826.39	79.71	
Totals	12774.13	2400.32	855.38	316.67	286.24	270.00	163.20	8645.52	1194.04	475.00

NB: You do NOT need to check the figures for accuracy as you do not have enough information for this.

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TASK 8 - P32 EXTRACT 4 marks

Employer Payment Record

Employer name

Pills & Potions Ltd

Accounts Office reference

5 | 2 | 5 | P | X | P | 0 | 9 | 8 | | | |

Year ended 5 April

2012

You will need information about payments when you complete your form P35 Employer Annual Return.
Please fill in this form each time you make a payment. Usually, this will be each week or month – when you make a payment.

If you make quarterly payments then you will normally fill in this form every third month.

However, you may prefer to fill it in each month (or week), if you do, total your amounts every third month.

For guidance on making payments to HM Revenue & Customs please see Employer Helpbook E13 Day-to-day payroll

Period	Week number	Income Tax (include subcontractor deductions)	Student Loan deductions	Net Income Tax (1 + 2)	Gross NICs *See Note overleaf	Statutory Sick Pay (SSP) recovered	Statutory Maternity Pay (SMP) recovered	NIC compensation on SMP	Statutory Paternity Pay (SPP) recovered	NIC compensation on SPP	Statutory Adoption Pay (SAP) recovered	NIC compensation on SAP	Total deductions from NICs (total of boxes 5 to 11)	Net NICs (4 minus 12)	Amount due (3 + 13)	Date paid
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
6 Dec to 5 Jan	1	£	£	£	£	£	£	£	£	£	£	£	£	£	£	
	2															
	3															
	4															
Month 9	Totals	1 2400.32			1 2049.42								2049.42	1 4449.74	22/1/12	

Show Total Due to HMRC here:£4449.74 1.....

IF all figures match Model Answers award a further 1 mark

TASK 9

a) If your computer has lost all the Payroll data from your programme how would you get it back? 5 marks

Back ups should have been taken before and after updating the payroll, as a "good" copy is necessary in case you make an error or lose your work.

- 1) Re-install Sage Payroll if necessary
- 2) Use the RESTORE function (which must be used with extreme **care**, as this will overwrite anything that you have in Sage Payroll), to recover your Payroll Data from an earlier pay period or to correct an error.
- 3) The newest possible BACK UP should be used.

b) What is the "Rollback" function used for? 3 marks

This can be used when you only need to change one or two employee's payments but, again, use with **care**, as this will overwrite their files. Always rollback to the newest file that you know is correct

c) Name 2 forms that are currently filed on-line? 2 marks

Accept any relevant 2 forms such as:

P45

P46

P35

P14

Other relevant answers may be accepted at the Examiners/Markers discretion

MARKING FOR PRINTOUTS

TASK 1 TOTAL 5 MARKS

Award 1 mark for each correct print out

TASK 2 TOTAL 25 MARKS

Award ½ mark each for correct print out of Employee Details – Personal & Cumulative
1 mark

Employee Details – Personal:

Allocate 1½ marks per employee deducting ½ mark for each incorrect answer to a maximum of 1½

9 marks

Employee Details – Cumulative: Allocate 2½ marks per employee as follows:

½ mark for each correct answer:

Total Gross Pay, Taxable Pay, Total Tax TD, Total EE's NI, Total ER's NI

15 marks

TASK 3 TOTAL 20 MARKS

Payment Summary Part 1 **(15 Marks)**

For each COLUMN TOTAL award 1 mark for each of the following correct entries (must match MA's): **7 Marks**

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

For each employee (where there are figures) award ½ mark for each of the following correct entries, (if total Gross Pay matches figures on Gross Pay table, accept Own Figure on Net Pay, all other figures must match): **8 Marks**

Taxable Gross	Pre Tax Deduction	PAYE	EE's NIC
Post Tax Deduction	Net Pay		

TASK 3 cont.

Payment Summary Part 2 (4 Marks)

For each COLUMN TOTAL award ½ mark for each of the following correct entries (must match MA's): 1 Mark

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

For each employee award 1 mark for each employees ER's NIC: 3 Marks

Award 1 Mark for the Cash Analysis Printout.

TASK 4 5 MARKS

Award ½ mark for each correct entry of the following:

Car Registration	Make & Model	Engine Size	Date First Registered
Type of Fuel	CO2 Emissions	Price of Car	Date First Made Available

NB For Fuel accept either Diesel or Euro IV Emissions Standard

Award 1 mark for correct report

TASK 5 35 MARKS

See Page 3 for individual marks for Gross Pay table (4 marks)

Payslips: Award 1 mark for each payslip provided that they are for the correct employee.

Award ½ mark for correct Loan figure on J Garston's payslip.

(3½ marks)

Payment Summary Part 1 (18 Marks) NB a separate Loan Report is acceptable for which the candidate is to receive a total of 1½ marks as below

For each COLUMN TOTAL award 1 mark for each of the following correct entries (must match MA's): 8 Marks

Total Gross Pay	Taxable Gross	Pre Tax Payment	Pre Tax Deduction	
PAYE	EE's Pension	Post Tax Deduction	Loan	Net Pay

TASK 5 cont.

For each employee (where there are figures) award ½ mark for each of the following correct entries (own figures accepted): **10 Marks**

Pre Tax Payment Pre Tax Deduction PAYE EE's NIC EES's Pension
Post Tax Deduction Loan Net Pay

Payment Summary Part 2 (**4½ Marks**)

For each employee award 1 mark for each of the following correct entries (award half marks for Own Figures):

ER's NIC ER's Rebate EE's Rebate ER's Pension

Pension Summary (or completed table on Page 3) (**5 Marks**)

(award half marks for Own Figures)

TASK 6 35 MARKS

See Page 5 for individual marks for Gross Pay table (**5 Marks**)

Payment Summary Part 1 (**19 Marks**)

For each COLUMN TOTAL award 1 mark for each of the following correct entries (must match MA's): **9 Marks**

Total Gross Pre Tax Payment Pre Tax Deduction Student Loan
PAYE EE's NIC SAP Post Tax Deduction Net Pay

For each employee award ½ mark for each of the following correct entries, where there is a figure (with the exception of the EE's NIC where a ½ mark is given to all employees): **10 Marks**

Taxable Gross Pay Pre Tax Payment Pre Tax Deduction Student Loan
PAYE EE's NIC SAP Post Tax Deduction Net Pay

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Payment Summary Part 2 (6 Marks)

For each XCOLUMN TOTAL award 1 mark for each of the following correct entries (must match MA's): EE's & ER's NIC ER's NIC 2 Marks

For each employee award 1 mark for the ER's NIC entries: 3 Marks

Award 1 mark for the correct change of Tax Code for A Simmonds.

Departmental Analysis Report: (3 marks)

No marks to be awarded if this shows all employees

Award ½ mark for each total 2½ marks

Award ½ mark for correct report ½ mark

P32 printout (date must be for Month 10) (2 marks)

Award 1 mark for the correct report and 1 mark if the figures all match the MA's.

TASK 7 10 MARKS

Allocate 10 marks to this employee's personal details, deducting 1 mark for each incorrect answer to a maximum of 10 (note, Tax Code & P46 statement must match MA's)

TASK 8 5 MARKS

See page 6

TASK 9 10 MARKS

See page 7