OCR
Oxford Cambridge and RSA

Unit Title:	Payroll Processing
OCR unit number:	49
Level:	2
Credit value:	5
Guided learning hours:	20
Unit reference number:	T/505/1238

Unit aim and purpose

This unit aims to develop knowledge and understanding of payroll processing. Upon completion of this unit, learners will be able to determine national insurance contributions, voluntary deductions and non-standard statutory deductions. They will also be able to produce relevant pay period reports as well as to record and reconcile payments and deductions to employees and external agencies.

Learning Outcomes	**Assessment Criteria**
The Learner will:	**The Learner can:**
1 Be able to use HMRC approved tools to calculate income tax	1.1 Apply the tax code for an employee from given information 1.2 Process pre-tax deductions correctly 1.3 Process accurately a variety of Tax Codes using HMRC approved tools: • standard suffix codes operated on a cumulative or non-cumulative basis • BR code operated on a cumulative basis . • NT • OT • DO • D1 1.4 Identify the authority required to change an employee's tax code and process the change accurately
2 Be able to determine national insurance contributions to be deducted from gross pay	2.1 Process accurately for NI categories A, C and D, using approved HMRC Tools: • employee NI contributions • employer NI contributions
3 Be able to determine voluntary deductions and non-standard statutory deductions	3.1 Process voluntary deductions in an appropriate way 3.2 Process other statutory deductions: • Deductions from earnings orders • Scottish arrestment orders • Student loan repayments
4 Be able to produce relevant pay period reports	4.1 Produce a P11 or equivalent 4.2 Produce payslips or equivalent, to detail statutory, non-statutory and organisational information regarding employees' individual pay 4.3 Produce payment schedules for different methods of making payments to employees
5 Be able to record and reconcile payments and deductions to employees and external agencies	5.1 Produce an internal payroll summary to record and itemise payments and deductions, including employer's NIC 5.2 Reconcile payments and deductions made from employees' pay with the total payroll 5.3 Prepare Employer Payment Summaries in line with the tax authority's requirements

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Assessment

This unit is internally assessed by centre staff and externally verified by OCR Assessors.

Additional information

For further information regarding administration for this qualification, please refer to the OCR document '*Admin Guide: Vocational Qualifications' (A850)* on the OCR website www.ocr.org.uk .

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