

Unit Title:	Understanding business taxation and accounting principles
OCR unit number:	16
Credit value:	12
Level:	4
Guided learning hours:	114
Unit reference number:	H/504/1322

Unit aim and purpose

By completing this unit the learner will be able to calculate the profits and gains assessable in respect of both incorporated and unincorporated businesses, and the corporation tax payable by incorporated businesses. The learner will also have a sound understanding of the compliance obligations affecting businesses, including those relating to VAT and national insurance, and be able to record transactions in financial statements.

Learning Outcomes	Assessment Criteria
<p>The Learner will:</p> <p>1 Be able to calculate the profits assessable in respect of a business</p>	<p>The Learner can:</p> <p>1.1 Calculate a business's trading income</p> <p>1.2 Calculate a business's capital allowances</p> <p>1.3 Demonstrate the basis period rules for an unincorporated business</p> <p>1.4 Demonstrate how losses incurred by businesses may be relieved</p>
<p>2 Be able to calculate the chargeable gains incurred by or in respect of a business, after taking account of any available reliefs</p>	<p>2.1 Calculate a chargeable gain incurred by or in respect of a business</p> <p>2.2 Explain the reliefs available to reduce or defer the tax payable on a chargeable gain incurred by or in respect of a business</p>
<p>3 Be able to calculate the corporation tax payable by an incorporated business</p>	<p>3.1 Calculate taxable total profits for an incorporated business</p> <p>3.2 Calculate the corporation tax payable by an incorporated business</p>
<p>4 Understand the compliance obligations affecting businesses, including those relating to VAT and national insurance</p>	<p>4.1 Explain the compliance obligations affecting businesses</p> <p>4.2 Explain the implications of a business failing to meet its compliance obligations</p> <p>4.3 Explain relevant VAT compliance issues</p> <p>4.4 Explain relevant national insurance compliance issues</p>
<p>5 Be able to record transactions in financial statements</p>	<p>5.1 Demonstrate the double entry required to record a transaction</p> <p>5.2 Calculate the figures for inclusion in the profit and loss and balance sheet</p>

Assessment

Assessment for this unit is through examinations set by the Association of Taxation Technicians (ATT).

Candidates can only claim this qualification after they have achieved the Association of Taxation Technicians (ATT) qualification; which is assessed by through an ATT examination, subject to ATT conditions.

Evidence requirements

Candidates are required to submit a digital copy of their achievement which will be confirmed by ATT.

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 .