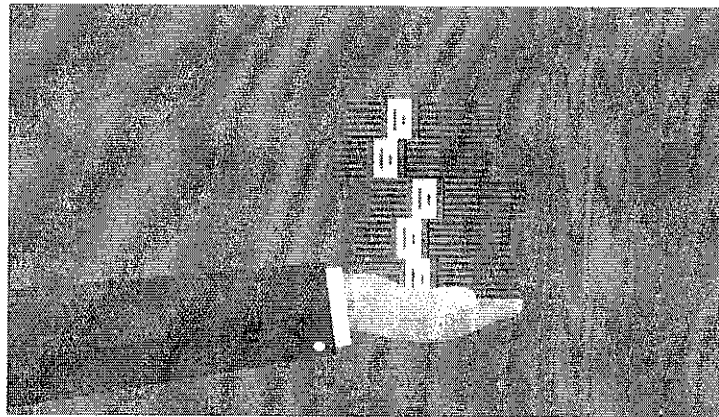


WINGEN HEIGHTS
SECONDARY

ACCOUNTING
GRADE 10



SALARIES AND
WAGES

You are expected to answer the following questions based on salaries and wages.

You may refer to module 9 of your textbook (*New Era accounting Grade 10*) to provide additional clarification.

However, if you are uncertain on how to answer any of the questions below, remember, google and the internet can be one of your greatest learning companions if used appropriately.

QUESTION 1: (12 Marks)

- 1.1) Differentiate between salaries and wages (4)
- 1.2) What is meant by the term Gross wage/salary? (2)
- 1.3) What is meant by the term Net Wage/ Salary (2)
- 1.4) With regard to salaries and/or wages, what do you understand by the terms:
 - 1.4.1) Deductions (2)
 - 1.4.2) Contributions (2)

QUESTION 2: (6 marks)

- 2.1) Identify what the following acronyms stand for:
 - 2.1.1) PAYE (1)
 - 2.1.2) UIF (1)
- 2.2) Name 2 additional benefits an employer may provide an employee with that may be classified as a deduction (2)
- 2.3) what is meant by the term “rand for rand basis” with regard to employer contributions. (2)

QUESTION 3: (6 Marks)

3.1) Choose the correct answer: (1)

3.1.1) Salaries/wages can be classified as:

- A) an income
- B) an expense
- C) an asset

3.2) Using your answer for 3.1, identify the effect of the following transaction on the accounting equation.

- Paid wages of R1 500 by cheque.

Account DR	Account CR	Assets	Owners Equity	Liabilities

(5)

QUESTION 4: (5 marks)

4.1) What is meant by the term "hourly rate" with regard to salaries/wages? (2)

4.2)

To calculate the Gross wage/Salary (identified in Q1.2) of an employee who receives an Hourly rate (identified in Q4.1), you are expected to do the following:

Gross wage/Salary = Hourly rate x Number of hours worked.

For example:

Sarah Jellybean receives an hourly rate of R20 an hour.

For this week, she has worked 30 hours.

To calculate her gross wage, we take her hourly rate of R20 per hour and multiply it by the number of hours worked.

Therefore, her Gross wage would be:

Gross wage/salary = hourly rate x number of hours worked

= R20 x 30 (hours)

= R600

4.2.1) Calculate the gross wage of Jenny Juniper if her hourly rate is R23 and she has worked 45 hours in this week:

(3)

QUESTION 5: (6 marks)

5.1) What does overtime mean? (2)

5.2) What rate of pay should an employee receive if they work overtime? (2)

5.3) What law/legislation ensures that employees are paid rate of pay identified in Q5.2? (2)

TOTAL: 35 marks