

Grade 10 Accounting Worksheet

Compensating Employees Fairly – Salaries and Wages

1

Work with a partner. Complete this task in class.

2

Please be aware of the time allocations. It's crucial to manage time effectively and meet deadlines, as no additional time will be provided for this task.

3

Hand in your worksheet at the end of the 60 minutes.

20min **Part A:** Participate in a class discussion about salaries and wages, gross and net pay, employee deductions, employer contributions and employment benefits (based on South African legislation and principles).

35min **Part B:** Work with a partner to play the AGECE High School Game and hold discussions as you go along. Complete the worksheet.

5min **Part C:** Class discussion and Reflection.

Part A: Set the Scene

Whole Class

20 minutes

Make notes on:

1. The difference between a salary and a wage
2. Gross pay and net pay
3. The key salary and wage calculations

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Part A: Set the Scene

Whole Class

20 minutes

Make notes on the difference between:

- Employee deductions and employer contributions
- Statutory payroll items and employment benefits
- Benefits provided by an employer and benefits arranged privately by an employee

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Work with a partner.

Name: Entrepreneur 1

Name: Entrepreneur 2

Class: Grade 10

Part B: Play the AGECE High School Game and Answer Worksheet

With a partner

35 minutes

Use what you learned in Part A and your observations from the AGECE High School Game to complete the worksheet. Play through six paydays and discuss your answers with your partner.

1. Explain the difference between a salary and a wage.

2. Explain the difference between gross pay and net pay.

3. Explain the difference between:

An employee deduction:

An employer contribution:

4. Which of the following are statutory payroll items where applicable, and which are employment benefits?

PAYE

UIF

Pension or provident fund

Medical aid

5. An employee earns an annual salary of **R120 000**. Calculate the employee's gross monthly salary.

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6. Use the example above. Mpho works 40 ordinary hours at R40 per hour, and five overtime hours paid at 1.5 times the ordinary hourly rate.

Calculate:

- Mpho's ordinary wage
- The overtime rate
- The overtime pay
- The gross wage
- The net wage if employee deductions total R150

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Game context: The AGECE High School Game simplifies staff payments and does not calculate PAYE, UIF, pension or medical-aid benefits. Use the game to explore staffing costs and the lesson to understand the wider South African payroll context.

7. Natasha is in Year 2 of her salary scale:

- Year 1 annual salary = R96 000
- Annual increment = R6 000

Calculate:

a. Her annual salary in Year 2

b. Her monthly salary in Year 2

8. In the AGECE High School Game that you just played:

a. What staffing decision did your business make?

b. What did the decision cost your business?

c. How did it affect your Business Value?

What was your Business Value after six paydays? R_____



Remember: you can get valuable information from the 'Business Value' tab

Part C: Participate in Class Discussion and Share Insights

Whole Class

5 minutes