

SUVA SANGAM COLLEGE

YEAR 11

ACCOUNTING

WORKSHEET 1

Question 1

Mr. Sam earns a wage of \$175 per week as a Computer Assistant. He spends 65% of his pay and saves the remaining.

- a) Calculate in dollar value the amount he saves.
- b) Explain two situations whereby Mr. Sam can use his savings.

Question 2

Match the items in Column 1 with the statement in Column 2

Column 1	Column 2
1. Budgeting	A. A plan of income and expenditure for the year
2. Budget	B. Unspent income during the year
3. Variable expenses	C. Shows income equals expenditure
4. Fixed expenses	D. Expenses remain the same through the period
5. Balanced budget	E. Act of preparing the budget
6. Savings	F. Costs that change from time to time

Question 3

Given below is March budget for Joan's family.

Income	\$
Joan's salary	1800
Rent	500
Less expenses:	
Food & clothing	250
Travelling	50
Power bill	80
Mortgage payment	150
Medical	50
Hire purchase	140
Credit card payment	200
Insurance	95

Required:

- i. Calculate the amount of fixed expenses
- ii. Calculate the amount of variable expenses.
- iii. Calculate the amount of saving for the month of March.
- iv. State two advantages of preparing a family budget.