

Eagle Industries has four employees who are all paid by piecework on a weekly basis. The following information is how the pay is calculated based on how many pieces each employee completes.

First 400 pieces are paid at \$0.75 each
Next 300 pieces are paid at \$0.80 each
Next 250 pieces are paid at \$0.85 each
All pieces over 950 are paid at \$0.90 each

- A) Calculate the **Gross Pay** for each employee based on their completed pieces. And record them on a **PAY (Payroll Record: Hourly/Monthly/Piecework)** form from your **Working Papers**.
- B) Using the **Payroll Deduction Online Calculator (PDOC)**, computing their **deductions** (Federal tax deduction, Provincial tax deduction, CPP & EI) and their **Net Pay**. Save the PDOC payment slips on your One Drive for your instructor to verify.
- C) Transfer the deductions and net pay to the **Pay** form. After all four employees details have been recorded total and prove the entries.
- D) Record the compound General Journal entry for this payroll on Feb 9, 2018.
- E) Record the General Journal entry on Feb 9, 2018 for the employer's contributions to CPP & EI.
- F) Record the entry in the Cash Payments Journal to issue the payroll cheques on Feb 9, 2018. The first paycheque is #15.
- G) Record the entry in the Cash Payments Journal for the remittance to CRA on March 15, 2018.

A) Gross Pay Calculations

Employee Name	Claim Code	Piecework Completed	Gross Pay
E. Nashly	4	1074	\$864.10
G. Thermus	2	1099	\$886.60
R. Papp	1	1103	\$890.20
V. Hubert	3	949	\$751.65

B) Net Pay Calculation

Eagle Industries - PieceWork Payroll Ledger								
Period Ending:								
Employee Name	Total Pieces	Gross Pay	Tax Code	Federal Tax	Provincial Tax	CPP	EI	Net Pay
E. Nashly	1074	864.10	4	60.48	25.39	43.43	13.65	721.15
G. Thermus	1099	886.60	2	77.31	31.89	44.65	14.01	718.74
R. Papp	1103	890.20	1	81.24	33.37	44.85	14.07	716.67
V. Hubert	949	751.65	3	51.65	21.14	37.3	11.88	827.03
		3392.55		270.68	111.79	170.23	53.61	2,786.24

C) Totals and Proof

		3392.55		270.68	111.79	170.23	53.61	2,786.24
Proof:	Left	Right						
Gross Pay	3,392.55							
Federal Tax		270.68						
Provincial Tax		111.79						
CPP		170.23						
EI		53.61						
Net Pay		2,786.24						
Totals	3,392.55	3,392.55						

D) Compound General Journal entry for this payroll:

General Journal				
Date	Memo	F	Debit	Credit
21-Feb				
12	Wages Expense		3,392.55	
	Income Tax Payable (Federal)			270.68
	Income Tax Payable (Provincial)			111.79
	CPP Payable			170.23
	EI Payable			53.61
	Wages Payable			2,786.24
	To record the payroll for the week period.			

E) General Journal Entry for the Employer's Contributions:

General Journal				
Date	Memo	F	Debit	Credit
21-Feb				
12	CPP Expense - Employers Contribution		170.23	
	EI Expense - Employers Contribution		75.05	
	CPP Payable			170.23
	EI Payable			75.05
	To record employer's payroll contributions.			

F) Cash Payments Journal to Issue the Payroll Cheques and

G) Cash Payments Journal for the Remittance to CRA

CASH PAYMENTS JOURNAL					Page #:	CPJ-1
Date	Account Dr.	Memo	F.	General Ledger Dr.	Bank Cr.	Chq. No.
02/2021						
12	Wages Payable	E. Nashly		2786.24	721.15	15
		G. Thermus			718.74	16
		R. Papp			716.67	17
		V. Hubert			629.68	18
03/2021						
15	Income Tax Payable. (Fed)	Payroll remittance		270.68		
	Income Tax Payable. (Prov)	to the government.		111.79		
	CPP Payable			340.46		
	EI Payable			128.66	851.59	38
				3,637.83	3,637.83	

H) RC107-E

CPP contributions 340.46	EI premiums 128.66	Tax deductions 382.47	Current payment 851.59	Gross payroll 3392.55	No. of employees in last pay period 4
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RC107 E (11) Tear off here and return lower portion with your payment.

Canada Revenue Agency / Agence du revenu du Canada

CURRENT SOURCE DEDUCTIONS REMITTANCE VOUCHER

RC107 E (11)

YOU MUST COMPLETE THIS AREA

Account number: _____

Legal name: **Eagle Industries**

Address: **123 Skyhi St.**

City: **Burnaby, BC.** Province: **BC.** Postal code: **V3J0 B4**

06 Do not use this area

Gross payroll in remitting period (dollars only): **3,392.00**

Number of employees in last pay period: **4**

End of remitting period for which deductions were withheld: Year **2021** Month **02**

Amount paid: **851.59**