

**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 - Piece Work Payroll Ledger								
Employee Name	Total Pieces	Gross Payroll	Tax Code	Federal Tax	Prov Tax	CPP	EI	Net Pay
E. Nashly	1074	\$ 864.10	4	67.77	27.85	39.44	14.34	<b>714.70</b>
G. Thermus	1099	\$ 886.60	2	83.93	34.06	40.56	14.72	<b>713.33</b>
R. Papp	1103	\$ 890.20	1	87.69	35.47	40.73	14.78	<b>711.53</b>
V. Hubert	949	\$ 751.65	3	58.52	22.14	33.88	12.48	<b>624.63</b>
<b>Totals</b>		<b>\$3,392.55</b>		<b>297.91</b>	<b>119.52</b>	<b>154.61</b>	<b>56.32</b>	<b>2,764.19</b>

**C) Totals and Proof**

Totals	\$3,392.55	297.91	119.52	154.61	56.32	2,764.19
	Left	Right				
Gross Pay	3,392.55					
Federal Tax		297.91				
Prov Tax		119.52				
CPP		154.61				
EI		56.32				
Net Pay		2,764.19				
<b>Totals:</b>	<b>3,392.55</b>	<b>3,392.55</b>				

**D) Compound General Journal entry for this payroll:**

Month-Year	Day	Description	Debit	Credit
Feb-18	9	Wages Expense	3,392.55	
		Income Tax Payable (Federal)		297.91
		Income Tax Payable (Provincial)		119.52
		CPP Payable		154.61
		EI Payable		56.32
		Wages Payable		2,764.19
		To record the payroll for the week period.		

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

Month-Year	Day	Description	Debit	Credit
Feb-18	9	CPP Expense - <b>Employers Contribution</b>	154.61	
		EI Expense - <b>Employers Contribution</b>	78.85	
		CPP Payable		154.61
		EI Payable		78.85
		To record employer's payroll contributions.		

F) Cash Payments Journal to Issue the Payroll Cheques

CASH PAYMENTS JOURNAL							
DATE	ACCOUNT DEBIT	MEMO	F.	GEN. LED. DR	BANK CR.	CH. NO.	
2018							
Feb.	9	Wages Payable	E. Nashly	2764.19	714.70	15	
			G. Thermus		713.33	16	
			R. Papp		711.53	17	
			V. Hubert		624.63	18	

G) Cash Payments Journal for the Remittance to CRA

CASH PAYMENTS JOURNAL							
DATE	ACCOUNT DEBIT	MEMO	F.	GEN. LED. DR	BANK CR.	CH. NO.	
2018							
Mar.	15	Income Tax Payable. (Fed)	Payroll remittance to the government.	297.91			
		Income Tax Payable. (Prov)		119.52			
		CPP Payable		309.22			
		EI Payable		135.17	861.82	38	

RC107-E

**AMOUNT OF PAYMENT** ▶ 861.82

CPP contributions	EI premiums	Tax deductions	Current payment	Gross monthly payroll	No. of employees in last pay period
309.22	135.17	417.43	861.82	3392.55	4

RC107 E (00) Tear off here and return lower portion with your payment.

Canada Customs and Revenue Agency / Agence des douanes et du revenu du Canada

**CURRENT SOURCE DEDUCTIONS REMITTANCE VOUCHER**

**YOU MUST COMPLETE THIS AREA**

Business Number: 123456789

Legal Name: Eagle Industries

Address: 123 Bath Ave,

City: Courtenay Province: BC Postal Code: V9N 1A8

002022

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Gross payroll in remitting period (dollars only): 3,393 00

Number of employees in last pay period: 04

Month for which deductions were withheld: Year 2018 Month 02

Amount paid: 861.82

Do not use this area