Que	estion 6 te two reasons why a household should prepare a bud	dget.
State	e two reasons why a household should prepare a bus	
1		
2.		ensetum by cost of fixe
		19.3 - 19

the according to the company

Section B

Answer all questions.

All questions carry equal marks.

The Johnson family kept an analysed cash book for the month of June. Balance the analysed cash book.

		Entert. Other					120	150			480							
ok.		Phone				72						22			1	$\overline{}$	+	+
ed cash bo	_	Motor exp.			30					300						1	+	+
the analys		Groceries		180				170			T			+		+	+	+
e. Balance	f BANK	+=	180	30	72	120	150	170	300	480	55		-		\perp	\perp	\perp	
on for the month of June. Balance the analysed cash book.	DETAILS	Balance	Paid for groceries	Paid for petrol	Mobile bill	Tayto Park	Holiday shopping	Groceries	Car service	House insurance	Phone bill							
family for June 2018	OTHER DATE		2,000 03-Jun	04-Jun	-	17-Jun	18-Jun H		23-Jun Ca	\rightarrow	26-Jun Pho							
Johnson family	-	2,880	2,	+		+	+	+	+	+	1	+						
Analysed Cash Book for Johnson f	2 880	2,000		+	+	+	+	+	+	+	+	+	+	1	+	+	\perp	
Analysed	_	Tax refund					 	-		+	+	+	+	+	+	+	+	
DATE	05 June 2016	06 Jun														-	_	

(a) (i)

(ii) Explain what is meant by the opening balance on 1 June 2018.	
Explain what is meant by the closing balance on 30 June 2018.	
(b) The Johnsons received a tax refund on 6 June.	
(i) Explain what is meant by tax refund.	
(ii) Income tax is a form of direct taxation. Name and explain two forms of indirect to 1	axation.
2	run the ation.
Social purpose of taxation:	
Ethical purpose of taxation:	

(iv) Below is April Johnson's payslip for June 2018.

	Period 6. June	2018	
ON	THE ONE	€	
€	DEDUCTIONS	380.00	
3,000	PAYE		
570	PRSI	90.00	
3,0	USC	46.00	
	SAVINGS	100.00	
	HEALTH INSURANCE	67.00	
	UNION	7.00	
			NET PAY
3,570	TOTAL DEDUCTIONS	690	2,880
	3,000 570	DEDUCTIONS 3,000 PAYE 570 PRSI USC SAVINGS HEALTH INSURANCE UNION	€ DEDUCTIONS 3,000 PAYE 570 PRSI USC 46.00 SAVINGS 100.00 HEALTH INSURANCE 67.00 UNION 7.00

Divide April Johnson's deductions into statutory and non-statutory.

STATUTORY DEDUCTIONS	NON-STATUTORY DEDUCTIONS

If April Johnson's basic rate of pay is €20.00 p/h and she receives time-and-a-half for overtime, how many hours of overtime did April Johnson work?

W	01	rk	in	g	s:

Using the comparison statement below, compare planned and actual income and expenditure for the Johnson family for the month of June.

Income	Budgeted	Actual	Difference
Wages	2,500	2,880	+ 380
Tax refund	0		
Total Income	2,500		
Expenditure			
Groceries	400		
Motor expenses	300		
Phone	150		
Entertainment	90		
Other	400		
Total Expenditure	1,340		
Net Cash	1,160		

(ii)	How does actual income and expenditure differ from planned income and expenditure?