

## Financial Education Ep 7 - Answers

1. What word means wages that are a set figure and not just based on an hourly rate?

Salary

2. What is it called when you are paid for the hours you work, but never work below a certain amount of hours?

- a. Salaried Contract
- b. Minimum Hours Contract ✓
- c. Zero Hours Contract

3. Often, overtime is paid at a higher rate.

- a. True ✓
- b. False

4. What is deducted from wages to contribute towards our NHS healthcare and also to your State Pension?

- a. Income Tax
- b. National Insurance ✓

5. Do you ALWAYS pay income tax?

- a. Yes, everyone has to pay no matter what they are earning
- b. No, only if you earn over a certain amount ✓
- c. No, you can chose whether to pay or not

6. Why is net pay less than gross pay on a wage slip?

Because net pay has all deductions taken off

7. When does the tax year run?

- a. 1<sup>st</sup> January to 31<sup>st</sup> December
- b. 1<sup>st</sup> March to 28<sup>th</sup> February
- c. 6<sup>th</sup> April to 5<sup>th</sup> April ✓