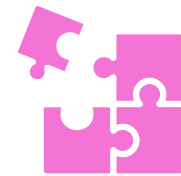


# AGENDA



## THEORETICAL RECAP

Social Charges



## CHAPTER 1 AND 2

Problem 5

# Theoretical Class Recap (or not)

Social Charges:

## Management accounting

- .....● Various costs related with labour are aggregated in the theoretical social charges and “spread” equally along the year

## Financial accounting

- .....● The companies have “peaks” of costs with their employees (example: in Christmas and holidays) that are recognized when they are actually paid (Real Social Charges)

**Implication:** We can find differences in P&L FA and P&L by function due to the way that social charges are differently incorporated, however in the end of the year profit must be equal in the two

# Theoretical Class Recap (or not)

Social Charges:

$$\% \text{ Theoretical Social Charges} = \frac{\text{Total Social Charges}}{\text{Total Salaries \& Wages}}$$

$$\Delta \pi^{FA - \text{by Function}} = \text{Base Wages} * (\% \text{ TSC} - \% \text{ RSC})$$

