

Chapter 5: Exercise 1 (13% HST)

(scroll down for solutions with 5% GST)

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20xx			
Sep 1	Purchases	2,620.00	
	HST-ITC	340.60	
	A/P Bright Co.		2,960.60
	Inv #292; terms n/30.		
2	A/R John Cabot	271.31	
	Sales		240.10
	HST Payable		31.21
	Inv #66; terms n/30.		
2	Freight In	61.00	
	HST-ITC	7.93	
	Bank		68.93
	Paid freight charges; chq #73.		
3	Delivery Expense	43.00	
	HST-ITC	5.59	
	Bank		48.59
	Paid to Fast Courier; chq #74.		
4	Store Furniture	1,459.00	
	HST-ITC	189.67	
	Bank		1,648.67
	Fixtures for store; chq #75.		

20xx			
Sep 4	Store Furniture	182.40	
	HST-ITC	23.71	
	Bank		206.11
	Paid for delivery of store furniture; chq #76.		
6	Purchases	960.00	
	Bank		960.00
	Bought mdse from USA; chq #77.		
6	Duty & Brokerage	125.00	
	HST-ITC	141.05	
	Bank		266.05
	Paid brokerage & HST on USA order; chq #78.		
9	Office Supplies Expense	94.00	
	HST-ITC	12.22	
	A/P Royal Stationery		106.22
	Inv #B273, terms n/30.		
11	Office Supplies Expense	32.00	
	HST-ITC	4.16	
	Bank		36.16
	Paid shipping on supplies; chq #82.		

Chapter 5: Exercise 1 (13% HST) continued

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20xx			
Sept 13	Office Equipment	15,025.00	
	Bank		15,025.00
	Bought computer from USA; chq #83.		
13	Office Equipment	498.00	
	HST-ITC	2,017.99	
	Bank		2,515.99
	Paid duty/brokerage & HST on computer from USA; chq #84. 350 + 148 = 498		

Chapter 5: Exercise 1 (5% GST)

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20xx				20xx		
Sep 1	Purchases	2,620.00		Sep 4	Store Furniture	182.40
	GST-ITC	131.00			GST-ITC	9.12
	A/P Bright Co.		2,751.00		Bank	191.52
	Inv #292; terms n/30.				Paid for delivery of store furniture; chq #76.	
2	A/R John Cabot	252.11		6	Purchases	960.00
	Sales		240.10		Bank	960.00
	GST Payable		12.01		Bought mdse from USA; chq #77.	
	Inv #66; terms n/30.					

Chapter 5: Exercise 1 (5% GST) continued

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2	Freight In	61.00	
	GST-ITC	3.05	
	Bank		64.05
	Paid freight charges; chq #73.		
3	Delivery Expense	43.00	
	GST-ITC	2.15	
	Bank		45.15
	Paid to Fast Courier; chq #74.		
4	Store Furniture	1,459.00	
	GST-ITC	72.95	
	Bank		1,531.95
	Fixtures for store; chq #75.		

6	Duty & Brokerage	125.00	
	GST-ITC	54.25	
	Bank		179.25
	Paid brokerage & GST on USA order; chq #78.		
9	Office Supplies Expense	94.00	
	GST-ITC	4.70	
	A/P Royal Stationery		98.70
	Inv #B273, terms n/30.		
11	Office Supplies Expense	32.00	
	GST-ITC	1.60	
	Bank		33.60
	Paid shipping on supplies; chq #82.		

Chapter 5: Exercise 1 (5% GST) continued

20xx			
Sept 13	Office Equipment	15,025.00	
	Bank		15,025.00
	Bought computer from USA; chq #83.		
13	Office Equipment	498.00	
	HST-ITC	776.15	
	Bank		1,274.15
	Paid duty/brokerage & GST on computer from USA; chq #84. 350 + 148 = 498		

Chapter 5: Exercise 2 (15% HST)

(scroll down for solutions with GST+PST)

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20xx			
Jan 3	Purchases	7,230.00	
	A/P Kelsey Equipment Co.		7,230.00
	Bought mdse from USA; inv #421; terms n/30.		
5	Duty & Brokerage	583.00	
	HST-ITC	1,171.95	
	Bank		1,754.95
	Paid duty, brokerage, and HST on USA order; chq #101.		
6	Freight In	370.00	
	HST-ITC	55.50	
	Bank		425.50
	Transport charges on USA order; chq #102.		
12	Packaging Equipment	8,200.00	
	A/P Quality Packaging Solutions		8,200.00
	Bought packaging equip from USA; inv #83647; terms n/45.		
17	Packaging Equipment	480.00	
	HST-ITC	1,302.00	
	Bank		1,782.00
	Paid brokerage & HST on packaging equipment; chq #103.		

20xx			
Jan 20	Packaging Equipment	291.00	
	HST-ITC	43.65	
	Bank		334.65
	Paid shipping on packaging equipment; chq #104		

Chapter 5: Exercise 2 (5% GST + 7% PST)

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20xx			
Jan 3	Purchases	7,230.00	
	A/P Kelsey Equipment Co.		7,230.00
	Bought mdse from USA; inv #421; terms n/30.		
5	Duty & Brokerage	623.81	
	GST-ITC	390.65	
	Bank		1,014.46
	Paid duty, brokerage, and GST on USA order; chq #101.		
6	Freight In	395.90	
	GST-ITC	18.50	
	Bank		414.40
	Transport charges on USA order; chq #102.		
12	Packaging Equipment	8,200.00	
	A/P Quality Packaging Solutions		8,200.00
	Bought packaging equip from USA; inv #83647; terms n/45.		
17	Packaging Equipment	1,087.60	
	GST-ITC	434.00	
	Bank		1,521.60
	Paid brokerage & GST on packaging equipment; chq #103.		

20xx			
Jan 20	Packaging Equipment	311.37	
	HST-ITC	14.55	
	Bank		325.92
	Paid shipping on packaging equipment; chq #104		