

Activation Assignment

Accounting 12

Please complete this assignment prior to meeting with your instructor. Completion of an activation assignment is now required before students are officially enrolled in the course. The activation assignment will be included in your grading for the course.

If you have any questions about this activation assignment, please contact your instructor (info at bottom of page).

Assignment:

Read GST, HST and PST pages 24 through 30 in the book “Simply Accounting”. Answer the following questions based upon the reading.

Your company makes the following transactions during the month of July (very slow month)

Transaction	Details
1. Purchase of supplies	Supplies: \$300 + 6% GST
2. Cash Sales	\$700 + 6% GST
3. Purchased Equipment	\$1200 + 6 % GST
4. Sales on Account	\$1500 + 6% GST

Part 1 (8 marks)

Write journal entries for these transactions – use the General Journal Page on Back – ignore PST. Use the Regular method of handling GST.

Part 2 (4 marks)

Write the journal entry for the end of the month for the remittance of GST (first you must calculate the amount based upon the GST Paid on Purchases and the GST Collected on Sales.

Part 3 (8 marks)

There has been a lot of discussion about HST in British Columbia. List the Pros and Cons for HST in a table (use the internet as a resource)

Total Points 20!