



Use the following information:

The HST rate is 13%

Equipment depreciates 20 per cent per year.

One month of the 12-month insurance policy has expired.

At the end of the month, there is \$95 worth of supplies on hand.

The ending merchandise inventory is \$1,250.

The Chart of Accounts

General Ledger Accounts

1010 Cash	4010 Sales
1015 Petty Cash	4011 Sales Returns and Allowances
1100 Accounts Receivable	4020 Sales Discounts
1200 Merchandise Inventory	5010 Purchases
1250 Office Supplies	5011 Purchases Returns and Allow.
1260 Prepaid Insurance	5020 Purchases Discounts
1505 Equipment	5030 Transportation on Purchases
1510 Accum. Depreciation—Equip.	5040 Advertising Expense
2010 Accounts Payable	5041 Delivery Expense
2050 Sales Tax Payable	5050 Accounting Fees Expense
2060 HST Payable	5055 Miscellaneous Expense
2070 HST Recoverable	5060 Rent Expense
2100 Salaries Payable	5070 Salaries Expense
3010 L. Simpson, Capital	5080 Telephone Expense
3011 L. Simpson, Drawings	5090 Utilities Expense
3020 Income Summary	

Mapple.com

What Learning You Will Demonstrate: On completion of this task you will demonstrate the ability:

- To record transactions for a merchandising company using a general journal and periodic inventory systems
- To prepare adjustments for prepaid expenses, accrued expenses, accrued revenue and depreciation;
- To prepare the financial statements for a merchandising company that uses a periodic inventory system;
- To prepare adjusting, closing, and reversing entries. project takes you through the accounting cycle for a merchandising company, Mapple.com.

The company sells personal electronic devices and computer equipment through the Mapple Store and Mapple.com. The company has just started using accounting software to record journal entries and post to the ledger. It uses a periodic inventory system.

The Computerized Accounting System

- (1) Record the May transactions.
- (2) Print the journal, ledger, and trial balance.
- (3) Record the adjusting entries.
- (4) Print the financials statements and ledgers.
- (5) Record the closing entries.
- (6) Print the General Ledger and the post-closing balance.
- (7) Complete the Internal Control System Report

The INTERNAL CONTROL System Report



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Compare the manual and computerized accounting methods and make recommendations regarding an accounting system for L.Simpson. L. Simpson has two employees involved in the accounting system, a clerk who posts the receivables and payables, and an accountant who journalizes and updates the General Ledger. Prepare a recommendation outlining the principles of control and the type of system, which you think should be used by L. Simpson.