

Question #3 Page #206 – Chapter 6.3

3. R. Sadco is the owner of Red Lake Campground in Marmora, Ontario. The sales of the business are on a cash basis. Goods and services are purchased by the business on credit.

In your Workbook, record the selected transactions of Red Lake Campground given on the next page. The rate of HST is 13%. The journal page number is 23. Use the following accounts:

Bank
 A/P – BowMac Telephone Co.
 A/P – Corcoran Sod Farm
 A/P – Highway Lumber
 A/P – Municipality of Marmora
 HST Payable
 HST Recoverable
 Fees Earned
 Property Taxes Expense
 Maintenance and Repairs Expense
 Telephone Expense

TRANSACTIONS*November*

- 15 *Cash Sales*
 Tickets for the week, Nos. 160 to 169, \$1210 plus HST at 13%.
- 17 *Property Tax Bill*
 No. 4562B from the Municipality of Marmora, taxes for the period from July 1 to December 31, \$1500. These government services are exempt from the HST.
- 18 *Purchase Invoice*
 No. 707 from Highway Lumber, \$874.80 plus HST at 13%, for materials used in trailer site repairs and maintenance.
- 19 *Purchase Invoice*
 No. 292 from Corcoran Sod Farm, \$604.80 plus HST at 13%, for sod used in trailer site repairs and maintenance.
- 20 *Purchase Invoice*
 Invoice No. 33542 from BowMac Telephone Co., \$112.92 plus HST at 13%, for telephone service for the month of October.
- 22 *Cash Sales*
 Tickets for the week, Nos. 170 to 184, \$1420 plus HST at 13%.