

**The following information is for the company of
The Pink Company
(A merchandise company) for the YEAR ending: December 2006**

If your teacher's name is not Mr. Boulton, then the Excel file that made this has been stolen.

Pre-adjusted balances at start of the YEAR

1	Office Equipment	27,500.00
	Accumulated Amortization at start of period	-
	Salvage Value	600.00
	Useful Life	17 years
2	Automobile	18,850.00
	Accumulated Amortization at start of period	12,672.00
	Rate:	20%
3	Building	82,600.00
	Accumulated Amortization at start of period	18,280.00
	Rate:	8%

Other Information

4	Insurance Policy Value remaining at start of period:	7,500
	Time remaining in the policy at start of period	6 months
5	Interest was deducted directly from our bank account. The rate of interest for all debt (assume it is on total of loans and mortgages only) is:	1.0% of balance owing
	Total value of loans and mortgages on the 1st of the year is:	58,900
6	Supplies on hand at year end were:	9,100
	Supplies on hand on the 1st of the year were:	9,300
7	Year end was exactly one quarter of the way through a pay period. No salaries have been paid yet, but on the next pay day the salaries paid will be:	9,900
8	The Senior Accountant informs you that she is certain that an account which you have made an allowance for, will not be collected. She tells you to write it off. It is valued at:	136
9	The value of merchandise in the storeroom at month end is:	38,850
10	The value of the 'Mortgage Payable' that is due within the next 12 months is:	4,500

Instructions

Use all the information to complete the accounting cycle.

The Pink Company

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	Accounts	Acc. No.	Trial Balance		Adjustments		Income Statement		Balance Sheet		
			DR	CR	DR	CR	DR	CR	DR	CR	
1	Bank	100	29,520.00								1
2	Accounts Receivable	105	9,525.00								2
3	Allowance for Doubtful Accounts	110		340.00							3
4	Merchandise Inventory	115	43,300.00								4
5	Supplies	120	9,300.00								5
6	Prepaid Insurance	125	7,500.00								6
7	Building	130	82,600.00								7
8	Accumulated Amortization - Building	135		18,280.00							8
9	Office Equipment	140	27,500.00								9
10	Accumulated Amortization - Equipment	145									10
11	Automobile	150	18,850.00								11
12	Accumulated Amortization - Automobile	155		12,672.00							12
13	Accounts Payable	200		2,175.00							13
14	Salaries Payable	205									14
15	HST Payable	210		5,900.00							15
16	HST Recoverable	215	100.00								16
17	Loan Payable	220		13,900.00							17
18	Mortgage Payable	225		45,000.00							18
19	J. Boulton, Capital	300		133,178.00							19
20	J. Boulton, Drawings	305	9,300.00								20
21	Sales	400		53,500.00							21
22	Sales Discounts	405	1,150.00								22
23	Sales Returns and Allowances	410	400.00								23
24	Purchases	500	17,600.00								24
25	Purchase Discounts	505		1,150.00							25
26	Purchase Returns and Allowances	510		450.00							26
27	Freight-in	515	2,500.00								27
28	Automobile Expense	600	3,400.00								28
29	Freight-out	620	2,850.00								29
30	Loss on Disposal of Fixed Asset	625	3,150.00								30
31	Salaries Expense	660	15,800.00								31
32	Utilities Expense	680	2,200.00								32
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