



Your Mini Case: **The Complete Accounting Cycle**

Read all of the instructions before you begin!

It is your turn to create a case. You will create a mini case for a **service** business that works through the entire accounting cycle. You will also provide the answers to your case.

Here are your 12 tasks: (complete them in this order)

Case:

1. Write a paragraph about the **service** business you have chosen. What is its name? What is its primary business activity?
2. What is the opening financial position of your company?
(You may give an opening balance sheet, if you wish – keep it simple though...)
3. Create **6** transactions for your company. Make sure to have a date for each one. You should have one transaction for each of the following: (*Don't use HST in this case.*)
 - Cash Sale
 - Sales Invoice
 - Purchase for cash – must be an 'expense'
 - Purchase Invoice (bill) – must be an 'expense'
 - Purchase of an Asset (either on account or for cash)
 - Drawings
4. Provide additional details on the purchased asset. This will include the residual value and expected life.

Case Answers

(You may use paper & pencil, Skydrive, Wave Accounting, or any other method to provide the answers.)

5. Post the opening entry and the 6 transactions to a general journal.
6. Post the entries to either a T account ledger or your general ledger.
7. Take off a Trial Balance.
8. Do the necessary adjusting entries.
9. Prepare an Income Statement
10. Do your closing entries.
11. Take of a Post Closing Trial Balance.
12. Prepare a year end balance sheet.