

GST REASONABLENESS

Variance to net income = NIL
GST Collectible:

	Income	Income x 7%	
Per trial balance	199,358	13,567	
Capital Asset proceeds	-	-	
Less: zero rated sales	<u>-</u>	<u>-</u>	
		<u>13,567</u>	
Total GST Collected per accounting records (see below)		11,754	
Adjustments as part of review (per FF.15)		<u>(128)</u>	
		<u>11,626</u>	
Under-remitted (Over-remitted)		<u><u>1,941</u></u>	Variance % 14.31%

GST ITC's

	Expenses	Applicable Expenses x 7%	
Per trial balance	190,176	4,134	
Capital Asset additions	7,353	481	
Inventory adjustment	<u>-</u>	<u>-</u>	
		<u>4,615</u>	
Total GST ITC's per accounting records (see below)		3,539	
Adjustments as part of review (per FF.15)		<u>-</u>	
		<u>3,539</u>	
Over-remitted (Under-remitted)		<u><u>1,076</u></u>	Variance % 23.32%
Net under-remitted (over-remitted)		<u><u>865</u></u>	9.66%

Variance Explanation:

This working paper provides an efficient method to determine whether additional analysis is required to support the GST recorded for the year.

Is GST reasonable? yes Per: STU

GST REASONABLENESS

GST Collectible:

	Amount per F/S	Does GST Apply?	GST Collectible
Fee revenue	120,375	<input checked="" type="checkbox"/>	8,426
Special fees	72,539	<input checked="" type="checkbox"/>	5,078
Other revenue	899	<input checked="" type="checkbox"/>	63
PST commissions	189	<input type="checkbox"/>	
Interest income	196	<input type="checkbox"/>	
Loss on disposal of assets	(4,840)	<input type="checkbox"/>	
Dividend income	10,000	<input type="checkbox"/>	
	199,358		13,567

GST ITC's

Amount per F/S	Does GST Apply?	Does PST Apply?	GST ITC's	
Advertising and promotion	3,525	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	231
Bad debts	6,135	<input checked="" type="checkbox"/>	<input type="checkbox"/>	429
Insurance, licences, and Interest and bank charge:	9,036	<input type="checkbox"/>	<input type="checkbox"/>	
Office and general	5,051	<input type="checkbox"/>	<input type="checkbox"/>	
Professional fees	26,177	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1,713
Telephone	6,059	<input checked="" type="checkbox"/>	<input type="checkbox"/>	424
Travel and entertainment	5,488	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	359
Amortization	12,497	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	818
Interest on long-term deb	8,405	<input type="checkbox"/>	<input type="checkbox"/>	
Automotive	1,265	<input type="checkbox"/>	<input type="checkbox"/>	
Rent	2,446	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	160
Wages and benefits	14,531	<input type="checkbox"/>	<input type="checkbox"/>	
Amortization of intangible	48,970	<input type="checkbox"/>	<input type="checkbox"/>	
Management salaries	560	<input type="checkbox"/>	<input type="checkbox"/>	
Future income taxes	42,000	<input type="checkbox"/>	<input type="checkbox"/>	
	(1,969)	<input type="checkbox"/>	<input type="checkbox"/>	
	190,176			4,134

GST COLLECTED/PAID

Period ended:	Total sales per GST returns	Collected:	ITC's:	Payable (Refundable):
2002-12-31	46,942	3,285.30	663.20	2,622.10
2002-09-30	46,354	3,128.49	756.72	2,371.77
2002-06-30	39,615	2,244.51	830.70	1,413.81
2002-03-31	<u>45,687</u>	<u>3,095.95</u>	<u>1,288.83</u>	<u>1,807.12</u>
	<u>\$ 178,598</u>	<u>\$ 11,754.25</u>	<u>\$ 3,539.45</u>	<u>\$ 8,214.80</u>