



BA-0010-0004505 Seat No. _____

Third Year B. H. T. M. (Sem. V) Examination

March – 2021

5.5 : Hotel Accounts

(New Course)

Faculty Code : 0010

Subject Code : 0004505

Time : 3 Hours]

[Total Marks : 70

- Instructions :** (1) The maximum marks are 70; all questions carry 14 marks each.
(2) Attempt any five questions. Simple calculators are permissible.

- 1 What are Accounting Concepts ? State them and explain any seven in detail.
- 2 What is a journal ? Draw the format of the journal. Enumerate the components of an entry. State the importance of Narration and Reference Number.

OR

Record the following transactions in the Journal of Lalit Limited with proper referencing and narration.

- (a) 05.02.2019 Commenced business with cash Rs. 21,000/- and goods worth Rs. 40,000/-
- (b) 06.02.2019 Opened an account with Dena Bank by depositing Rupees 10,000/-
- (c) 07.02.2019 Purchased goods worth Rs. 4,000/- from Aditya Brothers.

- (d) 10.02.2019 Half of the goods purchased from Anna are sold at a profit of 25% on cost.
- (e) 11.02.2019 Cash received from the sale made on previous day is deposited in the bank.
- (f) 16.02.2019 Paid Rs. 1,500/- to Aditya Brothers by cheque.
- (g) 25.02.2019 Paid legal charges Rs. 2,000/- to Abhishek for attending to legal matters.
- (h) 27.02.2019 Withdrew Rs. 1,000/- from the bank for expenses.
- (i) 28.02.2019 Goods withdrawn by the owner for personal use worth Rs. 500/-

3 What is a ledger ? Explain the process of ledgering. Is posting and recording same ? Explain briefly.

OR

Ledgerise any seven accounts from the transactions recorded in the journal of Lalit Enterprise as given in question 2.

4 What are subsidiary note books ? State the types. What is the purpose of Purchase Notebook and Sales Notebook ? Draw the format of columnar purchase notebook and columnar sales notebook.

5 Ledgerise in the appropriate column cash book from the following for Soham Traders for October 2020.

- (a) 01-10-2020 Cash balance Rs. 150/- and bank balance Rs. 7,000/-
- (b) 04-10-2020 Received from Om Rs. 900/-.
- (c) 06-10-2020 Cash sales to Surya Rs. 2,000/-

- (d) 10-10-2020 Deposited into bank Rs. 500/- and sold goods for cash Rs. 700/-
- (e) 13-10-2020 Received commission by cheque from Divya Rs. 500/-.
- (f) 16-10-2020 Cash purchase by cheque Rs. 2,500/- and paid rent by cheque Rs. 700/-.
- (g) 19-10-2020 Sold goods to Sri Rs. 600/- and paid Rs. 950/- to Chandra
- (h) 24-10-2020 Paid office expenses Rs. 500/- and withdrew from bank Rs. 900/-.
- (i) 28-10-2020 Paid rent by cheque Rs. 200/- to Surya.

6 Do as directed : **7+7=14**

- (a) What is trial balance and state the purpose of the same. Explain the types of errors found in preparing trial balance.
- (b) Prepare the trial balance from the following information :

Account	Amount	Account	Amount
Bad Debts	2,000	Investments	80,000
Bank	25,000	Opening Inventory	15,000
Capital	2,20,000	Plant and Machinery	1,00,000
Carriage Inwards	12,000	Power and Fuel	8,000
Carriage Outwards	10,000	Purchase	1,20,000
Cash	500	Rates and Taxes	2,700
Creditors	54,000	Rent	3,300
Debtors	57,000	Returns Inwards	10,000
Discounts (Cr.)	2,000	Returns Outwards	8,000
Furniture	10,000	Salaries	5,500
Income from FD	12,000	Sales	2,00,000
Insurance	2,000	Wages	33,000

- 7 Draw the format of Balance Sheet. Indicate how the following adjustments would be treated in final accounts :
- (i) Closing Stock; when both market and historical values are given
 - (ii) Bad Debts
 - (iii) Outstanding Income
 - (iv) Prepaid Expense
 - (v) Amortisation
 - (vi) Interest on Loan
 - (vii) Outstanding Expense
 - (viii) Pre-received Income

OR

From the trial balance calculated above, prepare Trading and Profit and Loss Account for the year ended 31-3-2016 and balance sheet as on that date with the adjustments given below :

Adjustments :

- (a) Closing Inventory is Rs. 50,000/-
 - (b) Outstanding wages and salaries are Rs. 2,000/- and Rs. 5,000/- respectively.
 - (c) Depreciate Plant and Furniture by 7.5%
 - (d) Make a provision for Bad Debts @ 2.5%
- 8 Do as directed : **7=7=14**
- (a) Draw the format of Income Statement

OR

Record the following transaction in the journal from the Restaurant Sales Summary Sheet as on November 30, 2020 and ledgerise any one account.

Food	Beverage	Total	Tax	Grand Total	Cash	Credit Card	City Guest	Room Guest
1300	2800	4100	738	4838	808	2030	1100	900

- (b) Draw the format of Bar Sales Summary Sheet and record the same in the journal.

9 Do as directed : 7+7=14

- (a) Record the information obtained in the entries obtained from question 7 in journal proper.
- (b) Prepare the schedule of Rooms Departmental Income from the following information.

The Indian Hotels Company Limited

**Statement of Profit and Loss for the year
ended March 31, 2020.**

Particulars (in Rupees Crores)	
INCOME	
Revenue from operations	
Room Income	1,135.51
Food, Restaurants and Banquet Income	1,091.72
Shop rentals	35.23
Membership fees	114.77
Management and operating fees	218.77
Other Operating Income	147.48
	<u>2,743.48</u>
Other Income	<u>134.41</u>
Total Income	<u>2,877.89</u>
EXPENSES	

Food and beverages consumed	235.74
Employee benefit expenses and payment to contractors (Rooms – 51% & F&B _ 49%)	725.07
Finance Costs	237.55
Depreciation and amortisation expenses	203.78
Other operating and general expenses	
Linen and Room Supplies	32.37
Catering Supplies	19.35
Other Supplies	5.04
Fuel, Power and Light (net)	174.63
Repairs to Buildings	39.31
Repairs to Machinery	46.50
Repairs to others	08.69
Linen and Uniform Washing and Laundry Expenses	14.64
Security charges and others	32.65
Guest Transportation	35.84
Travel Agents' Commission	43.66
Discount to Collecting Agents	19.72
Other Operating Expenses	<u>60.16</u>
Total Operating Expenses	<u>532.56</u>
Rent	12.45
Lease Cost	120.76
Rates and Taxes	70.85

Insurance	07.26
Advertising and Publicity	73.16
Printing and Stationery	07.03
Passage and Travelling	08.99
Provision for Doubtful debts/ Bad debts written off	02.97
Expenditure on Corporate Social Responsibility	07.56
Professional Fees	37.49
Outsourced Support Services	62.70
Payment made to Statutory Auditors	03.71
Directors' Fees and Commission	03.20
Other Expenses	70.91
Total General Expenses	<u>489.04</u>
<u>Total Operating and General Expenses</u>	1,021.60
Total expenses	2,423.74
Profit before exceptional items and tax	454.14