

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BSc DEGREE EXAMINATION MAY 2019
(Third Semester)

Branch - CATERING SCIENCE & HOTEL MANAGEMENT

ACCOUNTING FOR HOSPITALITY INDUSTRY

Time : Three Hours

Maximum : 75 Marks

SECTION-A (20 Marks)

Answer ALL questions

ALL questions carry EQUAL marks (10 x 2 = 20)

- 1 Define accounting
- 2 Write any two difference between the financial accounting and management accounting.
- 3 What is journal?
- 4 What is meant by double entry book keeping?
- 5 What is ledger?
- 6 What is meant by trial balance?
- 7 What is voucher?
- 8 What is debit note?
- 9 What is the need for trading account?
- 10 Give two examples for direct and indirect expenses?

SECTION - B (25 Marks!)

Answer ALL Questions

ALL Questions Carry EQUAL Marks (5 x 5 = 25)

- 11 a What are the objectives of book keeping?
OR
b What is the accounting process?
- 12 a What are the advantages of double entry system?
OR
b Journalize the following transactions in the books of M/s Kay.
March 1 Sold good on credit to M/s Karvey Agencies Rs.5,000
March 3 Purchased goodfor cash Rs.2,500
March 11 Withdrew from bank Rs.8,000
March 20 Paid Salaries Rs.2,500
March 30 Paid Rent Rs.3,000
- 13 a What are the advantages of a trial balance?
OR
b Prepare Trail balance as on 31.12.2018 from the following balance of Mr.Deena.

| Particulars | Amount | Particulars | Amount |
|---------------------|----------|-----------------------|--------|
| Capital | 3,40,000 | Purchases | 94,000 |
| Creditors | 13,000 | Sales returns | 3,400 |
| Drawings | 4,000 | Purchase returns | 2,400 |
| Salaries | 38,200 | Carriage inwards | 1,400 |
| Bills receivable | 5,800 | Printing & stationery | 5,000 |
| Bills payable | 7,000 | Stock | 29,900 |
| Debtors | 16,000 | Machinery | 50,000 |
| Sales | 1,44,000 | Wages | 5,000 |
| Insurance | 2,200 | Rent | 1,600 |
| Land | 2,50,000 | Interest Received | 1,700 |
| Commission received | 800 | Electricity charees | 0 /inn |

- 14 a Enter the following transactions in the Purchase book of M/s.Subhashree

| Date | Particulars |
|---------|--|
| March 3 | Purchased 100 Kg of coffee seeds from Suresh @ Rs.40 per kg |
| 5 | Purchased 80 Kg of Tea dust from Hari @ Rs.20 per kg |
| 12 | Bought from Rekha sugars, Trichy 1,200 Kg of sugar @ Rs.8 per kg |
| 18 | Bought from Perumal Sweets, Chennai 40 tins of sweets @ Rs.200 per tin |
| 20 | Purchased from Govind Biscuits Company, Chennai 20 tins of Biscuits @ Rs.400 per tin |

OR

- b From the following prepare Sales returns book and purchase returns book.

| Date | Particulars |
|---------|---|
| March 3 | Returned to Gopal 10 bags of wheat which were purchased Rs. 1,000 per bag less trade discount 10% |
| 5 | Returned 15 bags of rice to Madhavan purchased at Rs.900 per bag less trade discount 10% |
| 12 | Shiva returned 5 bags of rice sold @ 1,200 per bag less trade discount 5% |
| 18 | 50 bags of wheat returned to Raj an purchased @ Rs.950 per bag |

- 15 a Prepare trading account of Mr.Deban for the year ended 31st December 2018.

| Particulars | Amount | Particulars | Amount |
|------------------|--------|---------------|----------|
| Opening stock | 5,700 | Purchases | 1,58,000 |
| Purchase returns | 900 | Sales | 2,62,000 |
| Sales returns | 600 | Closing stock | 8,600 |

OR

- b Prepare profit and loss account of Mrs.Nalini for the year ended 31st December from following.

| Particulars | Amount | Particulars | Amount |
|------------------------|----------|-------------------|--------|
| Gross profit | 1,25,000 | Discount Paid | 600 |
| Salaries | 15,000 | Discount Received | 1,000 |
| Rent | 5,000 | Interest Paid | 500 |
| Carriage Outwards | 1,000 | Interest Received | 700 |
| Selling expenses | 500 | Commission earned | 2,000 |
| Income from investment | 1,500 | | |

SECTION - C (30 Marks)

Answer any **THREE** Questions

ALL Questions Carry **EQUAL** Marks (3 x 10 = 30)

- 16 Discuss about the concepts of accounting.
17 Record the following transactions in the Journal of M/s Deepak agencies.

| Date | Particulars | Amount |
|---------|--|----------|
| March 1 | Started business with cash | 2,50,000 |
| 6 | Bought furniture | 25,000 |
| 7 | Purchased goods for cash | 15,000 |
| 9 | Cash sales | 20,000 |
| 13 | Sold goods on credit to M/s M&K agencies | 12,000 |
| 15 | Received cash from M/s M&K agencies | 11,750 |
| | Discount allowed | 250 |
| | | 1,000 |

- 18 Prepare trial balance from the following balances of M/s Dilshad as on 31.12.2018.

| Particulars | Amount | Particulars | Amount |
|----------------------------|----------|------------------|--------|
| Capital | 4,20,000 | Cash in hand | 25,000 |
| Building | 1,15,000 | Cash at bank | 84,700 |
| Machinery | 60,000 | Salaries | 94,000 |
| Furniture | 11,000 | Rent | 48,000 |
| Car | 68,000 | Commission | 1,400 |
| Opening stock | 86,000 | Rates and taxes | 2,600 |
| Purchases | 94,000 | Bad debts | 3,200 |
| Sales | 1,96,000 | Insurance | 2,400 |
| Sundry debtors | 16,200 | General expenses | 800 |
| Reserve for doubtful debts | 7,300 | Sundry creditors | 68,000 |

- 19 Enter the following transactions in proper subsidiary books.

| Date | Particulars |
|---------|---|
| March 1 | Purchased goods from Balaraman Rs.2,000 |
| 2 | Sold goods to Senthil Rs. 1,000 |
| 3 | Goods purchased from Durai Rs. 1,000 |
| 5 | Sold goods Saravanan Rs.700 |
| 8 | Sold goods to Senthil Rs.500 |
| 10 | Purchased goods from Elangavan Rs.600 |
| 14 | Purchased goods from Parthiabn Rs.300 |
| 20 | Sold goods to Sukumar Rs.600 |

- 20 From the following information prepare balance sheet of Mrs.Nasreen as at 31.12.2015.

| Particulars | Amt. (Rs.) | Particulars | Amt. (Rs.) |
|------------------|------------|---------------------|------------|
| Goodwill | 10,000 | Furniture | 6,750 |
| Capital | 90,000 | Sundry debtors | 25,000 |
| Cash in hand | 10,000 | Drawings | 15,000 |
| Investment | 500 | Land & building | 30,000 |
| Net profit | 49,900 | Bank | 10,000 |
| Bills receivable | 6,500 | Creditors | 31,500 |
| Bills payable | 5,350 | Plant and machinery | 20,000 |
| | | Closing stock | 40,000 |

Z-Z-Z

END