

Time: 2.5 Hours

75 Marks

Please Note:

- All questions are compulsory. Assume suitable data if required.
- All questions are compulsory and carry equal marks.
- Simple digital calculator is allowed.
- Start every main question on a new page.

Q1A) State whether following statements are true or false. (5 Marks)

1. Whenever an allowance is given a proper voucher known as the 'allowance voucher' is prepared.
2. A European Plan comprises of room rate + morning tea or coffee + lunch/dinner.
3. Under the Uniform System of Accounting, departmental income statements are prepared to supplement the income statement of the overall organization. These are known as schedules.
4. An internal audit is a process wherein an external auditor is appointed.
5. A purchase requisition is a document used as a part of the accounting process to initiate a purchase.

Q1B) Match column A with column B. (5 Marks)

	Column A		Column B
1	Allowance	a	payment made by hotel on behalf of guest
2	Discount	b	dispatch challan
3	Visitors paid out	c	elimination of charges
4	City ledger	d	always amounts to losses
5	Delivery Challan	e	maintained for local customers

Q1C) Explain the following terms briefly. (5 Marks)

1. Debentures;
2. Internal audit;
3. Traveller's cheque;
4. Master folio;
5. Variance.

Q2) Attempt either part A or part B. (15 Marks)**Part A:****Answer the following questions.**

1. Explain any 5 types of companies with examples.
2. Explain the various steps to prepare V.P.O.
3. Distinguish between discount and allowance.

Part B:

The authorized capital of ABC Ltd is divided into 5000 6% preference shares of Rs. 100 each and 10000 equity shares of Rs. 100 each. Following is the trial balance of the company as on March 31, 2018.

DEBIT	AMOUNT	CREDIT	AMOUNT
Opening stock	340000	Creditors	78000
Premises	400000	Issued capital:	
Purchases	120000	5600 equity shares of Rs. 100 each	560000
Wages	28000	2400 6% preference shares of Rs. 100 each	240000
Salaries	16000	4.5% debentures of Rs 100 each	80000
Rent	29600	Discount received	6800
Interest on Debentures	3600	Transfer fees received	240
Goodwill	96000	Sales	620000
Discount given	38000	R.D.D.	6560
Carriage outward	16000		
Bad debts	2000		
General Expenses	22400		
Trade expenses	7200		
Cash in hand	400		
Cash at bank	8400		
Plant and Machinery	216000		
Debtors	248000		
Total	1591600	Total	1591600

Adjustments:

1. Stock on 31st March 2018 was valued at a cost price of Rs 300000. The market price was 240000.
2. Depreciate plant and machinery at 10%.
3. RDD is 5 % on debtors.
4. Discount on creditors is 2.5%.
5. Unexpired insurance was Rs 3600.
6. Directors proposed dividend on preference shares.
7. Dividend on equity shares was @ 10%.

You are required to prepare Trading and Profit and Loss Account, Profit and Loss Appropriation Account and the Balance Sheet for the financial year ending March 31, 2018.

Q3) Attempt either part A or Part B.**(15 Marks)****Part A:****Write detailed notes on the following topics:**

1. Guest weekly bill
2. Visitor's tabular ledger
3. Cost of sales

Part B:

From the following figures extracted from the books of XYZ Hotels on March 31, 2018. You are required to prepare income statement under uniform accounting system.

Particulars	Department	Amount
<u>Revenue</u>	Rooms	34000
	Food	10780
	Beverage	5100
	Telecom	1200
<u>Cost of sales</u>	Food	4300
	Beverage	4100
	Telecom	1000
<u>Payroll related expenses</u>	Rooms	6100
	Food	3500
	Beverage	1200
	Telecom	200
<u>Other expenses</u>	Rooms	6100
	Food	1000
	Beverage	400
	Telecom	1000
<u>Undistributed expenses</u>	Payroll	5000
	Admin	1300
	Sales	800
	Repairs	1200
	Miscellaneous	1900
	Depreciation	3300
	Interest	2700
	Rent	3700
	Income tax	2800

Q4) Attempt either part A or Part B.

(15 Marks)

Part A:

Answer the following questions:

1. Distinguish between internal and statutory audit.
2. Explain the F&B operational control cycle.
3. What is meant by a K.O.T? Explain with a diagram.

Part B:

For 5 units of product A Standard data is as follows:

- Material - 40 kgs
- Labour – 100 hours
- SR for material Rs 25 per kg
- SR for labour Rs 2.5 per hour

Other details:

- Actual output – 1000 units
- Material used – 7840 kgs
- Actual labour hours – 19800
- AR of material Rs 27 per kg
- AR of labour Rs 2.60 per hour

Calculate the various labour and material variances.

Q5) Attempt any 3 out of 4 questions.

(15 Marks)

1. Explain the term 'standard costing'. What are its merits and demerits?
2. Explain the term 'preference share'. What are the different types of preference shares?
3. Explain the term 'night audit'.
4. What is an allowance voucher? Explain with the help of a diagram.
