

**B.H.M.C.T. Sem-II (2010 Course) /B. Sc. (Hospitality & Hotel  
Administration) Sem – II (2010 Course) : SUMMER - 2019  
SUBJECT : BASIC PRINCIPLES OF ACCOUNTING**

Day : Friday  
Date : 12/04/2019

Time : 10.00 AM To 01.00 PM  
Max. Marks : 80

**S-2019-2458**

**N.B.:**

- 1) Attempt any six questions including Q. No. 1 which is **COMPULSORY**.
- 2) Use of pocket calculator is **ALLOWED**.
- 3) Figures to the **RIGHT** indicate full marks.
- 4) Assume suitable additional data, if necessary.

**Q. 1** Following is the Trial Balance of M/s. Ravindra Caterers as on 31<sup>st</sup> March 2007 **(20)**

**Trial Balance**

Bad debts	9,300	Capital	12,50,000
Kitchen Equipments	3,74,210	Creditors	70,000
Stock of food	47,500	Purchases Returns	5,650
Wages	70,200	Sales	9,30,000
Vehicles	1,25,000	Discount	4,000
Purchases of food	4,18,500	Commission	15,000
Salaries	1,50,000	Bank over draft	5,350
Rent	40,000		
Licenses	21,500		
Kitchen Expenses	30,490		
Printing and Stationery	12,500		
Utensils	1,70,000		
Insurance	20,000		
Furniture	2,25,000		
Cash in hand	40,650		
Cash at Bank	1,90,000		
Telephone	22,000		
Gas and Electricity	77,000		
Glass China	37,150		
Debtors	1,86,000		
Guest food complimentary	13,000		
	<b><u>22,80,000</u></b>		<b><u>22,80,000</u></b>

Adjustments:

- i) Closing stock was valued at Rs. 52,250
  - ii) Depreciate kitchen equipments @ 10 %, Vehicles @ 20 %, Furniture @ 10 %, Utensils @ 15 %
  - iii) Glass china was revalued at Rs. 35,250.
  - iv) Prepaid Insurance Rs. 2,000.
  - v) Outstanding wages Rs. 1,500.
- Prepare Trading A/c, Profit and Loss A/c for the year ended 31<sup>st</sup> March, 2007 and a Balance Sheet as on that date.

- Q.2** Write short notes on **ANY THREE** of the following: **(12)**
- a) Debit Note
  - b) Advantages of Accounts
  - c) Convention of Conservatism
  - d) Revenue expenditure
  - e) Importance of Journal

- Q.3** Prepare Sonal's A/c in the books of Shilpa. **(12)**

2007	
Jan 1	Sonal owes Rs. 12,350 to Shilpa.
Jan 4	Paid Rs. 3,250 by cheque to Shilpa.
Jan 5	Sold goods of Rs. 5,000 to Sonal @ 10% trade discount.
Jan 9	Sonal has paid carriage charges of Rs. 3,000 on behalf of Shilpa.
Jan 14	Sonal returned goods of Rs. 1,000 which was sold to her on Jan 5 <sup>th</sup>
Jan 17	Sonal purchased goods of Rs. 25,000 from Shilpa @ 10 % Trade discount and 5 % cash discount terms.
Jan 21	Received Rs. 14,250 from Sonal and allowed her discount of Rs. 750.
Jan 27	Sonal settled Shilpa's A/c by issuing a cheque of Rs. 17,000 against amount due by her.

- Q.4**
- a) Write a word or phrase for the following: **(04)**
    - i) Initial investment of cash by proprietor to start his business.
    - ii) Irrecoverable debts.
    - iii) A person to whom the lease is granted by the hotel for specific period to provide some professional services to guest staying in a hotel.
    - iv) The difference between the two sides of an account.
  
  - b) Classify the following into Real and Nominal Accounts only. **(04)**
    - i) Capital
    - ii) Glass China
    - iii) Rent received
    - iv) Bad debts
    - v) Debtors
    - vi) Live stock
  
  - c) State with reasons whether the following statements are true or false. **(04)**
    - i) When a Cash book is maintained there is no need to open Cash A/c in the ledger.
    - ii) Proprietor and his business are considered as two separate entities as per Business entity concept of accounting.

- Q. 5** From the following information prepare an analytical Petty Cash Book maintained on imprest system. (12)

2007	
May 1	Cash in hand Rs. 315
May 1	Received a cheque from head cashier to make an imprest amount of Rs.2,000
May 2	Purchased postal stamps of Rs. 120
May 3	Paid for medicine charges Rs. 200 for Mr. Ghosh (Room No. 305)
May 5	Received from sale of old newspapers Rs. 350.
May 7	Paid last months printing bill of Rs. 575 payable to Navrang printers.
May 11	Paid for carriage Rs. 100.
May 14	Paid for local conveyance of a manager Rs. 50.
May 17	Paid Rs. 430 for travelling salesman bill.
May 22	Paid Rs. 200 to Anand on account.
May 25	Paid Rs. 60 for local charity.
May 27	Paid wages Rs. 300 for repair work of old furniture.

- Q. 6** Differentiate between: (12)
- Gross Trial Balance and Net Trial Balance
  - Incomes and Gains
  - Trade discount and Cash discount

- Q. 7** a) From the following details prepare a special functions book. (06)

2007	
Sept. 3	Private Birthday party for 200 individuals @ Rs. 150 per cover, wine and tobacco Rs. 2,500. Account to Mr. Mahesh Tiwari Bill No. 42.
Sept. 9	Buffet luncheon party for 150 persons @ Rs. 200 per person. Wine and tobacco Rs. 5,000, Sundry extra Rs. 7,000. Account to Mr. Milind Chopra Bill No. 53.
Sept.14	Dinner party of Senior citizen's club for 60 members @ Rs. 120 per cover wine and tobacco Rs. 1,250 Account to Mr. Suresh Sathe, a secretary Bill No. 61.
Sept.21	Wedding reception for 300 covers @ Rs. 170 Per cover, Sundry extra Rs. 2,000. Account to Mr. Sandesh Sawant, a secretary Bill No. 100.

- b) From the following details prepare a Trial Balance (06)

	Rs.		Rs.
Loan from bank	20,000	Goodwill	3,90,000
Sales Returns	9,500	Debtors	67,000
Suppliers	55,000	Bills Receivable	13,500
Cash	12,920	Stock	77,000
Sales	10,90,000	Purchases	7,51,000
Furniture	1,20,000	Capital	2,75,920

- Q. 8** Answer the following questions ANY THREE (12)
- State the need for preparation of a Bank reconciliation Statement.
  - Explain with example a double entry system of accounting.
  - What is the utility of a Journal?
  - What do you mean by bank over draft?
  - Give four examples of capital expenditure.

\* \* \* \* \*