



**KOLEJ YAYASAN PELAJARAN JOHOR
FINAL EXAMINATION**

COURSE NAME : HOSPITALITY ACCOUNTING
COURSE CODE : DHM3143
EXAMINATION : OCTOBER 2018
DURATION : 3 HOURS

INSTRUCTION TO CANDIDATES

1. This examination paper consists of **THREE (3)** parts :
PART A (20 Marks)
PART B (60 Marks)
PART C (20 Marks)
2. Candidates are not allowed to bring any material to examination room except with the permission from the invigilator.
3. Please check to make sure that this examination pack consist of:
 - i. Question Paper
 - ii. Objective Answer Paper
 - iii. Answering Booklet

DO NOT TURN THIS PAGE UNTIL YOU ARE TOLD TO DO SO

This examination paper consists of 12 printed pages including front page

PART A

This part contains of **TWENTY(20)** questions.

Answer ALL in Objective Answer Paper.

1. Which of these users are the users of managerial accounting?
 - A Customer
 - B Tax officer
 - C Manager
 - D Vendor

2. Which of these are external users of a company's financial statement?
 - A Board of directors
 - B Creditor
 - C Chief of department
 - D Finance Manager

3. Which of these are minor revenue center?
 - A Telephone
 - B Room
 - C Food
 - D Beverage

4. What is the incentive that the supplier offers to encourage prompt payment to the customer?
 - A Trade discounts
 - B Allowances
 - C Cash discounts
 - D Trade benefit

5. Which expense is included in linen expenses?
 - A Towels
 - B Newspaper
 - C Broom
 - D Binder

6. Which of this statement defined realization principle?
- A Sale is recognized before the payment have been made
 - B Sale is recognized only after services or products have been delivered and accepted
 - C Sale is recognized only after the customer have made the order for products or services
 - D Sale is recognized only after the payment have been made

7.

Cash discount computed starts when the goods is received to the customers

Which is the best to define the above situations?

- A Trade discount
 - B Discount on receipt of goods
 - C Discount on date of invoice
 - D Discount on end of month
8. Madmax has bought inventories from Johnny Mart for RM2,000.00. The invoice had been given to him on 30/8/2018. If he had been given cash discount term of 2/5, n/15 *prox*, what is the amount Rahmat have to pay if he pays on 4/9/2018?
- A RM1,960.00
 - B RM1,980.00
 - C RM2,000.00
 - D RM2,020.00
9. Which of these elements included in Balance Sheet?
- i. Asset
 - ii. Liabilities
 - iii. Equity
 - iv. Expenses
- A i, ii
 - B i, iii
 - C ii, iv
 - D i, ii, iii

10. What are the causes of bad debt?

- i. Customer bankruptcy
- ii. Customer death
- iii. Customer fraud
- iv. Supplier bankruptcy

- A i, ii
- B i, iii
- C ii, iv
- D i, ii, iii

11. Which problems incurred specifically in hospitality industries?

- A Small business size
- B High employee turnover
- C Low cash transactions
- D Inventory products been taken care in good shape

12. Which is fraud from the account payable section?

- A Sell combination to safes
- B Remove cash and show it as a shortage
- C Under-add cash sheet columns and remove cash
- D Set up a dummy company and make out cheque on the false invoices

13. Which fraud happens in receiving and inventory?

- A Remove cash and adjust register readings or voiding sales
- B Use garbage cans to smuggle items out of the back door
- C Make out cheques for invoices already paid and cash the cheques for personal use
- D Use excess moisture in items priced by weight

14. Which of these are the methods to compute inventory control?

- i. First In First Out
- ii. Last In First Out
- iii. First In Last Out
- iv. Last In Last Out

- A i, ii
- B i, iii
- C ii, iv
- D i, ii, iii

15. How to calculate total liabilities to total equity ratio?

- A Total liabilities add with total equity
- B Total liabilities divide by total equity
- C Total liabilities times total total equity
- D Total liabilities minus total total equity

16.

4/30, n/60

Diagram above shows the term of discount for one company. What are 4 represents for?

- A Net/ full amount paid
- B Percentage of discount
- C No of days after invoice date during which the discount may be taken
- D No of days after invoice date that the invoice must be paid

17. Bill Rizer has purchased equipments from Contra Factory for RM7,000.00. The invoice had been given to him on 31/7/2018 and the goods are received on 10/8/2018. If he had been given cash discount term of 5/20, n/60 ROG, what is the amount Bill have to pay if he pays on 30/8/2018?

- A RM6, 000.00
- B RM6, 500.00
- C RM7, 000.00
- D RM7, 500.00

18. Hang Feng has purchased machine from McDota for RM3, 000.00. The invoice had been given to him on 6/2/2018. Which of the date could allow him to get cash discount when the term is 1/5, n/20?

- A 10/2/2018
- B 11/2/2018
- C 12/2/2018
- D 13/2/2018

19. What is the importance of internal control for each company?

- A Allowed other to access to the company's data
- B Ignore responsibilities around the employee
- C Making management difficult to supervise their team
- D Prevent fraud and theft

20. Which of these expenses fall under direct expenses?

- i. Raw material
 - ii. Cost of Sales
 - iii. Taxes
 - iv. Interest
- A i, ii
 - B i, iii
 - C ii, iv
 - D i, ii, iii

[20 marks]

PART B

This part contains of **FIVE (5)** questions.

Answer ALL questions in Answering Booklet.

QUESTION 1

The following is the extractions of Income Statement and Balance Sheet for Becky Ltd for the year ended 31 December 2016 and 2017

	2016 (RM)	2017 (RM)
Sales	430,000.00	480,000.00
Cost of Sales	150,000.00	180,000.00
Inventory	100,000.00	100,000.00
Total expenses	250,000.00	290,000.00
Current Assets	115,000.00	118,000.00
Fixed Assets	325,000.00	330,000.00
Current Liabilities	25,000.00	100,000.00
Owners' equity	150,000.00	150,000.00
Long-Term Liabilities	200,000.00	158,000.00

From the information given, calculate the following

a) Current ratio for years 2016 and 2017

(4 marks)

b) Quick ratio (Acid test ratio) for years 2016 and 2017

(4 marks)

c) Total assets to total liabilities for Year 2016 and 2017

(4 marks)

QUESTION 2

The following information summarizes various general ledger accounts of the rooms department Megaman X Hotel for the year ended December 31, 2017.

	RM	RM
Room Sales		1,043,900
Allowances	2,700	
Commissions	4,124	
Interest received		125
Contract Cleaning	13,200	
Employee Benefits	22,580	
Guest Transportation	6,875	
Laundry and Dry Cleaning	11,706	
Linen	7,742	
Other revenue		36,000
Operating Supplies	12,619	
Reservation Expense	7,288	
Salaries and Wages	159,304	
Uniform	3,032	

REQUIRED:

Prepare the **Room's Department's Income Statement** for the Megaman X Hotel for the year ended 31 December 2017.

(20 marks)

QUESTION 3

Lucia Zero Hotel had started its business on August 2018 and start purchasing inventories during September 2018. The information below shows data of inventories bought and sold by Miku Hotel in September 2018

Date	Purchases @ cost price per unit	Sales	Sales Price
Sept 5	140 units @ RM15.50		
12		100 units	RM19.00/unit
19	70 units @ RM16.00		
23	30 units @ RM 17.00		
28		90 units	RM20.00/unit

Requirement

Using **FIFO** method, **calculate**

- a. closing inventory
- b. cost of goods sold and
- c. gross profit

(15 marks)

QUESTION 4

- a. Mambang Hotel purchased furniture set at a list price RM40, 000 and a trade discount of 20%. How much Great Hotel have to pay for the furniture?

(2 marks)

- b. Maharaja Hotel generates food and beverage and room as their income. The operation has recorded the following amounts: food sales RM100, 000; room income RM155, 000; food allowances RM3, 500; and room allowance RM1,000. Calculate the gross profit on food if cost of food sold is RM20,500.00

(5 marks)

QUESTION 5

Show the journal entry of the bad debts transactions

- a) Assume that a hospitality company uses the direct write off method to record an uncollectible receivable of RM35,000

(3 marks)

- b) Assume that a hospitality company uses the allowance method to record an uncollectible receivable of RM70,000

(3 marks)

[60 marks]

PART C

This part contains of **THREE(3)** questions. Answer **TWO(2)** questions only.

Answer the questions in Answering Booklet.

QUESTION 1

The following information has been extracted from a hotel's food department for the month of May and June

Department	May		June	
	Sales Revenue (RM)	Guest	Sales Revenue (RM)	Guest
Room service	3,000	10	2,500	8
Dining room	4,200	120	800	80
Lounge	70	5	60	4
Coffee shop	800	60	950	70
Banquets	5,600	200	4,800	150
	13,670	395	9,110	312

Department	May (RM)	June (RM)
Cost of sales	6,362	4,278
Wages and salaries expense	3,079	2,015
Employee benefits expense	140	145
Linen expense	64	60
China expense	106	98
Supplies expense	98	94
Other expense	192	176
Total operating expenses	10,041	6,866
Departmental Operating Income	3,629	2,244

Requirement

- For each sales revenue division, calculate the **average check per guest** for May and June
- Calculate the **average cost of sales per guest** and **total average cost per guest** for May and June

(10 marks)

QUESTION 2

- a) List **four (4)** principles of internal control in a Hospitality industries. (4 marks)
- b) Give **two (2)** examples of committing fraud or theft in:
- i) cash funds areas,
 - ii) delivery areas,
 - iii) bar areas.
- (6 marks)

QUESTION 3

- a. Show the journal entry of the following credit card fees transactions
- i. At the end of each day, a hotel totals the non-bank credit card drafts and deposits them with cash items into the hotel's checking account. The hotel's credit card drafts total RM75, 000. (2 marks)
 - ii. The credit card company charges 5% for fees (3 marks)
- b. Kurt rents a deluxe room on Amauri Hotel. The cost of the room is RM500.00 and the payment made on bankcard drafts. The credit card company charges 3% for fees (5 marks)
- [20 marks]

END OF QUESTION PAPER

