

D15



SCHOOL OF HOSPITALITY AND TOURISM
KOLEJ YAYASAN PELAJARAN JOHOR

FINAL EXAMINATION

SEMESTER JANUARY 2015

COURSE	:	HOSPITALITY ACCOUNTING
COURSE CODE	:	HAC 7143
TIME / DURATION	:	9.00 AM – 12.00 PM (3 HOURS)
DATE	:	5 MAY 2015

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. Answer **ALL** questions for **Part A and B**. Answer **ONE (1)** question only for **Part C**.
3. Candidates are not allowed to bring any material to examination room **EXCEPT** with the permission from invigilator.
4. Please check to make sure that this examination pack consist of:
 - i. Question paper
 - ii. OMR form
 - iii. Answering Booklet

THERE ARE 15 PAGES OF QUESTIONS, INCLUDING THIS PAGE

SECTION A (Total : 20 marks)**MULTIPLE CHOICE QUESTIONS****INSTRUCTION: Answer ALL questions.****Please use the OMR sheet provided**

1. The following is the characteristic of financial accounting
 - A. Recording and accumulating accounting information in order to prepare financial statements and reports for internal users
 - B. Provide detailed information for example performance reports which compare the actual results of operations with budget plans
 - C. Recording of financial transaction the effect of transactions to assist in the development of business transactions
 - D. Providing specialized internal information to managers

2. Which of the following is an example of a major revenue centre for a hotel
 - A. Telephone
 - B. Rooms
 - C. Valet
 - D. Laundry

3. To encourage prompt payment , vendors may offer an incentive called:
 - A. allowances
 - B. trade discounts
 - C. unearned income
 - D. cash discounts

4. Which of the following is an example of undistributed operating expenses
 - A. Gift shop
 - B. Rentals and other income
 - C. Human resources
 - D. Telephone

5. Which of the following is a financial reporting centre in a hospitality business
 - A. Administrative and general
 - B. Marketing
 - C. Property operation and maintenance
 - D. Telephone

6. Which of the following is an expense account associated with the rooms department
 - A. Linen
 - B. China, glassware, silver and linen
 - C. Kitchen fuel
 - D. Credit card commission

7. Which of the following is a direct expense properly allocated to a particular department within a hospitality business?
 - A. Property insurance
 - B. Interest expense
 - C. Property taxes
 - D. Cost of sales

8. Credit card commission can be categorized as?
 - A. Marketing department expenses
 - B. Administration and general department expenses
 - C. Room department expenses
 - D. Telephone department expenses

9. Cost associated with guest stationery, coffee and newspapers can be grouped on which account?
 - A. Guest transportation
 - B. Guest supplies
 - C. Cleaning supplies
 - D. Printing and stationery

10. An RM100 invoice dated April 6 with terms of 2/10, n/30 ROG. If the goods are received on April 11, what will be the discount period?
- A. April 6 to April 16
 - B. April 11 to April 21
 - C. April 12 to April 21
 - D. April 12 to April 22
11. Following are major section of a hotel's balance sheet EXCEPT _____.
- A. liabilities
 - B. equity
 - C. revenue
 - D. assets
12. A RM4,500 invoice consisting of merchandise (RM4,400) and freight charges (RM100) is dated January 1 with discount terms of 2/10, n/30. Calculate how much to be paid if the payment is made during the discount period.
- A. RM88
 - B. RM4,312
 - C. RM4,410
 - D. RM4,412
13. It is probable that collection of 100% of a receivable will not be possible because of the following EXCEPT _____
- A. customer bankruptcy
 - B. customer personal problem
 - C. customer death
 - D. customer fraud
14. Current ratio is computed by
- A. Adding current assets to current liabilities
 - B. Dividing current assets by current liabilities
 - C. Subtracting current assets from current liabilities
 - D. Subtracting current liabilities from current liabilities

15. An RM2,000 invoice dated October 16 with cash discount terms of 2/10, n/30. Compute the amount paid if the payment made during the discount period.
- A. RM1,600
 - B. RM1,960
 - C. RM2,000
 - D. RM2,040
16. A room sales total RM123,500 and room allowances total RM1,500. Calculate how much are the net revenue of room sales realize by the room department.
- A. RM122,000
 - B. RM123,500
 - C. RM125,000
 - D. RM127,000
17. **Revenue centers** can be categorized into **TWO (2)** groups known as _____
- A. Rooms and telephone
 - B. Laundry and telephone
 - C. Food and beverage and; rooms
 - D. Valet and beauty saloon
18. Guest check serves dual purpose. Which of the following is the correct answer?
- A. Initiates any order taken; invoice
 - B. Initiates payment; invoice
 - C. Initiates delivery; payment
 - D. Initiates invoice; payment
19. An invoice dated May 9 with terms of 2/20, n/30 EOM, thus the discount period will ends on _____
- A. 29 May
 - B. 31 May
 - C. 11 June
 - D. 20 June

20. It is probable that collection of 100% of a receivable will not be possible because of the following EXCEPT _____
- A. Customer bankruptcy
 - B. Customer personal problem
 - C. Customer death
 - D. Customer fraud

SECTION B (Total: 60 marks)**INSTRUCTION: Answer ALL questions.****Please use the booklet provided****QUESTION 1**

- a) A RM 700 invoice for uniform is received with terms of 3/10 , n/30. The invoice is paid within the discount period. What is the amount of cash discount
[2 marks]
- b) A hotel operation purchases new computer at a list price of RM27,000 and a trade discount of 15% . What amount will be recorded in the Office Equipment account?
[2 marks]
- c) Give the due date that the discount may be taken for each of the following invoices :
- i) Dated 27 January 2015 , terms 4/15 , n/30 EOM
 - ii) Dated 4 January 2015, terms 3/10 , n30 ROG goods received 7 January
[2 marks]
- d) Calculate amount (RM) of the cheque to pay for each of the following invoices:
- i) Dated June 9, terms 2/10 ,n/30 invoice amount RM200 payment made on June 20
 - ii) Dated July 14 , terms 2/10 , n/30 EOM, invoice amount RM5,000 , payment made on 2 August.
[3 marks]

[Total : 9 Marks]

QUESTION 2

- i) A hotel business receives a bank memo regarding a bankcard fees. The memo states that the bank has charge the business's checking account a fee of RM145 for processing bank-card vouchers previously deposited in this account . Journalise the entry recorded upon receipt of the bank memo.
- [2 marks]
- ii) Non-bank credit card voucher totaling RM40,000 were remitted to a private credit card company. The entry at that time was a debit to Accounts Receivables for RM40,000 and a credit to Sales for RM40,000. A check is received from the credit card company for RM38,000 , representing payment in full for these vouchers less a RM2,000 credit card fees. Journalize the entry recorded upon receipt of the cheque.
- [3 marks]
- iii. Assume that a hospitality company uses the direct write-off method. Show the journal entry used to record an uncollectible receivable of RM2,750.

[2 marks]

[Total : 7 Marks]

QUESTION 3

The following information summarizes various general ledger accounts of the food and beverage department Enjoy Hotel for the year ended December 31, 2014.

Accounts	Debit RM	Credit RM
Allowance- Beverage	260	
Allowance- Food	3,400	
Beverage revenue		320,000
China, Glassware and silver	15,560	
Contract Cleaning	72,060	
Cost of beverage consumed	81,020	
Cost of employee meal-food	18,400	
Cost of food consumed	288,800	
Food Revenue		720,000
Kitchen Fuel	4,140	
Laundry and Dry Cleaning	10,360	
Licenses	1,600	
Music and Entertainment	33,180	
Operating Supplies	22,820	
Other cost of sales	5,200	
Other Operating Expenses	9,340	
Other revenue		12,800
Employee benefit	53,940	
Salaries and wages.	35,442	
Uniforms	5,140	

REQUIRED:

Prepare the food and beverage department income statement for the Enjoy Hotel for the year ended 31 December 2014

[Total : 15 Marks]

QUESTION 4

a) Based on the following:

Outlet	Dining room	Beverage
Guests	938	544
Sales Revenue	RM15,080	RM6,080
Cost of Sales Revenue	RM5,152	RM3,864

Calculate for dining room and beverage outlet

- i) Average check per guest
- ii) Average cost of sales revenue per guest

[4 marks]

b) What are analysis and interpretation of financial statements

[5 marks]

c) List down **FOUR (4)** competencies for hotel accounting

[4 marks]

[Total : 13 Marks]

QUESTION 5

A Syukur Inn has 30 guest rooms and a small dining room with 16 seats. The hotel recorded the following information for the month of January.

- Room revenue was RM36,444
- A total of 715 rooms were occupied
- A total of 1,367 guests are using the 715 rooms occupied
- Dining room food revenue was RM18,084
- Dining room beverage revenue was RM5,924
- The dining room serviced a total of 1,488 guests
- Cost of sales for food outlet was RM7,562
- Cost of sales for beverage outlet was RM1,922
- Guest rooms labor costs were RM8,747
- Dining room labor costs were RM6,004

Calculate the following for the Syukur Inn:

- | | |
|--|-----------|
| a) Average rate per room occupied | [2 marks] |
| b) Rooms occupancy percentage | [3 marks] |
| c) Food cost percentage | [3 marks] |
| d) Rooms labor cost percentage | [2 marks] |
| e) Dining room average daily seat turnover | [2 marks] |
| f) Average monthly revenue per dining room seat | [2 marks] |
| g) Total dining sales revenue to rooms' sales revenue percentage | [2 marks] |

[Total = 16 Marks]

SECTION C (Total: 20 Marks)

INSTRUCTION : There are **TWO (2)** questions in this section.
Answer ONE (1) question only.

Please use the booklet provided

QUESTION 1

Following is the Income Statement and Balance Sheet for Restoran Besar

Restoran Besar
 Income Statement
 For the Year Ended December 31, 2014

Sales revenue		
Food		2,058,378
Beverage		<u>482,830</u>
Total sales revenue		2,541,206
COST OF SALES		
Food	767,443	
Beverage	<u>96,566</u>	
Total Cost of Sales		864,009
GROSS PROFIT		
Food		1,290,933
Beverage		<u>386,264</u>
Total Gross Profit		1,677,197
OPERATING EXPENSES		
Salaries and Wages	714,079	
Employee benefits	111,813	
Direct operating expenses	132,143	
Music and Entertainment	7,624	
Marketing	63,530	
Utility Services	88,942	
Repairs and maintenance	35,577	
Administrative and General	71,154	
Rental	120,000	
Depreciation	<u>55,907</u>	
Total Operating Expenses		<u>1,400,769</u>
NET PROFIT		<u>114,923</u>

Restoran Besar
Balance Sheet as at 31 December 31, 2014

	RM	RM	RM
FIXED ASSETS			
Land	88,000		
Plant and machineries	44,000		
Office equipment	3,300		
Furniture	1,650		
Motor vehicles	18,150		
Investment	<u>3,300</u>		158,400
CURRENT ASSETS			
Closing inventory	40,000		
Debtors	37,290		
Bank	3,740		
Cash	<u>275</u>	81,305	
Less: CURRENT LIABILITIES			
Creditors		(49,500)	
Working capital			<u>31805</u>
			<u>190,205</u>
OWNER'S EQUITY			
Beginning capital			10,382
(+) Net profit			<u>114,923</u>
			125,305
(-) Drawings			<u>(1,100)</u>
Closing Capital			124,205
LONG TERM LIABILITIES			
Mortgage			<u>66,000</u>
			<u>190,205</u>

REQUIRED:

Calculate the following ratio:

- a) Food Cost Percentage
- b) Beverage cost percentage
- c) Labor cost percentage
- d) Assuming, Restoran Besar served 203,300 guests during the year , calculate Sales revenue per server or guests
- e) Current ratio
- f) Total Asset to Total Liabilities Ratio
- g) Net return on asset

[Total : 20 Marks]

QUESTION 2

The purchase and issue of a raw material by the Permata Hotel for the month of May were as follows:

May 1	Purchases	2,000 units at RM10.00 per unit
3	Purchases	520 units at RM10.50 per unit
7	Sales	1,400 units
11	Purchases	800 units at RM11.50 per unit
15	Sales	1,240 units
22	Sales	480 units
26	Purchases	1,000 units at RM11.00 per unit
30	Sales	760 units

There was no opening stock of the raw material. Sales price is RM30 per unit

REQUIRED :

- i. Determine the cost of inventory on 31st May by using **Last in First Out (LIFO)** perpetual system
- ii. Calculate the total purchases , cost of good sold and gross profit

[Total : 20 Marks]

END OF QUESTION PAPER

