



Name : .....

Roll No. : .....

Invigilator's Signature : .....

**CS/BHSM/SEM-2/HPM-207/2013  
2013**

**INTRODUCTION TO ACCOUNTING**

Time Allotted : 3 Hours

Full Marks : 70

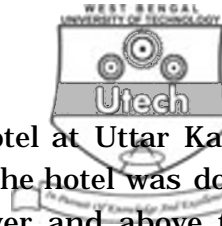
*The figures in the margin indicate full marks.*

*Candidates are required to give their answers in their own words  
as far as practicable.*

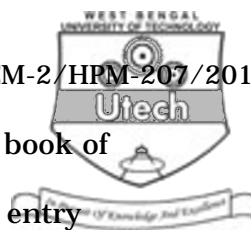
**GROUP – A**

**( Multiple Choice Type Questions )**

1. Choose the correct alternatives for any *ten* of the following :  
 $10 \times 1 = 10$
- i) The Hotel J.W. Marriot of Mumbai has got utensils used for buffet breakfast worth Rs. 15,35,853. In the company's accounts these utensils will feature
- a) current assets                      b) investment
- c) long time liabilities              d) fixed assets.
- ii) The amount spent on “garbage disposal” will be classified under
- a) reserve and surplus account
- b) nominal accounts
- c) real account
- d) personal account.



- iii) The Leela group acquired a 3-star hotel at Uttar Kashi in Garhwal District. The valuation of the hotel was done by PWC. Leela paid Rs. 30 crore over and above the market value of the hotel. This additional amount is considered as
- a) trademark                      b) goodwill  
c) prepaid rent                  d) commission.
- iv) GoAir, Lucknow division maintains a triple column cash book. They have only one bank account with State Bank of India. How many accounts are there in the triple column cash book ?
- a) 2                                      b) 4  
c) 6                                      d) 3 × 3.
- v) The frozen food department of Oberoi Grand keeps a rolling stock of 400 kg of chicken valuing around Rs. 80,000. This amount is not depreciated, because “frozen chicken” meat is considered as
- a) non-current assets          b) sunk assets  
c) current assets                  d) fixed assets.
- vi) Emirates purchased 40,000 pouches of purees and sauces for its guests travelling from Dubai to London. The amount spent will be recorded as
- a) fixed assets                      b) expenses  
c) advance                          d) write-off.
- vii) In a hotel petty cash book is maintained for recording
- a) small cash expenses      b) personal expenses  
c) sale of scrap                      d) cash sales.



- viii) In traditional accounting ledger is the book of
- a) secondary entry                      b) final entry
  - c) primary entry                        d) partial entry.
- ix) Discount shown in the cash book is
- a) cash discount                        b) trade discount
  - c) slab discount                         d) brokerage.
- x) The transactions recorded in purchase day book are available from
- a) invoice                                b) receipts
  - c) debit note                            d) credit note.
- xi) A 5-star hotel in Paris has a good collection of vintage wines. The valuation of these wine is
- a) depreciated in the book
  - b) appreciated in the book
  - c) amortized in the book
  - d) none of these.
- xii) The sales day book of a bakery shop of a hotel is used for recording
- a) all sales of goods
  - b) credit sales of goods
  - c) cash sales of goods
  - d) sale of assets.



**GROUP – B**

**( Short Answer Type Questions )**

Answer any *three* of the following.

3 × 5 = 15

2. What are the objectives of accounting in an airline company ?
3. “All transactions are events but all events are not transactions.” Discuss with example from the hospitality industry.
4. From the following Petty expenses of M/s Roy, Sen & Co., prepare a petty cash book :

**2010**

- |        |  |  |
|--------|--|--|
| Dec. 1 | Cash received from main cashier Rs. 1,200                              |  |
| Dec. 2 | Paid for postage Rs. 55, repair Rs. 186                                |  |
| Dec. 2 | Paid for stationery Rs. 158, wages to casual worker Rs. 127            |  |
| Dec. 3 | Paid for taxi fare Rs. 124, Telegram charges Rs. 105                   |  |
| Dec. 4 | Paid for printing Rs. 168, stationery Rs. 82 and coolie charges Rs. 60 |  |
| Dec. 5 | Paid for repair Rs. 145, taxi fare Rs. 125, postage Rs. 72             |  |
| Dec. 6 | Paid for telegram Rs. 65 and stationery Rs. 96                         |  |
| Dec. 7 | Paid for coolie charges Rs. 45 and other expenses Rs. 84.              |  |
- 
5. Is the preparation of Trial Balance compulsory ? Explain.
  6. a) What do you mean by ledger ? 2  
b) Indicate three advantages of preparing ledger. 3



**GROUP - C**

**( Long Answer Type Questions )**

Answer any *three* of the following.

3 × 15 = 45

7. A resort on National Highway No. 7 in Tamil Nadu plans to open an ethnic restaurant to serve Udipi style food items.

If you are appointed as the head of this restaurant, how many ledger accounts will you suggest to open ? Describe your plan with relevant logic.

8. Prepare a double column cash book with the following particulars of the general store of Peerless Inn.

**2013**

June 01 Cash in hand Rs. 50,000, cash at bank Rs. 25,000

June 02 Cash purchase of 15 bottles of exotic grape juices  
Rs. 15,000

June 04 Cash sales Rs. 2,500

June 06 Salary paid to the staff members by cheque  
Rs. 14,000

June 08 Cash deposited into bank Rs. 2,500

June 10 A cheque received from A & Co. for Rs. 2,500

June 12 Issued a cheque Rs. 250 for rent

June 15 The cheque received on 10th June was deposited  
into Bank.

June 20 Withdrew cash from bank for transport Rs. 1,200.



9. Journalize the following transactions and post them into ledger account and balance them :

**2013**

March 01 Started business with cash Rs. 15,000

March 04 Purchased goods for cash Rs. 10,000

March 08 Purchased goods from ABC Ltd. Rs. 12,000

March 11 Goods returned to ABC Ltd. Rs. 2,000

March 13 Salary paid Rs. 20,000

March 15 Purchased furniture in cash Rs. 60,000

March 18 Sold goods to XYZ Ltd. Rs. 15,000

March 20 Goods returned by XYZ Ltd. Rs. 5,000

March 22 Cash deposited into SBI Rs. 10,000

March 25 Cash paid to ABC Ltd. Rs. 9,000 in full settlement

March 26 Withdrew cash for personal use Rs. 2,000

March 31 Cash received from XYZ Ltd. Rs. 10,000.



10. a) Explain the utilities of a sales day book.
- b) Eastern Traders Ltd. Kolkata, made the following credit sales during June, 2009.

June 10 Sold to M/s Das & co. Kharagpur, 100 kgs of steel utensils @ Rs. 80 per kg, trade discount @ 10% and excise duty @ 5%,

June 12 Sold to New Steel House, Malda, 150 kgs of steel instruments @ Rs. 70 per kg, trade discount @ 10% and excise duty @ 6%,

June 18 Sold to Original Steel Centre, Barasat 80 kgs of steel goods @ Rs. 100 per kg, less trade discount @ 15% and cash discount @ 5%,

June 21 Sold 100 kgs of steel furniture to Lucky Corner, Asansol, @ Rs. 70 per kg, trade discount @ 10% and excise duty @ 5%,

June 28 Sold 200 kgs of steel utensils @ Rs. 70 per kg to Original Steel House, Krishnanagar, excise duty @ 5%.

Sales tax is charged @ 6% in all the above cases.

11. Write short notes on any *three* of the following :

- a) Money measurement concept in accounting
- b) Utility of purchase day book in a hotel
- c) Contra-entry
- d) Suspense account
- e) Journal proper.