



Name :

Roll No. :

Invigilator's Signature :

CS/BHMCT (NEW)/SEM-4/HM-405/2010

2010

BASIC 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 × 1 = 10

i) Building of a 5-star Hotel is

- a) Tender asset b) Fixed asset
c) Sub-optimum asset d) Current asset.

ii) The banquet hall of a luxury hotel is considered as a/an

- a) inventory b) cash equivalent
c) investment d) obligation.

iii) A Journal is

- a) a book of accounts
b) a financial statement
c) a book of original entry
d) a ledger.



- iv) Cash book is a
- a) ledger account
 - b) subsidiary book
 - c) journal as well as ledger
 - d) statutory book.
- v) Trading account is a/an
- a) Nominal account b) Real account
 - c) Personal account d) Integrated account.
- vi) Recording of fixed assets at cost ensures adherence of
- a) Going concern concept b) Cost concept
 - c) Conservation concept d) both (a) and (b).
- vii) Depreciation is provided on
- a) Current assets b) Fixed assets
 - c) Fictitious assets d) Large inventions.
- viii) The basic accounting equation is
- a) $A = L + OE$ b) $OE = A + L$
 - c) $A = L - OE$ d) $L = OE + A$.

(Whereas A stands for Assets, L stands for Liabilities and OE represents Owner's Equality)



- ix) Trial balance is
- a) a real account
 - b) a nominal account
 - c) a personal account
 - d) none of these.
- x) A triple column cash book contains
superimposed account(s).
- a) one
 - b) two
 - c) three
 - d) four.
- xi) Sum of the year's digit method is a method of
- a) calculating hotel's facility
 - b) food stock maintenance
 - c) depreciation
 - d) valuing inventions.
- xii) Debenture issued by East India Hotels Ltd is a/an
- a) Equity instrument
 - b) Debt instrument
 - c) Receipt of a hotel
 - d) Inventory.

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GROUP – B
(Short Answer Type Questions)

Answer any *three* of the following. $3 \times 5 = 15$

2. a) What do you mean by accounting ?
- b) What are its basic objectives ? $2\frac{1}{2} + 2\frac{1}{2}$
3. Prepare a Trial balance from the following ledger account balances as on 31st March, 2010 :-
- | | |
|---------------|---------------|
| Capital | Rs. 10,00,000 |
| Building | Rs. 12,5,000 |
| Land | Rs. 8,25,000 |
| Purchase | Rs. 75,000 |
| Sales | Rs. 25,000 |
| Closing stock | Rs. 10,000 |
4. What are the importance of preparing Trial balance ?
5. Write shorts notes on conservatism principle.
6. What do you mean by cost ? How are they classified on the basis of variability ?

**GROUP – C****(Long Answer Type Questions)**Answer any *three* of the following. $3 \times 15 = 45$

7. From the following Trial balance prepare the Trading Account, the Profit & Loss Account and the Balance Sheet as on that date 31-3-2010 of SUPER HOTEL LTD. Trial balance as at 31-3-2010

Particulars	Amount (Rs.)	Particulars	Amounts (Rs.)
Cash	1,200	Capital	1,00,000
Purchases	1,20,000	Bills payable	22,000
Opening stock	35,000	Creditors	24,000
Customers, due	50,000	Sales	2,00,200
Hotel Building	60,000	Discount received	1,000
Furniture	15,000		
Bills receivable	20,000		
Rent & taxes	10,000		
Wages	16,000		
Salaries	20,000		
TOTAL	3,47,200	TOTAL	3,47,200

Additional information :

- i) Closing stock Rs. 40,000.
- ii) Prepaid wages Rs. 1,000.
- iii) Outstanding rent Rs. 2,000.
- iv) Depreciation on Hotel Building @ 10%.

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8. On 1st January 2008, Lamington Hotel purchased a giant washing machine for its laundry for Rs. 1,00,000. It purchased another such machine for Rs. 60,000 on 1st June, 2008. On 1st March 2009 ; the firm sold the second machine (originally purchased on 1st June, 2008) for Rs. 50,000 and bought a new machine costing Rs. 54,000 on the same date. Lamington Hotel Ltd. charged depreciation @ 20% p.a on the diminishing balance method.

Show the Machinery Account and Depreciation Account for the two years 2008 and 2009.

9. Journalize the following entries and prepare the ledger of all accounts : 2010

March, 1 Dibakar started business with cash Rs. 25,000 and Furniture Rs. 15,000

March, 2 Opened a bank account with Rs. 3,000

March, 4 Goods purchased from Sajal of Rs. 10,000

March, 6 Paid to Sajal Rs. 9,200 with a cash discount Rs. 800

March, 10 Wages and salaries paid by cheque Rs. 3,000

March, 15 Furniture sold in cash Rs. 8,000

March, 17 Interest received from bank Rs. 5,000

March, 20 Proprietor withdrew cash from business for personal use of Rs. 1,500

March, 24 Interest paid on loan Rs. 600 by cheque

March, 26 Goods sold on credit Rs. 7,000

March, 31 Withdraw cash from bank for office use Rs. 12,000.



10. From a hotel's point of view describe the importance of maintaining the book of the suppliers and customers. How are the inventories of a restaurant are maintained ?

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

- a) Contra entry.
- b) Application of computers in accounting.
- c) Provisioning.
- d) Going concern concept.
- e) Contingency reserve.

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