



V. M. SALGAOCAR INSTITUTE  
of  
INTERNATIONAL HOSPITALITY EDUCATION

### B.Sc. in International Hospitality Management

Type: Semester End Assessment

Date: 25th April, 2022

Term: 4

Total Marks: 25

Time Duration: 02 Hours

Course Name: Financial Accounting

Course Code: IHOH106

Instructor: CMA (Ms.) Shameem Memon

This paper contains 03 pages in addition to the cover page.

Name of the Student: \_\_\_\_\_ Student Number: \_\_\_\_\_ Class: \_\_\_\_\_

Marks Obtained: \_\_\_\_\_ Faculty Signature: \_\_\_\_\_ Invigilator Signature: \_\_\_\_\_

Main Answer sheet	Number of Supplements	Total number of Answer sheets
01		

- Carefully read each question at the outset of the paper. All queries must be addressed to the faculty within the first 10 minutes of the examination.
- Students are expected to maintain complete silence in the examination hall and avoid interacting or communicating with their peers.
- Students must enter the examination hall 10 minutes prior to the scheduled time of the examination.
- Students will carry only their essential Books, notes, pens, pencils, calculators and scales into the examination hall.
- Bags, eatables, drinks, etc. will not be allowed inside the hall with the exception of a bottle of water.
- Cell phones and beeping watches are prohibited in the examination hall. The usage of electronic data banks is prohibited.
- Students will answer the examination with only blue/ black ball point pens unless informed differently by faculty. Avoid usage of green or red ink pens on the answer sheet.
- Dictionaries will not be allowed into examination hall unless informed differently by faculty.
- Students will not be permitted to exit the examination hall 30 minutes prior to end time of an examination. A student leaving the room will have to return his/her paper to the faculty and the paper will be considered as completed.
- Students may be permitted to take a break under exceptional circumstances only if accompanied by an invigilator.

**Answer the following questions**

Q.1. From the following Balance Sheets of Food Hub Ltd. Prepare Comparative balance Sheet and offer your comments on the same. (07 Marks)

Particulars	Note No.	31.3.2020 (Amount in Rs.)	31.3.2021 (Amount in Rs.)
<b>Equity and Liabilities:</b>			
Shareholders' Funds:			
Share Capital		370000	495000
Reserves and Surplus		87000	89000
Non-Current Liabilities			
Long Term Borrowings		223000	269000
Long Term Provisions		80000	36000
Current Liabilities			
Short Term Borrowings		27000	36000
<b>Total</b>		<b><u>787000</u></b>	<b><u>925000</u></b>
<b>Assets:</b>			
Non-Current Assets:			
Fixed Assets:			
Tangible Assets		335000	409000
Intangible Assets		90000	122000
Non-Current Investments		170000	132000
Current Assets:			
Inventories		35000	66000
Trade Receivables		86000	78000
Cash and Cash Equivalentents		71000	118000
<b>Total</b>		<b><u>787000</u></b>	<b><u>925000</u></b>

Q.2. From the following Balance Sheet of Food India Ltd. Calculate the following ratios:

- 1) Current Ratio
- 2) Quick Ratio
- 3) Proprietary Ratio
- 4) Debt to Equity Ratio
- 5) Stock to Working Capital Ratio.

(05 Marks)

Balance Sheet as on 31<sup>st</sup> March, 2022

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Equity Share Capital	500000	Building	2000000
Preference Share Capital	400000	Furniture	100000
Reserves and Surplus	200000	Inventory	100000
12% Debentures	800000	Debtors	40000
Sundry Creditors	500000	Bills Receivables	160000
Bills Payables	140000	Cash Balance	200000
Bank Overdraft	60000		
<b>Total</b>	<b>26,00,000</b>	<b>Total</b>	<b>26,00,000</b>

Q.3. From the following extract of the ledger balances and additional information of Tajraj Ltd. for the year ended 31.3.2022, you are required to prepare Income Statement as per Schedule III of Indian Companies Act, 2013. (08 marks)

Particulars	Amount (Rs.)
Cost of materials consumed	192000
Opening Stock of Finished Goods	400000
Salaries to staff	68000
Interest paid on loans	7250
Office expenses	5250
Rent received	15000
Sales	1594000
Share transfer fees received	12500
Depreciation on Kitchen Equipment	18000
Sales return	10000
Provision for taxation	30000
Insurance	6200
Delivery Van Expenses	5200
Printing and stationery charges	21000
Telephone charges	62000
Bonus to Employees	7800
Amortization of Patent	25000

Additional information: Closing stock of finished goods is Rs. 303000

- Q. 4. a) For the following balance sheet identify cash flow from investing activities and financing activities. **(03 Marks)**

**Balance Sheet as on 31<sup>st</sup> March, 2022**

Liabilities	2020 Amount (Rs.)	2021 Amount (Rs.)	Assets	2020 Amount (Rs.)	2021 Amount (Rs.)
Equity Share Capital	400000	800000	Building	2000000	2500000
Preference Share Capital	400000	800000	Furniture	100000	80000
Reserves and Surplus	200000	220000	Inventory	100000	260000
12% Debentures	800000	600000	Debtors	40000	80000
Sundry Creditors	500000	450000	Bills Receivables	160000	170000
Bills Payables	140000	260000	Cash Balance	100000	120000
Bank Overdraft	60000	80000			
<b>Total</b>	<b>2500000</b>	<b>3210000</b>	<b>Total</b>	<b>25,00,000</b>	<b>3210000</b>

- b) Identify the hidden accounting concept in the following statements. **(02 Marks)**

- i) The personal expenses of the owner of the business are recorded as drawings.
- ii) The accounts manager of Best Food Ltd. has not recorded the profit their company may earn because of joining of one of the best chefs of India
- iii) The accounts manager follows same method of depreciation for 10 years of time.
- iv) The rent paid for 10 months but recorded in the books of accounts for 12 months.