



ZIMBABWE

MINISTRY OF HIGHER AND TERTIARY EDUCATION

**HIGHER EDUCATION EXAMINATIONS COUNCIL
(HEXCO)**

NATIONAL CERTIFICATE

IN

**TOURISM AND HOSPITALITY MANAGEMENT, PROFESSIONAL
COOKERY, BAKERY STUDIES AND FOOD AND BEVERAGE
MANAGEMENT**

SUBJECT: Accounting I

PAPER NO: 333/S03

2011 SUPPLEMENTARY EXAMINATION

REQUIREMENTS

INSTRUCTIONS TO CANDIDATE

- 1. Attempt all questions.**
- 2. Use of non-programmable calculators is allowed.**
- 3. The use of cellphones is not allowed.**

This paper consists of 4 printed pages.

QUESTION 1

The following credit purchases transaction details were obtained from the purchases invoice file of T. Lunga.

Year	Transaction Date	Details	Invoice No.	Amount
2006	Feb 1	Purchased goods from F. Smith	78	150
	Feb 2	Purchased goods from R. Pepa	79	210
	Feb 4	Purchased goods from K. Foro	80	680
	Feb 10	Purchased goods from N. Billa	81	500
	Feb 17	Purchased goods from P. Smith	82	450
	Feb 21	Purchased goods from K. Foro	83	720
	Feb 26	Purchased goods from N.Bula	84	360

REQUIRED:

- a) Record the transactions in a purchases journal. (7 marks)
b) Post to the relevant ledgers. (8 marks)

QUESTION 2

D. Smith owns a food outlet in town. The following trial balance was extracted from her books on 31 December 2009.

Trial Balance as at 31 December 2009

	Dr \$	Cr \$
Capital		528 000
Drawings	100 000	
Fixtures and fittings at cost	120 000	
Delivery van at cost	300 000	
Provision for depreciation:		
Fixtures and fittings on 1 Jan 2009		12 000
Delivery van		30 000
Purchases	850 000	
Sales		1 900 000
Stock at 1 Jan 2005	120 000	
Advertising	60 000	
Salaries and wages	230 000	
Insurance	35 000	
Rent	65 000	
Repairs	90 000	
Commission earned		150 000
Premises	700 000	
Bank		58 000
Provision for bad debts: 1 Jan 2009		2 000
Debtors	30 000	
Creditors		20 000
	<u>2 700 000</u>	<u>2 700 000</u>

Additional Information:

- i) Stock at 31 December 2009 was valued at \$185 000.
- ii) Goods worth \$10 000 had been taken by D. Smith from the business for private use at cost price. No record had been made in the books.
- iii) Depreciation is as follows:
 - Fixtures and fittings; 10% per annum using the reducing balance method.
 - Delivery van; 10% per annum using the straight line method.
- iv) The insurance figure of \$35 000 includes \$15 000 covering a period of six (6) months ending 31 March 2010.
- v) Interest on overdraft of \$5 000 had not been recorded in the books.
- vi) Provision for bad debts decreased by \$500.

You are required to prepare

- a) An Income Statement for the year ended 31 December 2009. (12 marks)
- b) The balance sheet as at 31 December 2009. (13 marks)
(25 marks)

QUESTION 3

The following ingredients and prices are needed to produce twelve (12) portions of Deli Bream dish.

- a) Twelve 12 tins of Canned Bream fish. Each tin weighs 400g and costs \$0,58
- b) 200g of butter which costs \$0,70 per kg
- c) 300g of flour. Flour is only bought in 2kg packets. A packet costs \$0,72
- d) Three (3) eggs and eggs are only sold in dozens. A dozen costs \$2,40
- e) Five 5 litres of cooking oil; and a litre costs \$2,30. Only 10% of the cooking oil is absorbed.
- f) Seasoning will cost \$1.13

REQUIRED:

Through a costing dish sheet

- a) Calculate total food cost
- b) Food cost per portion
- c) Selling price per portion if gross profit is 60%. (15 marks)

QUESTION 4

- a) Give three elements of cost. (3 marks)
b) State two elements of sales. (2 marks)

QUESTION 5

The hotel manager of A1 Hotel received an inquiry from a client, Ms Bean for hosting a wedding. Ms Bean provides the following information:

- a) Total number of invited guests is 140 people.
b) The same menu to be served to all guests.

The buyer advised that the total cost of food required as per menu is \$86,25. The beverages will cost \$62,75

The entertainment group has given a quotation that

- a) Fixed hire charge is \$13
b) Transport of the group \$14
c) Meals and refreshments are \$1,20 per member for 5 members, although entertainment meals are to be provided by Ms Bean.

The hotel supervisor has advised that the function will cost \$55 in terms of manpower payment.

REQUIRED:

The charge per person to be paid by Ms Bean if overheads were to cover 20% of sales and the hotel policy is that 12% net profit must be achieved on each function. (20 marks)

QUESTION 6

A crop (wholesale cut) weighing 30kg is purchased at \$1,51 per kg and is cut as follows.

	Weight with bone Kg	Retail price
Fore rib	8	\$2,50
Middle rib	7	\$2,50
Chuck steak	7	\$1,80
Chuck bone	3	\$0,10
Leg of mutton cut	<u>5</u>	\$1,98
	<u>30</u>	

REQUIRED:

Find the selling price of a 100g portion of roast beef using fore ribs and assuming a 50% bone and cooking loss. The standard practice is to maintain the food cost of 35%. (20 marks)

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