



**NAMIBIA UNIVERSITY  
OF SCIENCE AND TECHNOLOGY**

**FACULTY OF MANAGEMENT SCIENCES**

**DEPARTMENT OF ACCOUNTING, ECONOMICS AND FINANCE**

<b>QUALIFICATION : BACHELOR OF HOSPITALITY, BACHELOR OF TOURISM</b>	
<b>QUALIFICATION CODE: 07BHMN, 07BOTM</b>	<b>LEVEL: 5</b>
<b>COURSE CODE: IHA520S</b>	<b>COURSE NAME: Introduction to Hospitality &amp; Tourism Accounting</b>
<b>SESSION: January/February 2018</b>	<b>PAPER: Theory and calculations</b>
<b>DURATION: 2 HOURS</b>	<b>MARKS: 60</b>

<b>SECOND OPPORTUNITY EXAMINATION QUESTION PAPER</b>	
<b>EXAMINER(S)</b>	L George
<b>MODERATOR:</b>	Mrs. E. Kangootui

<p style="text-align: center;"><b>INSTRUCTIONS</b></p> <ol style="list-style-type: none"><li>1. Answer ALL the questions.</li><li>2. Start each question on a new page, number the answers correctly and clearly.</li><li>3. Write clearly and neatly.</li><li>4. Round off only final answers to two (2) decimal places</li><li>5. Questions relating to this examination may be raised in the initial 30 minutes after the start of the paper. Thereafter, candidates must use their initiative to deal with any perceived error or ambiguities and any assumptions made by the candidate should be clearly stated.</li></ol>
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**PERMISSIBLE MATERIALS**

1. Scientific calculators

**THIS QUESTION PAPER CONSISTS OF 5 PAGES (Including this front page)**

## Question 1

(30 Marks)

Mr Van Wyk is a business minded person. On 1 January 2016 he decided to start-up a Bar business as a sole-trader in Oshakati. His business specializes in buying and selling of beers and Cool drinks. He named his business: Goeie lewe bar. The financial year of his business start on 1 January each year. Since Mr Van Wyk has no knowledge of accounting, he asked you to help him record some of the transactions in his business books. The following transactions were presented to you relating to Goeie lewe bar as at 31 January 2018:

The following transactions took place during the current financial period, for January 2018.

1. 2 Jan: Mr Van Wyk took N\$20 000 from his personal bank account and deposit the money in Goeie lewe bar bank account as part of his contribution to his business.
2. 2 Jan: He received a tax invoice from Metro Trading for the followings: 10 crates of beer and 10 crates of cool drinks. All crates of beer were paid with a cheque, while crates of cool drinks were taken on credit. A crate of beer cost N\$60 and crate of cool drink cost N\$50.
3. 5 Jan: Mr Van Wyk brought in a vehicle for day to day running of his business, the vehicle was valued at N\$25 000.
4. 10 Jan: An invoice was issued to Nomvula for the followings item: 8 beers and 6 cool drinks. A bottle of cool drink is sold for N\$15 while a bottle of beer is sold for N\$20. All items were issued on account.
5. 18 Jan: Two crates of cool drink which were bought from Metro Trading were found not suitable for human consumption; Mr van Wyk returned them to the supplier and was given a credit note.
6. 20 Jan: Received an invoice for furniture bought with a cheque from Nambili Furniture, valued at N\$4 000.
7. 26 Jan: Mr van Wyk received a bank statement for his business bank account which showed the following deductions:  
Rent N\$1 000,  
Salaries N\$2 000.
8. 27 Jan: Mr van Wyk transferred N\$100 from his business bank account in payment of the outstanding account with Metro Trading.
9. 27 Jan: Mr van Wyk took one crate of beer and crate of cool drink to be used at his daughter's birth day party.
10. 28 Jan: Nomvula, a customer of Goeie lewe bar settled her account in full and she was given a settlement discount of 10%.

**Required:**

1. Record the above transactions in the ledger of Goeie lewe bar in the form of a T-account; balance-off all the accounts and prepare a trial balance as at 31 January 2018. (30 Marks)

QUESTION 2

(30 MARKS)

George Trading Enterprises

Trial balance as at 31 August 2018

Account Name	DR	CR
	N\$	N\$
Bank	266 300	
Capital		299 600
Other Payables: Novel ford		137 667
Motor vehicles	140 000	
Accumulated depreciation		2 333
Inventory 1 August	1 900	
Purchases	20 000	
Land	20 060	
Sales		29 400
Purchases returns		120
Trade Creditors		5 000
Carriage inwards	560	
Receivables	4 200	
Salaries	19 000	
Sales returns	800	
Rent expense	3 000	
Motor vehicle hire income		200
Discount received		1 500
	475 820	475 820



#### Additional information

1. Inventory as on 31 August 2017 N\$5 000
2. Salaries equivalent to N\$1 000 remain unpaid at 31 August 2017
3. Rent expense includes N\$1 500 for the month of September 2017
4. The business has a policy to depreciate its motor vehicles using the straight-line method over 5 years. Depreciation for the month of August has not been accounted for.
5. Other administration expenses of N\$720 were omitted from the records for the month of August 2017 despite being paid during the same month.
6. Interest on Novel Ford account of N\$850 has not been recorded.
7. Credit losses written off N\$42 has not yet been recorded
8. Allowance for credit losses is estimated at 2% of outstanding receivables
9. The motor vehicle income includes N\$120 received on 31 August 2017 for a delivery to be done on 3 September 2017.

#### Required

- 2.1. Prepare the general journal entries to take into account the above additional information (exclude note 1). No narrations are required.  
(8 marks)
- 2.2. Prepare the statement of profit or loss for the month of August 2017.  
(12 marks)
- 2.3. Prepare the statement of financial position as at 31 August 2017.  
(10 marks)