

FACULTY	AGRICULTURE, ENGINEERING AND NATURAL SCIENCES		
DEPARTMENT	WILDLIFE MANAGEMENT AND TOURISM STUDIES		
SUBJECT	TOURISM ACCOUNTING		
SUBJECT CODE	GHT3631		
DATE	MAY / JUNE 2022		
DURATION	3 HOURS	MARKS	100



SUPPLEMENTARY EXAMINATION

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Instructions

- 1. Answer all the questions.**
- 2. Number your questions correctly and clearly.**
- 3. This paper consists of 4 pages (including the cover page).**

GHT3631 TOURISM ACCOUNTING SUPPLEMENTARY EXAMINATION

Question 1

1.1 Define the following terms

- (a) A budget. [2]
- (b) Liabilities [2]

1.2 Give three reasons why managers in the tourism industry need to budget? [6]

1.3 Namibia Wildlife Resorts is a state owned enterprise. Mention any four user groups of accounting information of this business. [4]

1.4 Suggest the reasons why each group mentioned in 1.3 might be interested to know the accounting information of Namibia Wildlife Resorts. [4]

1.5 Describe any three characteristics of a partnership business. [6]

1.6 Suggest any three reasons why entrepreneurs may choose to form a partnership over a sole trader business. [6]

1.7 Describe three financial related challenges that up-coming entrepreneurs may face when starting a business? [6]

Question 2

2.1 What is meant by the following basic rules in accounting?

- (a) Entity [2]
- (b) Historic cost [2]

2.2 One of the basic financial statements in accounting is an income statement. What is an income statement? [2]

Question 3

3.1 The following transactions are examples of common entries in ledger accounts of businesses, including tourism businesses.

- (a) The proprietor contributes some cash to the business.
- (b) Some cash in the till is paid into the business bank account.
- (c) A Land Cruiser (car) is purchased for use in business and it is paid for by cheque.

Required:

State which accounts in the books of accounts should be debited and credited for the transactions listed above. [6]

3.2 Mr. Tobias Indongo owns a small accommodation establishment in Keetmanshoop and conducts tours to the Fish River Canyon. The following is a list of his transactions for the month of January 2019.

- (a) Cash paid into the business by Mr. Indongo.
- (b) Goods for resale, purchased on cash terms.
- (c) Mini-bus bought for cash.
- (d) One quarter's rent for premises paid in cash.
- (e) Some goods sold on cash terms.
- (f) Mr. Indongo buys some office machinery for cash.

Required:

State which accounts in Mr. Indongo's books of accounts should be debited and credited for the transactions indicated above. [12]

3.3 Mr. Hans Witbooi owns a tourist shop in Karasburg. His business has been in operation for many years. The following balances were brought forward in his books of account as at **1 January 2015**.

Accounts:	N\$ Dr	N\$ Cr
Bank	5 000	
Capital		20 000
Cash	1 000	
Dodd		2 000
Fish	6 000	
Furniture	10 000	
Balance	<u>22 000</u>	<u>22 000</u>

During the year to 31 December 2015, the following transactions took place.

1. Goods bought from Dodd on credit for N\$ 30 000.
2. Cash sales of N\$ 20 000.
3. Cash purchases of N\$ 15 000.
4. Goods sold to Fish on credit for N\$ 50 000.
5. Cheques sent to Dodd amounting to N\$ 29 000.
6. Cheques received from Fish totalling to N\$ 45 000.
7. Cash received from Fish amounting to N\$ 7 000.
8. Office expenses paid in cash of N\$ 9 000.
9. Purchase of new delivery truck costing N\$ 12 000 paid by cheque.
10. Cash transfers to bank amounting to N\$ 3 000.

Required:

- (a) Compile Mr. Hans Witbooi's ledger accounts as at **31st December 2015**. Record all the transactions as at **31.12.2015**. Balance off the accounts and bring down the balances as at **1 January 2016**. [28]
- (b) Extract a trial balance as at **31 December 2015**. [12]

THE END

[MARKS 100]