

INTRODUCTION

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Accounting

Accounting can be defined as a process of reporting, recording, interpreting and summarizing economic data. The introduction of accounting helps the decision-makers of a company to make effective choices, by providing information on the financial status of the business.

The American Institute of Certified Public Accountants (AICPA) had defined accounting as the “art of recording, classifying, and summarizing in a significant manner and in terms of money, transactions and events which are, in part at least, of financial character, and interpreting the results thereof”.

Today, accounting is used by everyone and a good understanding of it is beneficial to all. Accountancy act as a language of finance. To understand accounting efficiently, it is important to understand the aspects of accounting.

IMPORTANCE OF ACCOUNTING IN HOTEL INDUSTRY

Regardless of the business size, Accounting in the perspective of Hotel Industry is all about recording and retrieving in & out cash-flow.

Hotel Accounting is considered as the boon for better decision making that brings in good fortune to hoteliers if handled efficiently.

Beyond that it involves summarizing, reporting and analyzing the hotel's financial position for a particular period, further helps in budgeting, forecasting and future cost planning.

In general, a Certified Public Accountant (CPA), accountant or a bookkeeper takes care of handling the accounting activities and generates the financial statements such as Balance Sheet, Profit & Loss (Income) and Cash Flow, etc.

And, these are the most crucial components that communicate the financial information of an individual hotel or group of hotels.

Staying accountable doesn't end here! Hotel Accounting also involves in keeping the bank account in sync, streamlining the payables & receivables, analyzing

department- wise expenses, generating general ledger, tracking inventory supplies and 1099 payment reports.

In terms of Operations front, the accounting plays a key role in Tracking Bills, Recurring Dues, Sales & Journals Approval, while keeping a tab on Occupancy %, Rooms Sold, Average Daily Rate (ADR), RevPar, Room Revenue and Guest Satisfaction Surveys, Competition Analysis

through STR, Variance Analysis, Labor Management, Operating Budgets and Financial Benchmarking.

On the other side, the Time & Payroll Management, Daily Activity Tracking, Performance Monitoring, Daily Sales, Profitability Forecast fall in the lineup of Accounting in Hotel Industry.

BENEFITS OF A HOTEL BACKOFFICE ACCOUNTING

Cost Savings

Hoteliers generate operational cost savings electing the right software for managing their hotel accounts and finances.

The labor costs, infrastructure and software maintenance charges will be eliminated and reduced by 80%.

Revenue Enhancement

Hotel owners be able to maximize their revenue by easily analyzing and optimizing their cashflow, while streamlining their budget and forecasting strategies.

Altogether amplifies the hotel portfolio's financial performance.

Increased Productivity

Freeing the administrative burden on managers and accountants will help them unleash their potential to the fullest.

Using an accounting solution in a hotel makes it possible, leaving some productive space that can be actually focused more on guest satisfaction and increasing the business portfolio.

Business Insights

Using an in-depth analysis of a hotel/hospitality accounting software will help the hoteliers better utilize their data and identify their industry's trends, operating expenses and costs, department-wise happening as insights.

Realtime glance on the Hotel Occupancy, ADR, RevPAR, revenue stats, profits, GSS and STR will help hoteliers make fact-based decisions that improve their business.

Data Accuracy

Everyone is exasperated with data entry duplication relying on traditional method of Hotel Accounting.

Using a Hotel Accounting Software or Bookkeeping Service will leave no room for errors, while improving the accuracy and quality of it.

Improved Operations

Managing everything in one place is always a better way, especially when a hotel owner is focused on improving his/her ROI.

All-In-One Hotel Accounting Solution can evade the jumps between various systems and unifies all the operations on a single platform by integrating the tools, data and related processes.

Important Financial Statements in Hotel Accounting

Financial statements are the records that convey the financial position and performance of the hotel, for a certain period of time.

It influences the owners in quantifying the current position and reflects in making the major business decisions to experience financial happiness.

Balance Sheet – The Statement of Hotel’s Financial Position

The Balance Sheet is one of the important financial statements in a hotel and often times it’s known as ‘Statement or Snapshot of an entity’s financial position’.

Hotel Balance Sheet comprises of three elements – Assets, Liabilities and Equity at a specific time.

Tracking the finances by diving deep into the balance sheets will freeze the possible potential issues across the hotel or hotel chain, before they actually turn into disasters.

Relying on the manual methods may not only be erroneous but also cause inaccuracy during monthly balance sheet preparation. Here, any best hotel accounting software that acquired standard reporting structure will help, cause zero or minimal errors.

It should let the user generate hotel balance sheets as per convenience on a medium of day-wise, weekly or monthly or even yearly.

Profit and Loss

Income Statement also called as Profit & Loss report discloses the hotel’s financial performance over a specific period of time, in terms of net profits or loss.

It clearly shows the accounts list in the hotel or hotel chain and their balances, which actually summarizes the income and expenses.

The purpose of this financial statement is to help hotel business investors & creditors assess the past and future financial performance, unveiling the capability of generating and optimizing the cash flows.

A unified Hospitality Accounting System or Back Office Software will serve the purpose of creating the P & L report to display Corporation wise COGS (Cost of Goods Sold), Income, Expenses, and Net Profit.

Getting lost in spreadsheets will cause even more discrepancies and loosen the chances of cost control. Whereas, the hotel accounting services eliminate this situation, letting the accountants create and access the statement in seconds.

Cash Flow

It's a statement that presents the cashflow movement and bank balances across the hotel portfolio over a period of time.

Starting from the hotel's ongoing operations till the end of a given period, the cash coming in and going out is seen on Cash Flow statement. So, it's a must have thing for hoteliers!

A global study, about 94% chances for revenue leakage in Hotel Industry is just because of inconsistency in accessing and analyzing the Cash Flow cycle.

Better management of Payables and Receivables will conquer the cashflow problems.

Hospitality Accounting Software will be a lifesaver here, letting the user simplify the AR tracking and follow-up on aging invoices.

Most importantly, the vendor payments management becomes less complex through processing bills on time, leveraging the OCR scanning

COMPANY PROFILE

COMPANY PROFILE

“ORIENT GROUP OF HOTELS”



Orient Group of Hotels is basically a group of 10 hotels in Nagpur (Maharashtra) providing a quality ambience to its customers. THE HOTEL ORIENT TAIBAH is the administration of the organization containing 3 banquet halls, 42 luxury rooms, 1 restaurant and Terrace view café.

PRIVACY POLICY

We, Orient Group of Hotels, alias "Orient Group of Hotels", "us", "we" or "our", involved in the business of inter alia facilitating your enquiries and booking of our branded budget accommodation properties through our Website (as defined below) and App (as defined below), are fully committed to respecting your privacy and shall ensure that your personal information is safe with us. This privacy policy sets out the information practices of our Website and App including the type of information that is collected, how the information is collected, how the information is used and with whom it is shared ("Privacy Policy"). Reference to "you" or "your" in this Privacy Policy refers to the users of this Website, whether or not you access the services offered by us ("Services") or consummate a transaction on the Website.

By using our website, services and the App or by otherwise giving us your information, you

agree to the terms of this privacy policy. You also expressly consent to our use and disclosure of your Personal Information (as defined below) in the manner prescribed under this Privacy Policy and further signify your agreement to this Privacy Policy, the stay policy and the Terms of Use. If you do not agree to this Privacy Policy, do not subscribe to the services, use the website or the App and do not give us any of your information.

INFORMATION COLLECTION

Information provided by you in relation to the registration process

In order to provide you a safe, efficient, smooth and customized experience and in order to take advantage of certain features available on the Website including, but not limited to, public forums, accessing or uploading reviews or taking part in surveys, you will be asked to complete an online registration form which will provide us with your Personal Information such as name, address, phone number and email address. In the event you register with us, you will also be asked to choose a user identity and password in order to identify yourself during future uses of the Website.

Information collected by the App

In addition to our website, you may use our Services through our App which is downloaded by you from a public forum providing software mobile applications. You agree that we may collect and use technical data and related information, including but not limited to, technical information such as health status and SIM card related data about the mobile device, the system and the App located on the mobile device (collectively, "Technical Information") that is gathered periodically to facilitate the provision of Services.

When you use the App on your mobile device, we may automatically collect some or all of the following information (collectively, "Mobile Device Information"), including without limitation:

The phone number or other unique device identifier assigned to your mobile device - such as the International Mobile Equipment Identity or the Mobile

Equipment ID Number;

The IP address of your mobile device;

The manufacturer and model of your mobile device;

The type of mobile Internet browsers you are using;

Your geographic location;

The call record of the calls between you and our customer support centre; ("Orient Group of Hotels");

Information which allows us to personalize the Services and the content available through the App.

We may use the Mobile Device Information for the following purposes:

To identify your location when the App is activated;

To prevent, discover and investigate violations of this Privacy Policy or the Terms and Conditions, and to investigate fraud or other matters; and

To provide uninterrupted Services to you

ORIENT GROUP OF HOTELS

LIST OF PROPERTIES

1. HOTEL ORIENT TAIBAH

HOTEL ORIENT TAIBAH

A unit of



The Hotel Orient Taibah, Nagpur is a brand-new address of distinguished hospitality that will enchant you, uplift your soul and make you feel that you belong to the chosen few. The Hotel Orient Taibah stands proud directly on Great Nag Road, close to the Nagpur Rly Station & Bus Stand You will be amazed how life could come a full circle away from home. Our fetish for residency coupled with a quiet, determined and professional approach towards guest relations will surely make you feel at home. Prima donna in the hospitality industry in Central India, ours is a star hotel with amenities and comfort that are truly exclusive. Centrally located in the lush Green city of NAGPUR. We offer you a choice of 35 DELUXE Suite Rooms each well-appointed Cuisines from the North West Frontier Province along with creme-de-creme Continental. Chinese and Indian delicacies are truly a gourmet's delight magnificent facilities with professional devotion to personalized service has been the hallmark of HOTEL ORIENT TAIBAH.

Address: Plot No - 45,45B, Opp. Imamabad Police Station, Great Nag Road, Nagpur -
440025 (MS) INDIA

Orient 24 X 7: (+91) 92090 60000

General Manager: (+91) 93710 30200

Email (GM): gm.taibah@hotelorientgroup.in

Phone: 0712-2752200,2704400,2746600,2757700

Email: frontoffice.taibah@hotelorientgroup.in



2. HOTEL ORIENT GRAND

Orient Grand is a modern, luxury hotel located in the busy and bustling Ashok Chowk area in Nagpur, Maharashtra. It boasts of 34 rooms which are spread across 4 floors and is perfectly suited for corporates, families, medical tourists, foreigners, and solo travelers. All the rooms in Orient Grand are well-maintained and adequately furnished to ensure the guests have a comfortable stay. The staff here are courteous and hospitable and will provide the best service. The hotel has an in-house multi-cuisine restaurant which serves delicious vegetarian and non-vegetarian dishes for the guests. Orient Grand also has three banquet halls named Enrich Hall, Encourage Hall, and Celebration Hall for events and parties. Enrich Hall can accommodate 15 individuals, Encourage Hall can accommodate 20 individuals, and Celebration Hall can accommodate around 100 individuals at one point in time. The hotel comes with amenities such as elevator, cloakroom, air-conditioned lobby, fully-stocked pantry, free indoor/basement parking (for 30 two wheelers and 10 four wheelers), 24x7 security, prompt and efficient room service, provision for ironing boards, public washroom, private cab service (Rs 12/km), third-party laundry service, and high-speed internet. The guests are offered delicious Maharashtrian and South Indian cuisine with both vegetarian and non-vegetarian options. Most major transit points are easily accessible from the property. The hotel is located at a convenient distance of 3 km from the Nagpur Junction. Dr Baba Saheb Bhimrao Ambedkar International Airport is 9.4 km away from Orient Grand. The nearest inter-city bus stand is just one kilometer away from the property. Orient Grand has 34 rooms which are categorized into 6 Oak, 25 Maple and 3 Mahogany rooms. All of the rooms come with a comfortable bed with clean and fresh linen, air-conditioning, study table/chair, a sofa chair, a safety locker, a TV with cable/DTH connection, an electric kettle with clean and fresh linen, a dining table (in select Maple and all Mahogany rooms), a mini fridge (in Mahogany rooms), windows for ventilation, fan, intercom facility and a wardrobe. The rooms all come with an attached washroom with a 24x7 hot water

supply and complimentary. The hotel is located on the Main Road and lies close to hospitals, popular tourist attractions, restaurants, and shopping centers. The nearest hospital to the property is Centre Point Hospital which is just 800 m away. Guests can also visit nearby popular tourist spots such as Ramtek Temple, Dadoba Jungle Resort, and Pench Jungle Resort. The best shopping destinations in the area include Westside Mall, Empress Mall and Big Bazaar, whereas guests can visit the nearby Haldiram Restaurant for food.

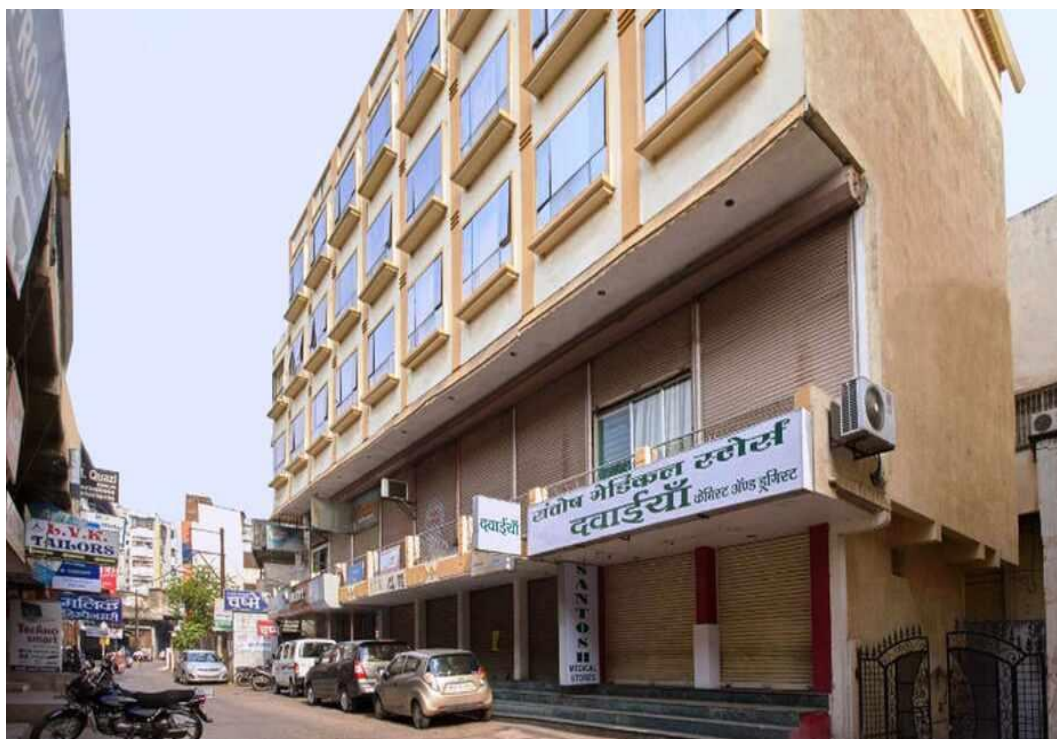
Address

Plot No. 347/348, Medical College Road, Padole Corner, Ashok Chowk, Untkhana, Nagpur, 440009



3. HOTEL ORIENT INN

Hotel Orient Inn provides luxury accommodation in Nagpur. The hotel is at 2 km from both the Nagpur Railway Station and the Tekdi Ganesh Mandir (temple). This hotel has 24 AC rooms, spread across 4 floors. Each room has a telephone, an LCD TV, and an attached bathroom with hot/cold water supply. Along with round-the-clock room and secretarial services, this Nagpur hotel provides doctor-on-call service and same-day laundry. It also has a luggage room, conference hall, restaurant, and safe-deposit boxes. Hotel Orient Inn operates a 24-hour front desk facility and provides pick and drop and air/train/bus-ticketing services. The Dr. Babasaheb Ambedkar International Airport is at 10 km from the hotel and the Sadar Bus Stop is at 0.1 km. Guests can explore the Sai Baba Mandir (6 km), Hazrat Baba Sayyad Tajuddin R.A. Dargah (mosque; 9 km), and Mahalaxmi Jagdamba Mata Mandir Koradi (12 km).



4. HOTEL ORIENT STAR

Hotel Orient Star is located strategically in Nagpur to offer you the best services and comfort at affordable rates. The property is well maintained by a trained and skillful OYO staff who ensure all your needs are catered to All our rooms are well furnished and equipped with AC, Dining Area, Complimentary Veg Breakfast and a lot more.The hotel provides facilities like fire safety, first aid and round the clock security for the guests security.Our 24-hour helpdesk offers further assistance to our guests.What's NearbyTake a tour of the Nagpur and explore key attractions like Raman Science Centre & Planetarium, Maharajbagh Zoo and Nag Mandir.Out of Cash? There is State Bank of India ATM, Axis Bank ATM and Corporation Bank ATM in close vicinity to the property.



5. HOTEL ORIENT ROYALE

Location

Orient Royal is located in the Wanadongri area of Nagpur. It is close to the national highway and is surrounded by many religious spots like Shri Shiv Mandir, Shri Hanuman Mandir, Shiv Durga Mandir and Maa Bhagwati Mandir. Nagpur has some really interesting tourist spots like Ambazari Lake, Deekshabhoomi, Maharaj Bagh Zoo and Futala Lake.

Special-Features

This hotel is a modern property with spacious and stylish rooms. The rooms have a contemporary decor with all the amenities like storage space, night stand, study table and modern, attached washrooms. Every room has stylish lighting that adds to the classy ambience along with vitrified, shiny flooring. This hotel has a decent in-house-restaurant.

Amenities

Laundry service, Parking Facility, 24/7 Checkin, Room Service, Free Wifi, Pre Book Meals, HDTV, Conference Room, Attached Bathroom, First Aid, Mirror, CCTV Cameras, Power backup, Fan are some of the amenities available at this property.

What's Nearby

Eating joints and restaurants nearby this hotel are Chandni Restaurant, The Divine Cafe and Restro, Biryani Plaza Hotel and Zero Degree Restaurant and Lounge.



6. HOTEL ORIENT PRIME

Hotel Orient Prime offers accommodation in Nagpur near Sitabuldi Fort and Zero Mile Stone Nagpur. With a restaurant, the 3-star hotel has air-conditioned rooms with free WiFi, each with a private bathroom. Krazy Castle Aqua Park is 5 km from the hotel and Shri Swaminarayan Temple is 5 km away. At the hotel, the rooms include a wardrobe. At Vaccinated Staff- OYO Flagship all rooms include a TV with cable channels. Guests at the accommodation can enjoy a continental breakfast. Vidarbha Cricket Association Stadium is 2.7 km from Vaccinated Staff- OYO Flagship 77764 Hotel Orient Prime Ganeshpeth Colony, while Deekshabhoomi is 3.2 km from the property. The nearest airport is Dr. Babasaheb Ambedkar International Airport, 7 km from the hotel.

Address: 33/1, Marwadi Chowk, Near Itwati Railway Bridge, Nagpur, Maharashtra
440002

Contact: [0124 4588630](tel:01244588630)



7. HOTEL ORIENT COMFORT

Heading for a business trip anytime soon? Being a corporate traveler, you must have checked into countless receptions and have been bearing the formalities, rules, and high rates of those hotels. This private and secure executive apartment offers you modish interiors and appealing decor with a personal touch. To give you a homelike experience, OYO has implemented a complete set of modern day amenities such as high-speed internet, LED/LCD TV, and fully air-conditioned living space. It features top-of-the-line interiors exclusively crafted for corporate needs. We know how much you miss homecooked food while you're out there working your way through innumerable meetings, presentations, and power points. Don't worry, our professional chef is waiting to impress you with some cooking skills. We, at OYO, look forward to providing you the unbeatable combination of privacy, space, and well equipped common hangout areas. 24/7 customer support is available as and when required. Hence, if you are a business traveler and looking for a home away from home, this specially designed facility is awaiting your presence. See you soon!



8. HOTEL ORIENT PALACE

Location

Orient Palace is located in the Anand Nagar area of Nagpur.

Special-Features

The hotel rooms are very elegantly designed and have plush sofas with a coffee table along with comfortable beds and side tables. There is a dressing and a wardrobe space in the room as well. The hotel boasts of a banquet hall, conference room and restaurant as well.

What's-Nearby

The airport's international terminal is located in close proximity to the place. Rani Durgavati Bus stop is also located walking distance from the hotel. The eating joints in the area include Jaiswal restaurant, Hotel AR Rehman, Khana Khazan Param, Zaika restaurant, Haldiram Abhinandan.



9. HOTEL ORIENT CROWN

Location

Hotel Crown is located in the Narmada colony in Nagpur

Special-Features

The feature walls have a standard collection of wallpaper. There are side tables on both ends of the bed. They have a reading light facility on both sides of the bed as well. There is a dedicated study space in the room with intercom service. The rugs are placed at the foot of the bed as well. The big windows can provide a great view of the city from the room. There is a wardrobe and a luggage table in the room as well.

Amenities

Laundry, 24x7 Accessible Kitchen, Room Ventilation, Complimentary Breakfast, Oven, Pre Book Meals, Security, Netflix, Laundry service, Parking Facility, Kitchen, Cutlery/Crockery, 24/7 Checkin, Kindle, Room Service, Free Wifi, Microwave, Laptop Friendly, Hair Dryer, Dining Area, In-house Restaurant, Room Area, Toaster, Reception, Daily Housekeeping, Fire-Extinguisher, Bath Tub, Card Payment, Buzzer/Door Bell, Attached Bathroom, First Aid, Stove, Power backup, Fan, Mirror, CCTV Cameras, Refrigerator are some of the amenities available at this property.

What's-Nearby

The nearby areas of interest include Futala Lake and Sitabuldi Fort.



10. HOTEL ORIENT AVENUE

Priam Donna in the hospitality industry in Central India, our's is a star hotel with amenities and comfort that are truly exclusive. Centrally located in the lush Green city of NAGPUR. We offer you a choice of 27 DELUXE Suite Rooms each well-appointed Cuisines from the North West Frontier Province along with creme-de-creme Continental. Chinese and Indian delicacies are truly a gourmet's delight magnificent facilities with professional devotion to personalized service has been the hallmark of HOTEL ORIENT AVENUE Our hotel is strategically located on central avenue road making it a convenient place for the business traveller to stay. Everything is designed so as to be unobtrusive. Like the Premium room, Executive or Deluxe room, an exclusive floor with a private lounge and butler service. Or the well-appointed business and conference centre to take care of your business needs in Nagpur. Only five minutes away from Nagpur Railway Station and 20 minutes from Nagpur airport, is well equipped with world class facilities and warm, friendly service providing the ideal gateway from which to explore Nagpur's commercial hub. We committed to employing the best environmental and ecological practices in technology, equipment and operational processes. The Group is also a keen contributor to the conservation of nature and of cultural heritage. We offer guests a comprehensive range of business and leisure services to ensure their stay is relaxing and hassle free

Hotels will allow local residents to check-in as guests. Hotels reserve the right of admission. Unmarried/unrelated couples will be allowed to check in. The primary guest must be at least 18 years old to be able to check into the hotel. Check in time and check out time is as per hotel policy terms. Early check in or late check out request is subject to availability and the hotel might charge extra for it. Please note that the check in time is subject to change as per hotel policy seasonality. Your stay does not include additional personal expenses like telephone charges, meals that are not part of the meal plan, any hotel services used (like laundry and room

service) or tips. The hotel will charge directly for these at the time of check out. It is mandatory for guests to present valid photo identification at the time of check in. According to government regulations, a valid Photo ID has to be carried by every person above the age of 18 staying at the hotel. The identification proofs accepted are Drivers License, Voters Card, and Passport. Without valid ID the guest will not be allowed to check in. NOTE: PAN Cards will not be accepted as a valid ID card. Hotels may charge a mandatory meal surcharge on festive periods e.g. Christmas, New Year Eve etc. All additional charges (including mandatory meal surcharges) need to be cleared directly at the hotel.



TERMINOLOGIES

TERMINOLOGIES

Here are the meanings of some technical terms that were used:

- RECORDING:** This recording of financial transaction, events and situations affecting the unit.
- ii. **ANALYZING:** This concerns the procedures of separating transaction into parts.
- iii. **CLASSIFYING:** This involved the categorization of revenues and expenditure into accounts groups according to pre-determined classification code.
- iv. **SUMMARIZING:** This involved the gathering of transaction data into sub-total and totals in accordance with relevant reporting units of the same classification. This may be done daily, monthly, quartile or annually as the management may specify.
- v. **COMMUNICATION:** This is the transportation of the outcome of the option on the financial data of a business or government to intended and interested users.
- vi. **INTERPRETING:** This involves the explanation of the report on the activities and performance of the business or government units which may have been produced in professional or technical Jargons.
- vii. **TRANSACTION:** This means business activities: such as sales of goods, purchases of goods, payments and receipts of money, the incurring of an expense etc.
- viii. **BALANCE SHEET:** A statement which presents information about the financial position of an organization at a given point in time.
- ix. **ASSETS:** The resources which an individuals or organization owns.
 - a. **CURRENT ASSETS:** These are resources acquires for long lasting use rather than for resale at a profit.
- x. **INTANGIBLE ASSETS:** These are assets that do not exist physically, (eg good will), but which contribute substantively to the survival of an organization which owns them.
- xi. **CAPITAL:** The excess of total assets over total liabilities, funds provides by and belonging to

the owners of the business.

- xii. **TURNOVER:** This refers to the net, sales, that is the value of goods sold less returns (if any). It may also be referred to as gross earnings.
- xiii. **DEPRECIATION:** Is the part of the cost of the fixed asset consumed during its period of use by the firm.
- xiv. **CREDITOR:** A person or organization to whom the business owes money.
- xv. **DEBTOR:** A person or organization owing money to the business.
- xvi. **WORKING CAPITAL:** The excess of current assets over current liabilities

OBJECTIVES OF STUDY

OBJECTIVES OF STUDY

1. To Gain early understanding and appreciation of the practical life & real-life situation challenges associated with application of the theoretical knowledge acquired.
2. To Develop expected professional self-awareness, internalization of career job requirements and experience in accounting and financial aspects.
3. To acquire critical skills needed to proactively observe and analyze problems/challenges encountered while executing career duties and responsibilities at work.
4. To gain knowledge about practical aspects of functioning of an organization with a special emphasis on finance/ accounting management in Orient Group Of Hotels, Nagpur.
5. To gain knowledge about performing specific tasks and develop problem identification and problem-solving skills in finance management /accounting.

SCOPE OF STUDY

SCOPE OF STUDY

In studying the accounting in the hotel industry, emphasis was led on the accounting department.

The financial data collected and used in the course of this research work covers various fundamentals of hotel industry

The study is undertaken to throw more light on accounting procedures and problems encountered in hotels.

The study is intended to take the researcher to the study and understanding the modern accounting theory and practice as well as examines the disparity and relationship between the work of an accountant in the hotel industry and other industry.

The study is intended to investigate and bring out the relative importance of accounting in hotels examines the function of accounting department in hotels

The study is also aim at analyzing the causes of problems encountered in carrying out accounting functions or activities in hotels and also recommends possible solutions.

NEED OF STUDY

NEED OF STUDY

- * The study was mainly undertaken for easy of accounting purpose enabling a data driven decision culture.
- * Faster time to cash and cultural accounting.
- * Better and Flexible Reporting mechanism, cutting down manual processing time.
- * Ease of working in hospital industry for better performance.
- * Time management is considered as backbone of the company; their progression will lead to success of the company for the long run.

LIMITATIONS OF THE STUDY

LIMITATIONS OF THE STUDY

The study was carried out under a number of limitations:

The time available was grossly inadequate to carry out the research in details I tried my best to concentrate on areas considered very important.

In an attempt to get other write ups on accounting in the hotels industry from accounting firms proved abortive. Finance of course was yet another constraint on this study.

The problems of running around because of financial constraints cause by inflating trend in fuel prices every day.

Finally, hotel officials were reluctant to make data available because most of the data required were considered delicate and only meant for the sole use of the hotel. However, the above limitation does not in any way affect the validity of the data used in this study.

LITERATURE REVIEW

LITERATURE REVIEW

Accounting as a practice has existed since the earliest times of humanity. The first simple accounting records are found in the writings of Babylonian, Chaldeans, Assyrians and Sumerians in Mesopotamia. The time of theoretical accounting recognition is considered to be the year 1494, when Venetian mathematician Luca Pacioli published a book titled —Summary of arithmetic, geometry, proportions and proportionality—. In addition to mathematical knowledge, Pacioli also wrote about the dual registration method and the accounting process. Despite Pacioli's writing, there is still much discussion regarding the issue of dual accounting origin. In reviewing the literature, it is noteworthy that accountancy history is scarcely addressed; there are only a small number of books and works that cover the topic. Therefore, the purpose of this paper is to take a historical look at accounting development from ancient periods to the present. This study, based on historians' records and archaeologists like Denise Schmandt-Besserat, has successfully described the origins and development of accounting from 3350 BC until today.

According to the views of **Burns and Needles (2014)**, the concept of financial accounting was first developed in early 1930s. With the deep insight of almost more than 80 years, it has been evaluated that with the growth and development of financial accounting, there are a number of challenges which has also been raised in the past decades. With a mutual and shared aspect of accounting as well as globalization, there has been taken place reporting to the external parties, disclosures, reforms on recognitions and measurement of the performances as the various important financial principles which helps in regulating the recognition and measurement activities in the global accounting (Burns and Needles, 2014). The aspect of financial accounting is directly associated with its several challenges that are faced by the organisational managers and the companies because of enhanced globalization. According to the opinion and study of Weygandt, Kimmel and Kieso (2015), there can be stated that with the growth and development of accounting, there are several challenges which has also been encountered by the accountants

and organisational managers in the overseas business operations (Weygandt, Kimmel and Kieso, 2015). The business organisations are putting high emphasis upon the various challenges and issues which takes place in the global accounting practices and are impacting the performance of the businesses (Hodges, 2012).

In the wide and diverse literature, **Warren, Reeve and Duchac (2013)** have emphasized upon a number of issues and challenges associated with the financial accounting in the overseas and global business organisations. The primary and the first challenge which has been stated by the various researchers is that the challenge related with the economic environment (Warren, Reeve and Duchac, 2013). In current scenario, there are several countries where the traditional accounting is still regarded as the main and primary stream which is followed while performing the accounting and business transactions and though it has a relation with the economic environment of the country. Because of the increased technological Innovation and development, there has been attained a number of improvements in the competence and skill of the managers to effectively manage the various changes and amendments which have taken place in the business operations because of these technological advancements. Because of this, there is a direct impact which has been let down upon the traditional accounting. In the Global business operations, there is high emphasis upon digital business operations, e-commerce and the technological innovation which has developed a significant need for the improved accounting models which are new and innovative. Due to this, an application of e-accounting which is related to the internet environment in the overseas organisation has been developed. There are both internet inside business and internet outside business (Gordon, et al., 2013). In the internet inside business there is flow of information as well as communication between the Global organisations, trading partners as well as the customers. On the other hand in the intranet, there is communication and flow of information among the several organisational departments. All these impact the accounting practices in a negative way comprising recognition, measurement and reporting of the accounting activities. The uses of advanced technologies and

continuous innovation have left no room for the organisational employees to handle and manage the accounting functions effectively. Due to this reason, the employees do not possess adequate skills and competence to manage the new and advanced accounting techniques (Schaltegger and Burritt, 2010).

(Cavusgil, Knight, Riesenberger, Rammal and Rose, 2014). Another key challenge which has been faced by the organisational managers in the global business economy is the multi-jurisdictional reporting. The Global organisation used to have a number of branches and subsidiaries and there is a need to have adequate reporting and accounting of the business transactions of all the subsidiaries. It is one of the biggest issues for the various accounting personnel to prepare adequate and correct financial statement of every subsidiary established in different nations abided by the various accounting principles and legal regulations of those Nations. There is a change in the accounting standards from country to country (Salvato and Moores, 2010). The companies are also necessitating reporting the complete group of organisations on a consolidated basis according to the accounting standards of the country where the parent company is established (Tayeh, Al-Jarrah and Tarhini, 2015). It is one of the most exhausting as well as complicated process which not only increases the time of completion of the accounting function but also decreases the productivity. A number of countries have agreed upon working according to the IASB (International Accounting Standards Board) accounting standards for achieving higher level of uniformity in the accounting transactions across the borders (Kimmel, Weygandt and Kieso, 2010). Several Nations have given their consent to implement the standards drawn by IASB but the issue takes place when these countries have their business functions in the other nations where such standards are not followed and separate accounting standards principles and practices are implemented (Zeff, 2012).

RESEARCH METHODOLOGY

RESEARCH METHODOLOGY

Research is a logical and systematic search for new and useful information on a particular topic. What data is to be collected? Where data will be found? How data will be collected and analysed? Are certain important questions implicit in every research study. The method of procuring data for research is an independent segment of research design. Procedures used for data collection is extensively scrutinized. Existing data sources cause confusion in data selection if researchers do not possess basic knowledge of dealing with data at various stages, each of which may raise questions of validity. Inaccurate data collection can impact the results of a study and ultimately lead to invalid results.

There are various facts, data and information relating to research topic available in the world. Researcher is required to make the proper objective, logical and authoritative decision that what facts may be relevant for his study or not

Accounting Techniques:

Cash Accounting

Financial statements prepared on the cash basis are very simple to construct. Revenues are recognized when the money has been physically received and expenses are recognized when money is disbursed.

Accrual Accounting

Financial statements prepared on the accrual basis are much more difficult to prepare and usually require a trained accountant. However, they are usually more informative and provide for better planning.

Computerized Accounting

Accountants no longer record every transaction of a company or any corporate body with the help of pen and pencils using a ledger book. After the birth of computers and the emergence of digitalization in most professional sectors in India, accounting is also computerized.

RESEARCH INSTRUMENTS

The data is collected through official organization website i.e www.orientgroupofhotels.com

HYPOTHESIS

HYPOTHESIS

Hypothesis is a proposed explanation for an observable phenomenon. The term derives from the Greek, hyposthenia meaning "to put under" or "to "suppose".

The hypothesis for the Current Study is: -

H0:- Accounting practices adopted by Orient Group of Hotels, Nagpur are not as per the marks of accounting standards board of India.

H1:- Accounting practices adopted by Orient Group of Hotels, Nagpur ARE as per the marks of accounting standards board of India.

HYPOTHESIS TESTING:

The hypothesis for the Current Study is: -

H0: - Accounting practices adopted by Orient Group of Hotels; Nagpur are not as per the marks of accounting standards board of India.

H1: - Accounting practices adopted by Orient Group of Hotels; Nagpur ARE as per the marks of accounting standards board of India.

INTERPRETATION:

From the Above Research it is found that Hypothesis:

“H1: Accounting practices adopted by Orient Group of Hotels, Nagpur ARE as per the marks of accounting standards board of India are found to be true and accepted.”

“Hence, Hypothesis H0 is Rejected.”

PROBLEM DEFINATION

PROBLEM DEFINATION

Problem definition is the most important part of a research and a statement of a problem verses elaborate upon the information implied in the title of the research.

One of the greatest challenges facing the Hotels industry today, is the increasing incidence of lack of proper accountability.

It has in recent constituting serious problems to hotels in Nagpur, this lack of proper accountability have led to the failure and subsequently closure of a great number of hotels in Nagpur.

With the frequent cause of lack of proper accountability in the hotel industry I found some questions relating to study.

DATA ANALYSIS

DATA ANALYSIS

STATISTICAL METHOD

The study sample was one of the working and classified hotels in Nagpur which has Fourty Seven rooms.

Hotel Orient Taibah is a 3 star hotel which was opened in 2010, located in the heart of Nagpur city.

Collecting Data Two main sources were adopted to collect the data of the study which are:

- Secondary sources represented in the previous writings and studies relevant to the subject of the study.
- Primary sources like the income lists and balance sheet of the hotel under study as well as the number of rooms and beds and the financial statements through direct contact with the management and from the annual report of the hotel
- . • A set of financial analysis methods were used for this study and contained profit sensibility analysis and ratio analysis. Occupancy rates, spending rates, activity profitability rates and hotel operation costs rates were also used.

This research is using two financial analysis methods for the purposes of monitoring and planning which are profit sensitivity analysis and ratio financial analysis., It is doubtless that scientific concepts and principles which control those methods are stable concepts and principles which are agreed by accounting scholars. We will start by applying the method of profit sensitivity analysis

Description	Range of rates	Basis
Revenue elements		
Accommodation service	From 45% to 50%	From total revenue
Food and drink service	From 35% to 40%	From total revenue
Other hotel services	From 5% to 10%	From total revenue
Direct costs elements		
Accommodation material and ways	From 15% to 25%	From its proceeds
Food and drink service	From 65% to 80%	From its proceeds
Other hotel services	From 40% to 70%	From its proceeds
Indirect costs elements		
General and administrative expenses	From 5% to 10%	From total revenue
Management and sales promotion costs	From 5% to 10%	From total revenue
Fuel, energy and lighting	From 4% to 10%	From total revenue
Maintenance and repair	From 3% to 5%	From total revenue

Source: Hotel management records/Ministry of Tourism

FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

HOTEL ORIENT TAIBAH

A. PROFIT AND LOSS A/c

	(In,000)				
PARTICULARS	2017	2018	2019	2020	2021
INCOME					
REVENUE FROM OPERATIONS [GROSS]	698.72	976.23	916.21	804.96	709.81
Less: Excise/Service Tax/Other Levies	0	0	0	0	0
REVENUE FROM OPERATIONS [NET]	698.72	976.23	916.21	804.96	709.81
TOTAL OPERATING REVENUES	698.72	976.23	916.21	804.96	718.61
Other Income	125.98	116.59	68.25	42.67	87.06
TOTAL REVENUE	824.7	1,092.82	984.46	847.63	805.67
EXPENSES					
Cost Of Materials Consumed	0	0	0	0	0
Operating And Direct Expenses	0	0	0	0	0
Changes In Inventories Of FG, WIP And Stock-In Trade	0	0	0	0	0
Employee Benefit Expenses	443.19	532.94	497.14	441.58	440.88
Finance Costs	7.4	8.91	0.13	0	0
Depreciation And Amortisation Expenses	42.33	52.07	33.65	36.42	40.14
Other Expenses	77.11	147.25	165.43	175.77	168.17
TOTAL EXPENSES	570.03	741.17	696.35	653.77	649.19
PROFIT/LOSS BEFORE EXCEPTIONAL, EXTRAORDINARY ITEMS AND TAX	254.67	351.65	288.11	193.86	156.48
Exceptional Items	0	0	0	0	0
PROFIT/LOSS BEFORE TAX	254.67	351.65	288.11	193.86	156.48
TAX EXPENSES-CONTINUED OPERATIONS					
Current Tax	42.92	64.88	59.89	39.78	32.58
Less: MAT Credit Entitlement	0	0	0	0	0
Deferred Tax	-3.88	14.46	21.42	10.9	2.56
Tax For Earlier Years	1.44	0	0	0	0
TOTAL TAX EXPENSES	40.48	79.34	81.31	50.68	35.14
PROFIT/LOSS AFTER TAX AND BEFORE EXTRAORDINARY ITEMS	214.19	272.31	206.8	143.18	121.34
PROFIT/LOSS FROM CONTINUING OPERATIONS	214.19	272.31	206.8	143.18	121.34
PROFIT/LOSS FOR THE PERIOD	214.19	272.31	206.8	143.18	121.34

B. Balance Sheet

HOTEL ORIENT TAIBAH

BALANCE SHEET [FOR 5 YEARS]

PARTICULARS	2017	2018	2019	2020	2021
EQUITIES AND LIABILITIES					
SHAREHOLDER'S FUNDS					
Equity Share Capital	61.88	64.91	64.76	67.39	69.54
TOTAL SHARE CAPITAL	61.88	64.91	64.76	67.39	69.54
Reserves and Surplus	1,202.17	1,173.55	887.96	911.81	835.64
TOTAL RESERVES AND SURPLUS	1,202.17	1,173.55	887.96	911.81	835.64
TOTAL SHAREHOLDERS FUNDS	1,264.05	1,287.47	998.63	979.2	905.18
NON-CURRENT LIABILITIES					
Long Term Borrowings	0	0	2.76	0	0
Deferred Tax Liabilities [Net]	25.98	30.37	17.28	0	0
Other Long Term Liabilities	90.07	86.35	33.26	18.68	10.04
Long Term Provisions	0	0	0	0	0
TOTAL NON-CURRENT LIABILITIES	116.05	116.72	53.3	18.68	10.04
CURRENT LIABILITIES					
Short Term Borrowings	0	0	1.44	0	0
Trade Payables	14.65	24.75	30.13	21.56	13.71
Other Current Liabilities	377.5	403.12	465.59	390.92	336.72
Short Term Provisions	13.89	0	0	0	0
TOTAL CURRENT LIABILITIES	406.04	427.87	497.16	412.48	350.43
TOTAL CAPITAL AND LIABILITIES	1,786.14	1,832.06	1,549.09	1,410.36	1,265.65
ASSETS					
NON-CURRENT ASSETS					
Tangible Assets	46.02	62.55	124.11	146.02	152.21
Intangible Assets	92.97	1.16	2.04	2.88	3.86
Capital Work-In-Progress	0	0	5.94	0	8.59
Other Assets	0	0	0	0	0
FIXED ASSETS	138.99	63.71	132.09	148.9	164.66
Non-Current Investments	1,511.75	1,535.98	1,269.65	1,120.90	909.97
Deferred Tax Assets [Net]	0	0	0	12.42	23.94
Long Term Loans And Advances	11.28	11.87	12.69	11.84	12.13
Other Non-Current Assets	9.48	114.98	9.76	11.85	14.94
TOTAL NON-CURRENT ASSETS	1,671.50	1,726.54	1,424.19	1,305.91	1,125.64
CURRENT ASSETS					
Current Investments	0	16.72	21.43	22.19	54.73
Inventories	0	0	0	0	0
Trade Receivables	0	0	0	0	0

Cash And Cash Equivalents	60.78	39.1	40.44	57.5	52.52
Short Term Loans And Advances	1.63	2.71	1.54	2.44	3.44
OtherCurrentAssets	52.23	46.99	61.49	22.32	29.32
TOTAL CURRENT ASSETS	114.64	105.52	124.9	104.45	140.01
TOTAL ASSETS	1,786.14	1,832.06	1,549.09	1,410.36	1,265.65
OTHER ADDITIONAL INFORMATION					
CONTINGENT LIABILITIES, COMMITMENTS					
Contingent Liabilities	0	13.07	11.22	4.86	129.07
CIF VALUE OF IMPORTS					
Raw Materials	128.4	105.52	128.5	122.4	200.58
Stores, Spares And Loose Tools	0	0	0	0	0
Trade/Other Goods	0	0	0	0	0
Capital Goods	0	0	0	0	0
EXPENDITURE IN FOREIGN EXCHANGE					
Expenditure In Foreign Currency	0	2.18	2.3	2.53	5.79
REMITTANCES IN FOREIGN CURRENCIES FOR DIVIDENDS					
Dividend Remittance In Foreign Currency	--	--	--	--	--
EARNINGS IN FOREIGN EXCHANGE					
FOB Value Of Goods	--	--	--	--	--
Other Earnings	--	--	--	--	--
BONUS DETAILS					
Bonus Equity Share Capital	--	--	--	--	--
NON-CURRENT INVESTMENTS					
Non-Current Investments Quoted Market Value	--	--	--	318.06	--
Non-Current Investments Unquoted Book Value	--	64.82	957.8	801.94	590.18
CURRENT INVESTMENTS					
Current Investments Quoted Market Value	--	--	--	--	--
TOTAL Liabilities	1,786.14	1,832.06	1,549.09	1,410.36	1,265.65

DAIGRAMATEICAL REVIEW(GRAPHS)

1. TOTAL EXPENSES

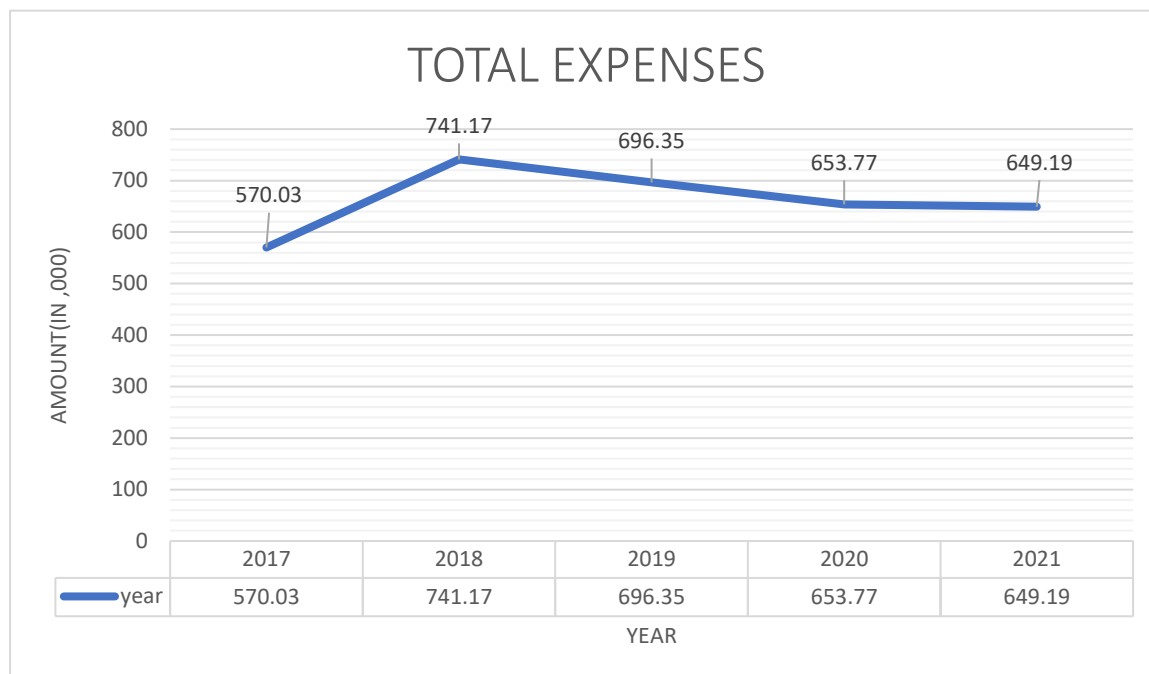


Fig.D.1

INTERPRETATION:

“From the above graph shows that total yearly expenses are slight constant and are decreasing from the year 2018 and are going down which is a good for the company.”

2. TOTAL REVENUE

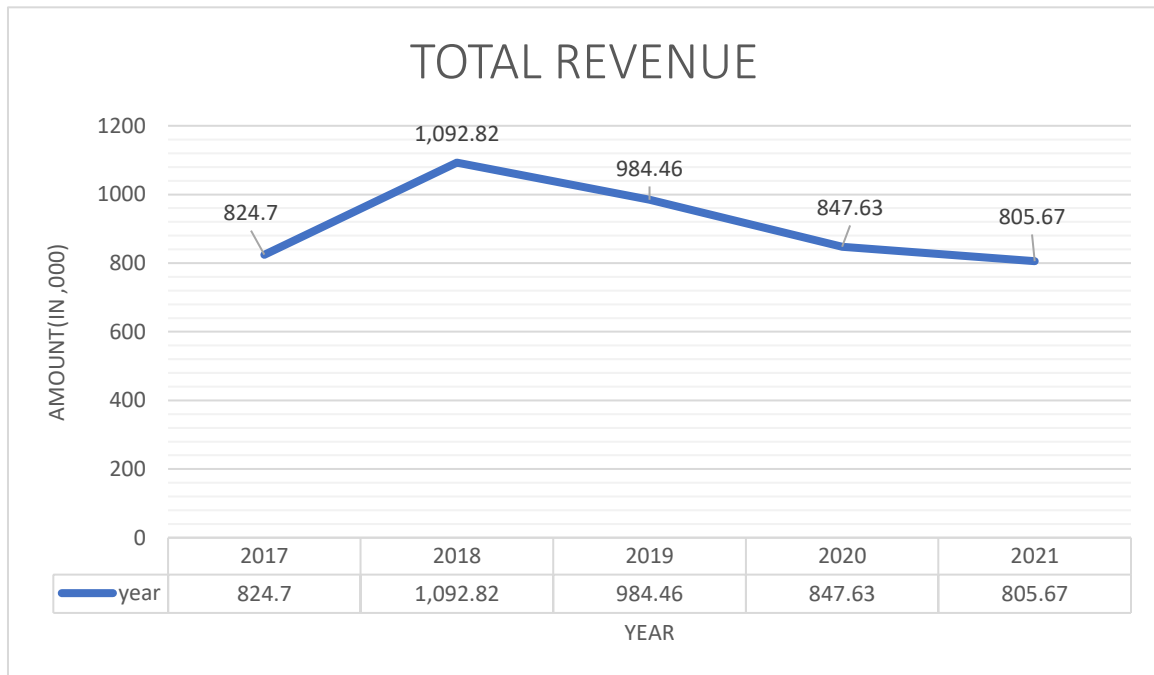


Fig.D.2

INTERPRETATION:

“The above graph that shows total revenue of Company, in year 2018 it was going well than it falls due to covid and tourism industry got affected vey badly hence it was the reason for revenue to decrease constantly.”

3. TOTAL TAX EXPENSES

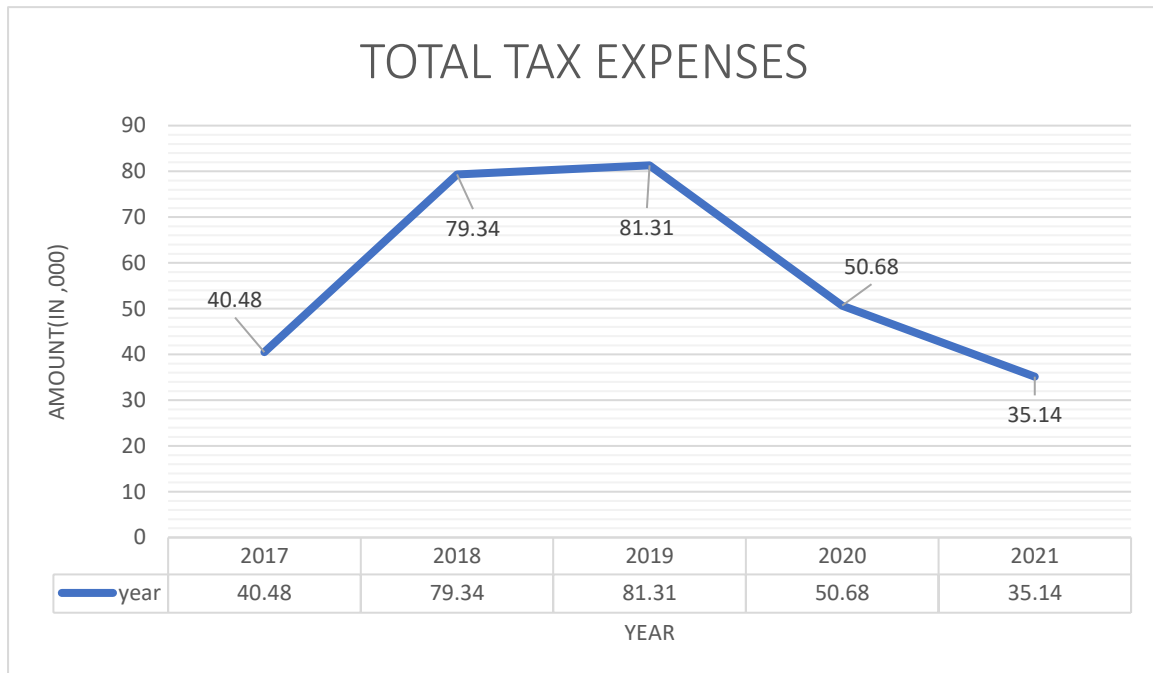


Fig.D.3

INTERPRETATION:

“The above graph that shows total tax expenses of Company, in year 2018 & 2019 it rises due to sales (Revenue) than it falls due to covid and tourism industry got affected very badly hence it was the reason for revenue to decrease constantly and taxes also decreased.”

4. TOTAL CAPITAL AND LIABILITY



Fig. D.4

INTERPRETATION:

“The above graph liability was paid off due to early agreement between company and the vendors and pandemic was the period when every organisation has to suffer losses and hence the liability”

5. TOTAL ASSETS

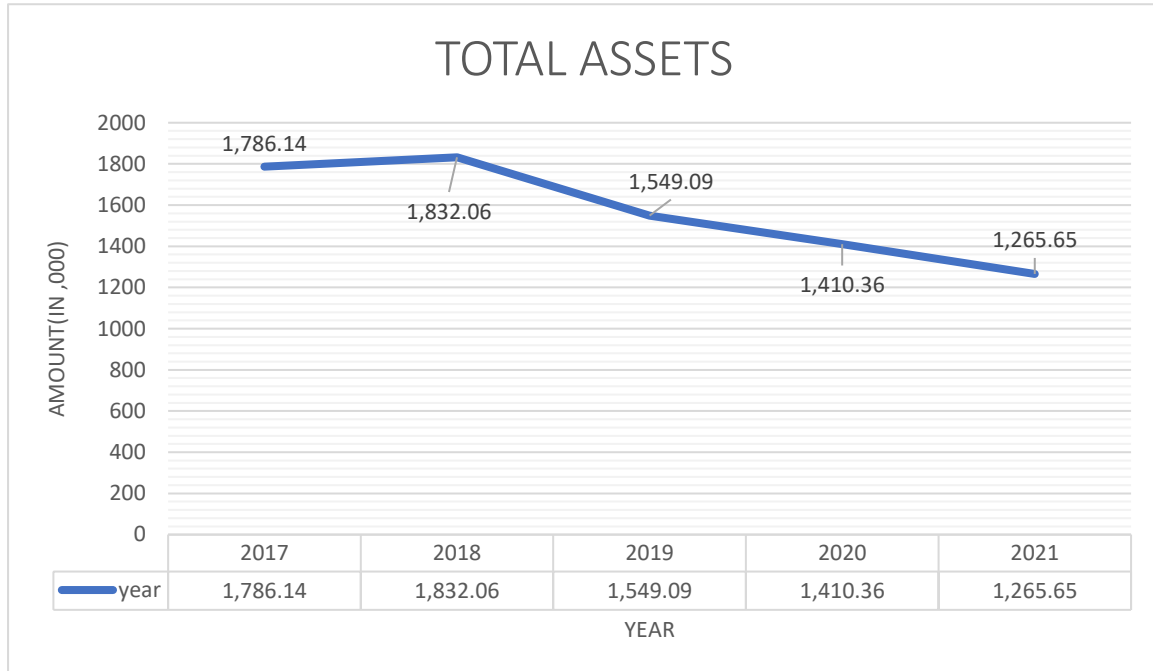


Fig. D.5

INTERPRETATION:

“The above graph that shows total assets of Company, in year 2017, 2018 the company was having assets then company suffered losses then some company assets were sold. Hence it was the reason for assets to decrease constantly.”

LEARNINGS FROM THE STUDY

LEARNINGS FROM THE STUDY

Skills:

Computer skills on Microsoft packages of excel, word, internet skills the operations of the different applications within Microsoft ERP and in addition how to operate other office equipment like photocopying machines among others.

Relationship-wise, I have gained interpersonal skills that have enhance the completion of my practicum.

In all the tasks I performed upon completion I had to report on the final output hence availing me with the platform of developing my Reporting skills.

Arrangement of taxes like VAT, GST: Withholding taxes and the bill payments number and the reconciliations at the end of particular accounting period.

During the course of the exercise, I was able to take accurately ethical decisions

Knowledge:

I have learned how to use ERP software for Accounts operations of maintaining stock cards, supplier reconciliation among others.

I have gained knowledge on how Accounts operations are carried out in a profitmaking company. Additionally, I have gained immense knowledge on the acceptable code of conduct and dressing code in an office environment in order to be presentable and not to offend any colleagues.

I have gained knowledge on haw bid evaluation is managed and executed in a profitmaking company where the focus is on reducing bureaucracy while leveraging benefit to the company.

CHALLENGES FACED DURING MY PROJECT

The Company:

Lack of enough working space in most departments which hinders employees in performing well certain activities.

Competition from other Hotel organizations such as Tuli International, Tuli Imperial, Le Meriden.

The passwords given to the accounts staff are given restrictively which restricts their work.

Fraud committed by untrustworthy employees like recording wrong figures intentionally.

The Workers:

Low salaries to casual workers such as cleaner, cane cutter and security providers

Poor accommodation characterized of old building.

Poor feeding of workers mainly workers of the organisation feed on Posho and Beans.

Language barrier is also another problem facing the accounts due many tribes in the company

As Intern

The time period for which I was accepted to do the practicum at Orient group of hotels was quite short (6 weeks) for me to be able to understand all the processes, procedures on operations of the Accounts function.

I also encountered constant challenging circumstances mainly during data entry, there was no standard format of Entering transaction vouchers.

Some of the doors to some offices had security control installations that required swiping security access card for the doors to open and yet as an intern I was not issued with this access card.

I also faced a problem of getting where to carry out this exercise.

Sometimes there is network failure which results in pending of my works.

Responsibilities of Finance Department

The Finance department shall-

Manage all Finance activities of the company except adjudication and award of contracts;

1. Support the functioning of the Finance committee
2. Implement the decisions of the Finance committee
3. Check and payment Vouchers of company clients
4. Prepare Payment documents
5. Prepare purchase vouchers and any other contract document

DUTIES OF FINANCE DEPARTMENT

The Finance department at Orient group of hotels has mandate to carry out the following duties;

Receipt of all the stock items supplied Orient group of hotels following acceptance of the stock items upon their conformity with the specifications as specified in the purchase order and the purchase contract.

To prepare periodic report on the stores operations to be presented to the Chief Executive Officer.

It is mandated to manage all requisitions for stock items by the user departments and issues while utilizing the stock control policies in order to leverage value for money and improve on productivity.

They are also mandated to ensure that proper documentation regarding sale of scrap items is generated for example Tax invoice.

Carry out supplier reconciliation in order to sort out those particular supplier invoices for which payment against them has not been affected and is long overdue.

They are also responsible for maintaining a proper office layout, coding system and allocation of space to every office item for efficient operations for example order picking.

Departments I had Worked With:

Accounts

This manages all accounting activities in Orient group of hotels.

Payroll department

This office is responsible for processing of employee salaries including advance payments, gratuity and end of contract fee/payment.

The human resource office

It is responsible for human resource planning and ensuring that all the human resource requirements of Orient group of hotels.

Procurement

This manages all purchasing activities in Orient group of hotels.

Sales and marketing department

This manages the sales and marketing activities of Orient group of hotels.

CONCLUSION

CONCLUSION

It's the fact not be contradicted that, there are many more accounting tasks to be streamlined in a hotel and finances to be monitored on a regular basis.

Underlying the root causes of financial inconsistencies can be identified and prioritized.

That's how the vulnerable cause of hotel's downfall can be terminated for commendable results.

Understanding the accounting gaps for seamless hospitality management.

Leveraging the next-generation technology and intelligence, the accounts are consolidated, reports are customized, manual entry complexities are solved and visibility into hotel business performance is seen crystal clear.

SUGGESTIONS

SUGGESTIONS

AUTOMATION IS THE FUTURE OF HOTEL ACCOUNTING

Being an hotelier, if you and your accountants, managers and admin department spend much time in back office, all their efforts go in vain which can actually be utilized productive way.

There would be other core competencies in which hoteliers have to focus on and focus on extending the portfolio, while mitigating the potential risks and satisfying guests in all possible ways.

Outsourcing or partnering with Hospitality Accounting Services will be a permanent solution to efficiently handle all these duties, but all that one has to look for is hotel specific accounting software and cost-effective one.

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BIBLIOGRAPHY

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Orient group of hotels:

Official website: www.orientgroupofhotels.com

Facebook: <https://facebook.com/groups/741129720153450/>

Instagram: https://instagram.com/orientgroup_nagpur?utm_medium

