



NATIONAL OPEN UNIVERSITY OF NIGERIA
14-16 AHMADU BELLO WAY, VICTORIA ISLAND LAGOS
SCHOOL OF MANAGEMENT SCIENCES
MARCH/APRIL 2015 EXAMINATION

COURSE CODE: HCM436

CREDIT UNIT: 2

COURSE TITLE: INTERNAL CONTROL IN HOSPITALITY ADMINISTRATION

TIME ALLOWED: 2HRS

INSTRUCTIONS: 1. Attempt question number one (1) and any other (2) questions.
2. Question number 1 carries 30 marks, while the other questions carry 20 marks each.

3. Present all your points in coherent and orderly manner.

QUESTION ONE

A. Define the following terms:

- i. Internal control? 5 marks
- ii. Internal check.? 3 marks

B. List :

- i. 5 techniques to follow when preparing a flow chart for effective communication 5 Marks
- ii. 5 advantages of internal Control Evaluation Questionnaire (ICEQ) over Internal Control Questionnaire (ICQ) 5 Marks
- C. Discuss the importance of internal control 12 Marks

QUESTION TWO

- A. Describe 5 features of internal control 10 Marks
- B. State 10 contents of audit permanent working papers 10 Marks

QUESTION THREE

In 5 points each, describe the credit control procedures to be put in place for the following:

- i. Guests from Airlines 5 marks
- ii. Guest paying by travel agent voucher 5 marks
- iii. Guest paying by credit card 5 marks
- iv. Guest checking in with tour groups 5 marks

QUESTION FOUR

- A. The features of internal control will depend on 5 factors. Explain. 5Marks
- B. In 5 points, state the 5 components of control by management 5Marks
- C. State 5 functions of internal audit 5Marks
- D. Suggest 5 examples of internal control questionnaire on purchases 5Marks

QUESTION FIVE

Discuss 5 factors to be considered in evaluating internal audit functions 20Marks