

Accounting Treatment of Operations in Public Catering Services

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Abstract

The existing article proposes to bring to light the organization and management approach in conducting the accounting in the food service businesses. I first introduced a short abstract presentation of the food service structure types in the Romanian legislation. I also established an intrinsic relationship between the hotel and hospitality industries as components of the touristic phenomenon exponentially developed worldwide in the last decades. I proposed some accounting cases concerning the accounting entries of different operations referring to the food service business.

Keywords: food service, restaurant, inventory items, retail price, menus, server / waiter / waitress, raw materials, individual producers / manufacturers

1.Introduction

Tourism, as an important component of the tertiary sector, has established itself exponentially in social and economic life, through a significant expansion especially in the second half of the last century. The source of this relevant progress is the general economic growth, associated with the increase in leisure time and paid leave, increased long-term income, but especially the expansion of transport - factors that have made travel more frequent, fast, comfortable and accessible. More and more countries are beginning to enjoy the economic benefits generated by tourism: new jobs are being created, new untapped resources are being found, the balance of external payments is being balanced, infrastructure is improving - a favorable macroeconomic situation. As for cultural values, through tourism states share their national identity, creating added value to their international image.

In the period between 1950-1977, the world population increased 2.5 times, and the number of arrivals in international tourism multiplied more than 20 times compared to 1950, when there were only 25 million arrivals, it follows a growth rate 10 times faster. The growth trend of international tourism from 1950 to the present is maintained, but there is also a marked slowdown as follows: the average growth rate over the four decades continues to decline from 11.7% in 1950-1959 to 8.3% in 1960-1969 to 6.1% in 1970-1979, to reach 4.0% in 1980-1989¹.

Given this global trend, accommodation and catering services are the basic services of a tourist program. The interdependent relationship between public catering and tourism is obvious, as they are concentrated in an independent sector of economic activity, called the hotel industry.

According to the methodological norms and classification criteria, the following types of tourist reception structures with public catering functions can operate in Romania²:

1. Restaurant Profile

- ✓ Classic;
- ✓ Specialized: fishing, hunting, rotisserie, zahana, dietetic, lacto-vegetarian, family / pension; With specific: winery, with local specifics, with national specifics;
- ✓ With artistic program;
- ✓ Brasserie or bistro;
- ✓ Brewery;
- ✓ Summer garden;

¹ Stănciulescu, G., *Tehnica operațiunilor de turism*, Editura All, București, 1998, p. 2

² Ordinul ANT nr. 65/2013, publicat în MO partea I, nr. 353 bis/14.06.2013

- ✓ Terrace;
- 2. Bar Profile**
 - ✓ Nightclub;
 - ✓ Day bar;
 - ✓ Cafe-bar or cafe;
 - ✓ Club or disco-bar;
 - ✓ Bufet-bar;
- 3. Fast-food Profile**
 - ✓ Self-service restaurant;
 - ✓ Express buffet;
 - ✓ Pizzeria;
 - ✓ Snack-bar;
- 4. Cake shop**
- 5. Pastry, pie, simigerie**

Regardless of the form in which these structures with public catering functions are organized, this is in fact also a form of retail trade, characterized by the intervention of the human factor engaged in the preparation of the purchased materials.

The organization and management of the accounting of public catering units must take into account certain inherent aspects of the specifics of this activity, such as:

- a. the preparation of the menus is done, in general, without permanent storage of materials and materials;
- b. changing / updating / adding new menus or the structure of the dishes made;
- c. the demand for public alimentation products is variable and varies according to different parameters: seasonality, schedule, days of the week, periods of celebration, holidays and vacations, etc.;
- d. the need to schedule as accurately as possible the quantity of products to be prepared and prepared for the next day;
- e. the need to respect the validity period of the public alimentation products prepared and not sold on the same day, because their commercialization term is limited, according to the sanitary legislation;
- f. the determination of the production costs of the public alimentation products carries a special regime, including the acquisition cost of the purchased materials and other expenses related to the food preparation, their preparation, according to some recipes approved at unit level.

2. Case studies

2.1. Case study no. 1:

Niculina restaurant sends an employee to the agri-food market in order to buy vegetables from individual producers. For this purpose, the company grants him an advance for travel in the amount of 300 lei, cash, according to the payment order no. 26 / 15.1.2020. It is bought from individual producers: potatoes, celery, carrots, parsley, horseradish, worth 284 lei, according to the marketing book no. 224 / 01.15.2020. The equivalent value of the vegetables purchased in cash is paid according to the payment order no. 28 / 15.1.2020. The remaining unspent cash difference is deposited at the cashier.

- a. Granting the advance for travel to the agri-food market:

542	„Cash advances”	=	5311	„Cash in Ron”	300
<i>According to the payment order no. 26/15.01.2020</i>					

- b. Purchase of goods for processing at the restaurant:

371	„Goods”	=	462	„Various creditors”	284
<i>According to the marketing book no. 224/15.01.2020</i>					

c. Payment of the value of the goods purchased to the individual producer:
 462 „Various creditors” = 5311 „Cash in Ron” 142
According to the payment order no. 28/15.01.2020

d. Payment of the value of the goods purchased to the individual producer:
 5311 „Cash in Ron” = 542 „Cash advances” 16
According to the payment order no. 29/15.01.2020

Observation: we opted for the registration of the purchased goods in order to process them in the public catering process, treating them as goods, the accounting records being kept at the acquisition cost, the discharge being also carried out. Sales in public catering through the cash register are reflected in the selling price that generates income from sales of goods.

2.2. Case study no. 2

Raluca restaurant buys from the supplier deep plates, flat plates, cutlery for its own kitchen, in a total value of 700 lei, 19% VAT, according to the fiscal invoice no. 1414 / 15.01.2020. The payment of the debt to the supplier is made by promissory note. The dishes thus purchased are put into use.

a. Purchase of dishes for the restaurant kitchen:
 % = 401 „Providers” 833
 303 „Inventory items” 700
 4426 „Deductible VAT” 133
According to the invoice no. 1414/15.01.2020

b. Purchase of dishes for the restaurant kitchen:
 401 „Providers” = 403 „Payment effects” 833
According to the promissory note no. 125

c. Off-balance sheet recording of inventory items:
 D 8035 „Stocks of the nature of inventory items given in use” 700
According to the inventory item record sheet

d. Commissioning of purchased inventory items:
 603 „Expenses with materials of the nature of inventory objects” = 303 „Materials of the nature of inventory objects” 700
according to the consumption receipt no. 30/15.01.2020

2.3. Case study no. 3

At the end of a day, the Diana restaurant records sales from serving meals in a total value of 1570 lei, of which 355 lei collected through POS, and the rest in cash. At the end of the day, the waiters hand over the amount of 1215 lei from the sale of the goods. The management of sold goods is downloaded, at a purchase cost of 720 lei. During the day, cracks of plates, glasses, ashtrays are registered, valued at 25 lei, amount recovered from the waiters.

a. Recording sales from catering:
 4111 „Clients” = % 1570
 707 „Income from sale of goods” 1495,24
 4427 „Collected VAT” 74,76
According to the Fiscal Report Z no. 155/20.01.2020

b. Cash collection of sales / delivery by the waiters of the cash collected:

5311 „Cash in Ron” = 4111 „Clients” 1215

According to the Fiscal Report Z no. 155/20.01.2020, Monetary no. 190/20.01.2020

c. POS collection of sales:

5121 „Bank accounts in Ron” = 4111 „Clients” 355

According to Settlement

Characteristics:

- ♣ the amounts collected by the waiters through the credit card representing the equivalent value of the customers' consumption appear in the Daily Fiscal Report of the restaurant;
- ♣ the amounts collected from customers through credit cards are not entered in the cash register;
- ♣ no invoice is issued for the amounts collected by credit cards.

d. Discharge with the goods sold:

607 „Expenditure on goods” = 371 „Goods” 720

According to the accounting note no. 20/20.01.2020 and recipes in the specific program

Observation: The discharge is made at the **cost of purchasing the goods**, through computer software in which all the entries of goods are entered (purchases of goods from individual suppliers or producers) and based on the existing recipes in these software the discharge is performed at acquisition cost.

e. Record breaks at the end of the day:

5311 „Cash in Ron” = 4281 „Other staff debts” 25

According to the collection order no. 15/20.01.2020

Observation: in order to have analytical records on each waiter, account 4281 can be developed on analytical accounts, on each waiter.

3. Conclusions

We conclude the specifics of public catering accounting by the fact that the goods purchased within these units can be treated **as goods**, being goods that are resold after a prior processing; the processing can consist either in alcoholic beverages that are sold in the form of coffee, cocktails, other specific alcoholic and non-alcoholic beverage preparations, or in the kitchen where the purchased goods are processed and become culinary preparations.

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- [6] *Ordin ANT nr. 65/2013*;
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