

HOSPITAL ADMINISTRATION

Accounting in Health Care

Q.P. CODE: 8714

Your answers should be specific to the questions asked. Draw neat, **labeled diagrams wherever necessary.**

LONG ESSAY

1 X 20 = 20 Marks

1. From the following data calculate
 - i) Current Ratio
 - ii) Quick Ratio
 - iii) Stock Turnover Ratio
 - iv) Operating Ratio
 - v) Rate of Return on Equity capital

Balance Sheet on 31.03.2016

Liabilities	Amount	Assets	Amount
Equity capital (Rs. 10 each)	1000000	Plant and Machinery	640000
Profit loss account	368000	Land and Building	80000
Creditors	104000	Cash	160000
Bills payable	200000	Debtors	360000
Other current liabilities	20000	Less: RBD	40000
		Stock	480000
		Prepaid Insurance	12000
	1692000		1692000

Income Statement for the year 31st March, 2016

Sales	4000000
Less:- Cost Goods Sold	3080000
Gross Profit	920000
Less:- Operating Expenses	680000
Net Profit	240000
Less:- Income Tax	120000
Profit after tax	120000

Balance of Debtors on 01.04.2015 Rs. 300000

Balance of Stock on 01.04.2015 Rs. 400000

SHORT ESSAY (Answer any Seven)

7 X 10 = 70 Marks

2. Explain fixed assets.
3. Factors influencing pricing of Hospital services
4. Analysis of financial statements
5. Leasing and Installment purchase
6. Activity based costing
7. Capital and revenue expenses
8. Inventory valuation
9. Accounting concepts and conventions

SHORT ANSWERS (Answer any Five)

05 X 02 = 10 Marks

10. Cost center and cost units
11. Variable expenses and Fixed expenses
12. Journal and Ledger
13. Budgetary control
14. Internal control
15. Overheads

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