



**HOSPITAL ADMINISTRATION**  
**ACCOUNTING IN HEALTH CARE**  
**(Revised Scheme)**

**Q.P. CODE: 8362**

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

**LONG ESSAY****2 X 20 = 40 Marks**

1. Explain the term cost. Enumerate the features of cost accounting. How does cost accounting affect decision-making in a hospital?
2. The data and information in respect of a hospital for the year 2003-04 is as follows:  
 The hospital has overall variable cost of 20/- of total revenue and fixed cost of Rs.40,00,000 per year.
  - a) You are required to compute BEP expressed in total revenue.
  - b) A patient day is often used to measure the volume of a hospital. Suppose there are going to be 4000 patient day next year. Compute the average daily revenue per patient necessary for break-even.

**SHORT ESSAY (Any Six Only)****6 X 10 = 60 Marks**

3. Write a note on inventory valuation.
4. Hospital rate setting
5. From the following data, determine EOQ.
  - a) Annual requirement 12,00,000 unit
  - b) Purchase price Rs.3 per unit
  - c) Ordering cost Rs.50 per order
  - d) Carrying cost of inventory, 10% of cost
6. Working capital management
7. What is budgetary control?
8. Define depreciation. What are the different methods of depreciation?
9. Journalize the following entries:-

April 4	Purchased goods and issued cheque for Rs.8,000/-
April 6	Received from Mohanlal Rs.5,850/- in full settlement
April 7	Commission received
April 10	Deposited into bank Rs.2,500/-

10. What is cost? What are costing methods and systems?

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