

**THE TAMIL NADU DR. M.G.R. MEDICAL UNIVERSITY**

[AHS 0321]

**MARCH 2021**

**Sub. Code: 5023**

**(OCTOBER 2020 EXAM SESSION)**

**MASTER OF HOSPITAL ADMINISTRATION (AHS)**

**FIRST YEAR (Admitted in 2017-2018)**

**PAPER III – FINANCIAL AND MANAGEMENT ACCOUNTING IN HEALTHCARE**

***Q.P. Code : 435023***

**Time : Three hours**

**Answer ALL Questions**

**Maximum : 100 Marks**

**I. Elaborate on:**

**(2 x 20 = 40)**

1. Following are the balances extracted from the books of Manish Gupta on 31st March, 2018:

Particulars	Amount	Particulars	Amount
Capital	1,90,000	Cash at Bank	26,000
Drawings	7,000	Salaries	8,000
Plant and Machinery	1,20,000	Commission (dr)	1,900
Buildings	26,000	Opening Stock	16,000
Sundry Debtors	36,000	Rent	4,500
Sundry Creditors	26,000	Carriage inwards	1,600
Purchases	20,000	Bills Payable	23,500
Sales	42,000	Bad Debts	5,000
Wages	9,500		

Prepare Trading and Profit and Loss Account and Balance Sheet as at 31st March, 2018 after following adjustments are made

- (i) Closing Stock was 16,000
- (ii) Depreciate Plant and Machinery @ 10% and Building @ 15%.
- (iii) Outstanding Rent amounted to 500.

2. Explain the Techniques or Steps involved in Preparing a Funds Flow Statement?

**II. Write notes on:****(10 x 6 = 60)**

1. What is meant by Break Even Point (BEP)?
2. Prepare Production Budget for three months ending 31<sup>st</sup> march 2018, for a factory producing four products, on the basis of the following information :

Product	Estimated Opening Stock	Estimated Sales	Estimated Closing Stock
A	4,000	20,000	6,000
B	6,000	30,000	10,000
C	8,000	26,000	6,000
D	6,000	24,000	4,000

3. What is Return inwards and return outwards and how it is treated in Trading account?
4. What is Net Present Value Method and Pay Back Method?
5. Differentiate between Marginal Costing and Absorption Costing?
6. Calculate Debtors Turnover Ratio from the following information.  
Total Sales – 6,00,000  
Credit Sales – 80% of Total sales  
Trades Receivable at beginning of the year- 80,000  
Trades Receivable at the end of the year- 1,60,000
7. Write the Differences between Management Accounting, Cost Accounting and Financial Accounting?
8. Write the formula for Accounting or Average Rate of Return (ARR) Method?
9. What is Capital Budgeting? Explain the various methods of Capital Budgeting?
10. What are the sources of Long term Finance? List some sources of Long term finance.

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