

[LQ 1019]

NOVEMBER 2020  
(MAY 2020 SESSION)

Sub. Code: 5023

MASTER OF HOSPITAL ADMINISTRATION EXAMS  
(Candidates admitted in 2017-2018)

FIRST YEAR

PAPER III – FINANCIAL AND MANAGEMENT ACCOUNTING IN HEALTHCARE

Q.P. Code : 435023

Time : Three hours

Maximum : 100 Marks

I. Elaborate on:

(2 x 20 = 40)

1. Explain about the Accounting Concepts in detail.
2. From the following balance sheets of X Ltd on 31 December 2017 and 2018, you are required to prepare:
  - (a) A schedule of changes in working capital
  - (b) Funds from operation
  - (c) Funds flow statement

Liabilities	2017	2018	Assets	2017	2018
Share Capital	50,000	50,000	Goodwill	6,000	6,000
General Reserve	7,000	9,000	Building	20,000	18,000
Profit and Loss A/c	8,000	6,500	Plant	18,500	18,000
Sundry Creditors	4,000	2,700	Investments	5,000	5,500
Bills Payable	600	400	Stock	15,000	11,700
Provision for Taxation	8,000	9,000	Bills Receivable	1,000	1,600
Provision for Doubtful debts	200	300	Debtors	9,000	9,500
			Cash /Bank	3,300	7,600
<b>Total</b>	<b>77,800</b>	<b>77,900</b>	<b>Total</b>	<b>77,800</b>	<b>77,900</b>

The following additional information has also been given:

- (i) Depreciation charged on Plant was 4,000 and on Building 4,000.
- (ii) Provision for Taxation of 19,000 was made during the year 2018.
- (iii) Interim Dividend of 8,000 was paid during the year 2018.

**II. Write notes on:**

**(10 x 6 = 60)**

1. An investment of Rs. 2,00,000 is expected to generate the following cash inflows in six years

I year	70,000
II year	60,000
III year	55,000
IV year	40,000
V year	30,000
VI year	25,000

Required : Compute Pay Back period of the investment. Should the investment be made if management wants to recover the initial investment in 3 years or less ?

2. Explain about the Short term and Long term Sources of Funds in Working Capital Management ?
3. What is called Budgets ,Write the Classification according to Budgets ?
4. From the following information, calculate the amount of profit using Marginal cost technique  
Fixed Cost Rs. 3,00,000  
Variable Cost per unit Rs.5  
Selling price per unit Rs.10  
Output level 1,00,000 units
5. What is Depreciation and how it is treated in Profit & loss account and Balance sheet?
6. Write the formulas to calculate Current Assets, Current Liabilities and Creditors Turnover Ratio?
7. Explain the importance and uses of Capital Budgeting?
8. What is Equity Share Capital and Preference Share Capital, list the types of Preference share capital.
9. What is meant by Cost Volume Profit (CVP) Analysis?
10. What is meant by Secured and Unsecured Debts?

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