

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

[AHS 0921]

SEPTEMBER 2021
(MAY 2021 EXAM SESSION)

Sub. Code: 5023

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. From the following balances extracted from the Ledger of Sri Ranjani, prepare Trial Balance as on 31st March, 2018:

| Particulars | Amount | Particulars | Amount |
|---------------------|-----------|------------------------------|-----------|
| Capital | 75,00,000 | Building | 7,50,000 |
| Plant & Machinery | 15,00,000 | Stock | 12,50,000 |
| Cash in Hand | 2,500 | Cash at Bank | 5,75,000 |
| Commission Received | 1,75,000 | Rates, Taxes and Insurance | 30,000 |
| Discount Allowed | 55,000 | Discount Received | 45,000 |
| Purchases Return | 50,000 | Sundry Creditors | 2,50,000 |
| Interest Received | 30,000 | Sales | 62,50,000 |
| Repairing Charges | 1,25,000 | Bad Debts | 15,00,000 |
| General Expenses | 3,00,000 | Rent | 62,500 |
| Wages | 5,00,000 | Purchases | 48,00,000 |
| Furniture | 1,20,000 | Carriage and Freight charges | 75,000 |
| Sales Return | 90,000 | Delivery Van | 5,00,000 |
| Loan Advanced (dr) | 7,90,000 | Travelling Expenses | 50,000 |
| Office Salaries | 6,25,000 | Drawings | 6,00,000 |

2. Explain the Methods of Capital Budgeting in detail?

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

1. Prepare the statement of changes in Working capital from the following information:

| Liabilities | 2004 | 2005 | Assets | 2004 | 2005 |
|---------------------|-------------|-------------|---------------------|-------------|-------------|
| Share capital | 150000 | 180000 | Land and building | 85000 | 85000 |
| Profit and loss a/c | 35000 | 42000 | Plant and machinery | 54000 | 70000 |
| Loans | 2000 | 15000 | Stock | 30500 | 50000 |
| Creditors | 17000 | 23000 | Debtors | 25500 | 45000 |
| Bills payable | 3000 | 1000 | Bills receivable | 5000 | 2000 |
| | | | Cash | 7000 | 9000 |

2. Siva ltd. has furnished the following information regarding its Current Assets and Current Liabilities:

Calculate

- i. Current Ratio and
- ii. Quick /Liquid Ratio of the Company.

| Current Assets | Amount | Current Liabilities | Amount |
|-----------------------|---------------|----------------------------|---------------|
| Cash | 5,000 | Sundry Creditors | 30,000 |
| Debtors | 29,000 | Bills Payable | 16,000 |
| Bills Receivable | 5,000 | Outstanding Expenses | 8,000 |
| Marketable Securities | 15,000 | | |
| Inventory (Stock) | 52,000 | | |
| Prepaid Expenses | 2,000 | | |

3. What is Working Capital and how it is calculated?
4. Write the formulas for the following Ratios
 - a) Debtors Turnover Ratio
 - b) Debt to Equity Ratio
 - c) Stock Turnover Ratio
5. Who is an Underwriter? What is the Commission rates paid for them for the services rendered?
6. How Wages Outstanding and Wages Prepaid will be treated while preparing Trading Account?
7. Explain the Merits and Demerits of Equity shares and Preference shares?
8. What is Right Issue and list the procedure followed for Right issue?
9. What is meant by Contribution in Marginal Costing, support your answer with formula?
10. What is Common stock and preferred stock?
