[LN 1018] OCTOBER 2018 **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. From the following information of Alex Enterprises Prepare Trading, Profit and Loss and Balance Sheet as on 31.12.2014.

   Particulars Rs.
   Land and Building - 42,000
   Capital - R62,000
   Machinery - 20,000
   Sales - 98,780
   Patents - 7,500
   Returns Outwards - 500
   Opening Stock - 5,760
   Creditors - 6,300
   Debtors - 14,500
   Bills payable - 9,000
   Purchases - 40,675
   Cash in hand - 3,170
   Return inwards - 680
   Wages - 8,480
   Fuel - 4730
   Carriage on sales - 3,200
   Carriage on purchases - 2,040
   Salaries- 15,000
   General Expenses - 3,000
   Insurance - 600
   Drawings - 5,245

Adjustments

- Stock on 31/12/15 was Rs.6,800
- Salary outstanding Rs.1,500
- Insurance Prepaid Rs.150
- Depreciate Machinery at 10% and Patents at 20%
- Create a provision of 2% on debtors for bad debts.

2. Elaborate the advantages and limitations of ratio analysis.

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

1. What are tools and techniques of management accounting?
2. Explain the different types of budgets.
3. The following figures of sales and profit for 2 periods are available in respect of LL Enterprises.

	Sales	Profit
Period - I	140000	15000
Period - II	160000	20000

You are required to find out .

a) P/V Ratio.
b) Fixed cost.
c) Sales required to earn a profit of Rs.40000.

4. Explain net present value method.

5. Total Sales – Rs. 500000, Cash sales – Rs.40000, Sales returns – Rs.20000, Debtors – Rs.80000, Bills receivable – Rs.20000 Calculate debtor's turnover ratio and Average collection period.

6. What do you mean by rights issue of shares?

7. Write a note on Receivables management.

8. A Project cost Rs.100000 and yields a profit if Rs.16000 after depreciation at 12% p.a but before tax at 50% calculate payback period.

9. Explain debt financing.

10. Write a note on cash flow statement.

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[LP 1019] OCTOBER 2019 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. Raw up a flexible budget for production at 75% and 100% capacity on the basis of the data for 50% capacity

	Per Unit
Material	100
Labour	50
Variable Expenses	10

Administrative Expenses (50% fixed) – 40000
Selling and Distribution Expenses (60% fixed) – 50000
Production capacity – 1000 units

2. Explain the steps involved in preparing Fund flow statement?

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

1. Write a note on Break Even Point (BEP).
2. Explain the importance of working capital management
3. What are the various branches of accounts?
4. Difference between preference and equity shares
5. Total Sales – Rs. 500000, Total Purchases – Rs.600000, Cash Sales – Rs.40000, Sales returns – Rs.20000, Debtors – Rs.80000, Bills receivable – Rs.20000 Calculate Debtor’s turnover ratio and Average collection period.
6. Calculate Average Rate of Return (ARR).

Year	**CFATBD**
1	50000
2	50000
3	50000
4	50000
5	190000

7. From the following balance sheet prepare schedule of changes in working capital

BALANCE SHEET OF TINA ALLENLTD.

Liabilities	**2008**	**2009**	**Assets**	**2008**	**2009**
Share capital	300000	400000	Land & Buildings	10000	15000
Creditors	100000	70000	Plant	50000	60000
P & L Account	15000	30000	Stock	85000	105000
			Debtors	160000	150000
			Cash	110000	170000
	415000	**500000**		**415000**	**500000**

8. Explain inventory management.
9. Write a note on short term sources of finance.
10. What are the steps involved in budgetary control?

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[LQ 1019] NOVEMBER 2020 Sub. Code: 5023

(MAY 2020 SESSION)

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

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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
Total	**77,800**	**77,900**	**Total**	**77,800**	**77,900**

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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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 31st 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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THE TAMIL NADU DR. M.G.R. MEDICAL UNIVERSITY

[AHS 0921] **SEPTEMBER 2021** **Sub. Code: 5023**

(MAY 2021 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. 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?

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

[AHS 0222] **FEBRUARY 2022** **Sub. Code: 5023**

(OCTOBER 2021 EXAM SESSION)

MASTER OF HOSPITAL ADMINISTRATION (AHS)
FIRST YEAR (Candidates admitted in 2017-2018 & 2020-2021)
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. The following Trial balance is extracted from the books of XYZ Co. for the year ended 31st December 2020. Prepare Trading account, Profit & loss account and balance sheet.

Particulars	**Debit (Rs.)**	**Credit (Rs.)**
Furniture	640	-
Motor Vehicle	6,250	-
Building	7,500	-
Capital	-	12,500
Bad Debts	125	-
Interest Received	-	200
Debtors	3,800	-
Creditors	-	2,500
Opening Stock	3,460	-
Purchase	5,475	-
Sales	-	15,450
Bank Overdraft	-	2,850
Advertising	450	-
Cash	650	-
Insurance	750	-
Salaries	3,500	-
Machinery	900	-

ADJUSTMENTS

a) Closing Stock Rs.5, 000
b) Insurance Prepaid Rs.150
c) Write off Bad debts Rs.1,000
d) Depreciate Machinery by 10%
e) 5. Salary Outstanding Rs.1,500

2. Explain all the Accounting Concepts.

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

1. Write a note on financial ratios and list down the ratios covered under it.

2. V Ltd presents the following results for one year.
   Calculate **(a)**P/V Ratio **(b)**Break Even Point **(c)** Margin of Safety

Particulars	**Rs.**
Sales	2,00,000
Variable Costs	1,20,000
Fixed Cost	50,000
Net Profit	30,000

3. Write a note on Statement of working Capital Changes and its PRINCIPLES.

4. A company which supplies its output on contract basis as component to an assembling firm has a contract to supply 10,000 units of its only product during 2020. The following were the budgeted expenses and revenue. Draw a fixed budget based on the below information.

Particulars	**Rs.**
Material	15 per unit
Wages	10 per unit
Work Expenses:	
Fixed	40,000
Variable	4 per unit
General Expenses (All Fixed)	60,000
Profit is 20% on sale price.	

   Prepare the fixed budget for 2020 showing the costs and profit.

5. Write a note on Capital Rationing and its causes.

6. Write a note on Repurchase of shares & Underwriting of shares.

7. Project X initially costs Rs.25,000. It generates the following cash flows:

Year	**Cash Inflows (Rs)**	**Present Value of Re.1 at 10%**
1	9,000	.909
2	8,000	.826
3	7,000	.751
4	6,000	.683
5	5,000	.621

   Taking the cut-off rate as 10%. Suggest whether the project should be accepted or not.

8. Briefly explain the classification of accounts and its GOLDEN RULES.

9. The balance sheet of Meera as on 31-12-2020 shows the following:

Particulars	**Rs.**
Cash	9,500
Marketable Securities	15,000
Inventories	1,00,000
Debtors	85,000
Prepaid Expenses	5,000
Long term loans	1,06,000
Trade creditors	64,000
Income tax payable	9,000
Accrued expenses	12,800

Compute **(a)** Working Capital **(b)** Current Ratio **(c)** Quick Ratio

10. Write a note on Master budget and the steps involved in preparing it.

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