

**Rajiv Gandhi University of Health Sciences, Karnataka**  
**IV Semester Bachelors in Hospital Administration Degree Examination - 02-Jan-2023**

**Time: Three Hours**

**Max. Marks: 80**

**COST ACCOUNTING IN HEALTHCARE - (RS)**

**Q.P. CODE: 3244**

**(QP contains two pages)**

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

**LONG ESSAYS (Answer any Two)**

**2 x 10 = 20 Marks**

1. From the following particulars prepare cost sheet for the year ended 31/03/2022.  
**Opening Stock:** Raw materials - 40,350, Work in progress -15,000 and Finished stock - 35,590  
**Cost incurred during the period:** Material purchases- 2,50,000, Wages paid - 2,00,000, Carriage inwards - 2,000, consumable stores - 10,000, wages of storekeeper - 7,000, depreciation of plant and machinery - 10,000, Materials destroyed by fire - 5,000, repairs and renewals - 5010, office managers salary - 10,000, salary to office staff -20,500, printing and stationery - 10,000, power - 10,500, lighting for office building -2,000, carriage outward - 3,000, freight - 5,000, entertainment - 2,500, warehouses charges - 1,500, legal charges -2,000, expenses for participating in Industrial exhibition - 6,000  
**Closing stock:** Raw materials - 35,000, work in progress-14,500 and finished stock - 40,030, profit 25% on cost
2. A company has three production and two service departments. The distribution summary of overhead is as follows:

Production departments:

A	13600
B	14700
C	12700

Service departments:

X	9000
Y	3000

The expenses of service departments are charged on a percentage basis which is as follows:

	A	B	C	X	Y
X	40%	30%	20%	-	10%
Y	30%	30%	20%	20%	-

Apportion the cost of service departments using simultaneous equation method

3. Give the meaning of remuneration. Discuss the methods of remuneration

**SHORT ESSAYS (Answer any Eight)**

**8 x 5 = 40 Marks**

4. Calculate the earnings of a worker under (a) Halsey premium plan and (b) Rowan premium plan  
Rate per hour - Rs.1.50 per hour  
Time allowed for job - 20 hours  
Time taken - 15 hours

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5. Explain time rate and piece rate system
6. What is the need for reconciliation? Explain the reasons for difference in profit or loss shown in cost accounts and final accounts
7. Explain the elements of cost
8. Explain briefly absorption of overheads
9. From the following particulars prepare a stores ledger account under LIFO method – March 2020  
02 – Purchases 200 units @ 200  
04 – Issued 150 units  
06 – Purchases 200 units @ 220  
10 – Issued 100 units  
16 – Purchases 200 units @ 210  
18 – Issued 220 units  
24 – Purchases 150 units @ 230  
25 – Issued 190 units  
28 – Issued 30 units
10. What is inventory control? Explain the techniques of inventory control
11. Enumerate the techniques of costing
12. Explain briefly the components of cost sheet
13. From the following particulars, calculate the EOQ  
Annual requirements – 1600 units  
Cost of materials per units – Rs.40  
Cost of placing and receiving order – Rs.50  
Annual carrying cost for inventory value – 10%

## SHORT ANSWERS (Answer any ten)

10 x 2 = 20 Marks

14. What is labour?
15. What is quotation?
16. What is marginal costing?
17. What is machine hour rate?
18. What is cost plus costing?
19. What is employee welfare cost?
20. What do you mean by EOQ?
21. What is cost sheet?
22. What is overtime premium?
23. What is normal and abnormal cost?
24. What is VED analysis?
25. What is fringe benefits?

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