

**Rajiv Gandhi University of Health Sciences, Karnataka**  
**II Semester M.H.A Degree Examination – 23-May-2025**

Time: Three Hours

Max. Marks: 100 Marks

**HOSPITAL ADMINISTRATION****Accounting and Financial Management in Health Care - PAPER-I (RS-5)****Q.P. CODE: 8734****(QP contains two pages)**Your answers should be specific to the questions asked  
Draw neat, labeled diagrams wherever necessary**Answer All The Questions****10 x 10 = 100 Marks**

1. Explain principles of hospital service.
2. Explain sources of finance.
3. What is working capital? Explain factors and components.
4. Explain profit maximization and wealth maximization.
5. Shine hospital provides the following information, you are required prepare
  - a. Current Ratio
  - b. Quick ratio
  - c. Stock turnover ratio
  - d. Debt equity ratio
  - e. Return on investment

**INFORMATION**

Current Assets	Rs.500000	Opening stock	Rs.50000
Closing stock	Rs.150000	Cost of Goods sold	Rs.200000
Gross profit	Rs.200000	Indirect expenses	Rs.20000
Equity shares	Rs.700000	10% preference share capital	Rs.300000
12% debenture	Rs.200000	Current liabilities	Rs.200000
General reserves	Rs.100000		

6. Explain time value of money.
7. Describe ABC costing.
8. Write a note on risk return trade off.
9. Define accounting. Explain accounting concepts and conventions.

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10. Prepare final account for the year ending as on December 31 2022

From the trial balance of Shri Gopal and adjustments

<b>PARTICULARS</b>	<b>DEBIT (Rs)</b>	<b>CREDIT (Rs)</b>
Opening stock	53,000	
Purchases and sales	70,000	1,20,000
Return	1000	2000
Bills receivable and payable	5600	16,000
Drawing and capital	10,000	1,00,000
Machinery	40,000	
Buildings	60,000	
Salaries	20,000	
Advertisement	8000	
Discount	5000	8000
Cash	3000	
Rent	2400	
Stationery	2000	30,000
Bank loan		24,000
Debtors and Creditors	20,000	
Wages	2000	
General Expenses	3000	
Commission Received		5,000
<b>TOTAL</b>	<b>3,05,000</b>	<b>3,05,000</b>

## ADJUSTMENTS

- Closing stock Rs.5000
- Outstanding salaries Rs.1000 and Rent Rs.1000
- Write off bad debts Rs.2000 from Debtors
- Commission earned but not received Rs.1000
- Depreciation on machinery at 10% p.a
- Create provision for discount don debtors and creditors at 5%

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