Rajiv Gandhi University of Health Sciences, Karnataka

VI Semester Bachelors in Hospital Administration Degree Examination - 04-Nov-2026

Time: Three Hours **Max. Marks: 80 Marks**

MANAGEMENT ACCOUNTING IN HEALTHCARE - (RS)

Q.P. CODE: 3251

(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. Star 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.5,00,000	Opening stock	Rs.50,000
Closing stock	Rs.1,50,000	Cost of goods sold	Rs.12,00,000
Gross profit	Rs.2,00,000	Indirect expenses	Rs.20,000
Equity shares	Rs.7,00,000	10% preference share capital	Rs.3,00,000
12% debenture	Rs.2,00,000	Current liabilities	Rs.2,00,000
General reserves	Rs.1,00,000		

2. What is budgetary control? Explain process and classification of budget

3. What is cash flow statement? Explain uses and significance of cash flow statement

SHORT ESSAYS (Answer any Eight) **8 x 5 = 40 Marks**

4. From the following data calculate BEP and number of units sold and to earn profit of Rs.3,000 per unit

   a) Selling price per unit Rs.10
   b) Variable cost per unit Rs.7
   c) Fixed overheads
      - Work overhead Rs.27,000
      - Selling overhead Rs.12,600

5. From the following information calculate funds from operation
   a) Net profit for the year ending 31st March 2020 – Rs.50,000
   b) Discount on issue of shares written off during the year – Rs.2,000
   c) Preference share capital Rs.1,00,000 is redeemed at 5% premium
   d) Goodwill appears in the book at Rs.20,000 out of which 10% has been written off
   e) Income received from non-trading operation Rs.2,000
   f) Old machinery book value Rs.8,000 has been sold for Rs.6,000

6. The following data for 60% activity, prepare a budget for 80% capacity under flexible budget production at 60% capacity 600 units

    a) Direct expenses Rs.10 per unit
    b) Material cost Rs.100 per unit
    c) Factory expenses Rs.40,000 (40% fixed)
    d) Labour cost Rs.40 per unit
    e) Administrative expenses Rs.30,000 (60% fixed)
    f) Selling and distribution expenses Rs.20,000 (50% variable)

7. Write a note on marginal costing
8. Explain merits and demerits of ratio analysis
9. What is management accounting? Explain importance of management accounting
10. Explain cost accounting and financial accounting
11. Write a note on financial analysis
12. Explain current ratio and quick ratio
13. Explain comparative statement analysis

SHORT ANSWERS (Answer any ten) **10 x 2 = 20 Marks**

14. What is stock turnover ratio?
15 What is meant by operating activities?
16. Any few difference between fund flow statement and cash flow statement
17. What is CVP?
18. Any few role of management accountant
19. What is cash budget and production budget?
20. What is profit maximization?
21. Define change in working capital
22. Fund from operation
23. What is trend analysis?
24. What is sources and applications of fund?
25. What is debtor turnover ratio?

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