

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

MSc DEGREE EXAMINATION DECEMBER 2024
(First Semester)

Branch- HOSPITAL ADMINISTRATION

ACCOUNTING AND FINANCIAL REPORTING

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer ALL questions

ALL questions carry EQUAL marks

(10 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	The accounting equation is: a) Assets = Liabilities + Equity b) Assets = Liabilities - Equity c) Assets + Liabilities = Equity d) Assets = Revenue - Expenses	K1	CO1
	2	Which financial statement reports the accumulated depreciation? a) Income Statement b) Statement of Cash Flows c) Balance Sheet d) Statement of Changes in Equity	K2	CO1
2	3	Which costing method focuses on eliminating waste? a) Standard Costing b) Marginal Costing c) Lean Costing d) Activity-Based Costing	K1	CO2
	4	Which of the following is a variable cost? a) Rent b) Salaries c) Raw materials d) Depreciation	K2	CO2
3	5	The break-even point is where: a) Total revenue equals total costs b) Total revenue exceeds total costs c) Total costs exceed total revenue d) Profit is maximized	K1	CO3
	6	Which ratio indicates a company's ability to pay its long-term debts? a) Current ratio b) Quick ratio c) Debt to equity ratio d) Inventory turnover	K2	CO3
4	7	Which of the following is included in the Receipts and Payments Account? a) Depreciation b) Cash donations c) Accrued expenses d) Depreciation reserves	K1	CO4
	8	What does the Income and Expenditure Account primarily show? a) Cash flow b) Profit and loss c) Financial position d) Cash reserves	K2	CO4
5	9	Window dressing in financial reporting refers to: a) Accurate financial presentation b) Misleading financial statements c) Transparent reporting d) Regular auditing	K1	CO5
	10	What is a primary benefit of cost containment in hospitals? a) Increased patient volume b) Improved quality of care c) Reduced operational costs d) Enhanced staff satisfaction	K2	CO5

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SECTION - B (35 Marks)Answer **ALL** questions**ALL** questions carry **EQUAL** Marks

(5 × 7 = 35)

Module No.	Question No.	Question	K Level	CO
1	11.a.	Identify the key accounting concepts and conventions.	K3	CO1
		(OR)		
	11.b.	Organize the main elements of a balance sheet.		
2	12.a.	Identify the importance of cost accounting in decision-making.	K3	CO2
		(OR)		
	12.b.	Construct the different types of costs and their classification.		
3	13.a.	Examine the various classifications of ratios with examples.	K4	CO3
		(OR)		
	13.b.	Analyze the steps in preparing a cash flow statement.		
4	14.a.	Examine the purpose of the Receipts and Payments Account in a non-profit organization.	K4	CO4
		(OR)		
	14.b.	Distinguish between capital expenditure and revenue expenditure.		
5	15.a.	Explain the role of the finance controller in hospital management.	K5	CO5
		(OR)		
	15.b.	Evaluate the importance of a financial information system in a hospital.		

SECTION -C (30 Marks)Answer **ANY THREE** questions**ALL** questions carry **EQUAL** Marks

(3 × 10 = 30)

Module No.	Question No.	Question	K Level	CO
1	16	Examine depreciation by using Straight Line method and Diminishing Balance Method from the following data: • Cost of the Asset: Rs or ₹ 10,000 • Useful Life: 5 years • Residual Value: Rs 1,000 • Depreciation Rate for Diminishing Method: 20%	K4	CO1
2	17	List a cost sheet for a manufacturing company, including all necessary components.	K4	CO2
3	18	Estimate flexible budget by using following data, • Sales Volume: 1,000 units • Selling Price per Unit: Rs 50 • Variable Cost per Unit: Rs 30 • Fixed Costs: Rs 10,000 Prepare a flexible budget for different sales volumes: 800 units, 1,000 units, and 1,200 units.	K5	CO3
4	19	A Non- Profit Institution has the following data for the year 2023: • Cash at the beginning: Rs 2,500 • Tuition fees received: Rs 6,000 • Donations received: Rs 2,500 • Office expenses: Rs 3,500 • Cash at the end: Rs 7,500 Estimate the Receipts and Payments Account.	K5	CO4
5	20	Examine the consequences of window dressing in financial reporting for hospitals.	K4	CO5

Z-Z-Z

END