

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

MSc DEGREE EXAMINATION DECEMBER 2025
(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	Which of the following is a real account? A. Rent Account B. Salary Account C. Cash Account D. Commission Account	K1	CO1
	2	The trial balance is prepared to A. Record transactions B. Prepare final accounts C. Check arithmetical accuracy of ledger D. Calculate net profit	K2	CO1
2	3	Marginal costing is best suited for A. Financial reporting B. Tax calculation C. Decision making and cost control D. Asset valuation	K1	CO2
	4	Flexible budgeting helps in A. Fixing prices B. Comparing actual performance with budget C. Preparing balance sheet D. Recording fixed expenses	K2	CO2
3	5	Cash flow from operating activities includes A. Sale of fixed assets B. Issue of shares C. Payment to suppliers D. Purchase of machinery	K1	CO3
	6	Ratio analysis helps in understanding: A. Employee satisfaction B. Financial performance C. Market trends D. Legal compliance	K2	CO3
4	7	Receipts and Payments account is: A. A real account B. A nominal account C. A revenue account D. A summary of cash	K1	CO4
	8	Capital expenditure in a temple economy refers to A. Daily offerings B. Salaries to priests C. Construction of new buildings D. Purchase of flowers	K2	CO4
5	9	Cost containment in hospitals aims to A. Increase patient visits B. Reduce unnecessary expenses C. Improve staff salaries D. Expand infrastructure	K1	CO5
	10	Financial Information System is used for A. Entertainment B. Data entry C. Decision support and financial planning D. Social media management	K2	CO5

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.	Explain the accounting cycle with examples.	K2	CO1
		(OR)		

Cont...

1	11.b.	Describe the Bahi-Khata system and its relevance today.	K2	CO1
2	12.a.	List and explain the major types of cost accounting systems.	K3	CO2
		(OR)		
3	12.b.	Discuss the advantages of using multiple costing methods in hospital administration.	K4	CO3
	13.a.	Differentiate between financial accounting and management accounting.		
4		(OR)	K4	CO4
	13.b.	How do Dharmashastras guide resource allocation and savings?		
5	14.a.	Examine how final accounts reflect the financial accountability of a non profit organization.	K3	CO5
		(OR)		
5	14.b.	Examine the accounting treatment of endowment funds and their impact on financial reporting.		
	15.a.	Evaluate the role of financial discipline in hospital budgeting.		
		(OR)		
	15.b.	Determine the impact of window dressing on hospital performance.		

SECTION -C (30 Marks)

Answer ANY THREE questions

ALL questions carry EQUAL Marks

 $(3 \times 10 = 30)$

Module No.	Question No.	Question	K Level	CO																														
1	16	<p>Constrast a Trial Balance as on March 31, 2025, from the following ledger balances of M/s. Green Life Enterprises</p> <table border="1"> <thead> <tr> <th>Particulars</th><th>Amount (₹)</th></tr> </thead> <tbody> <tr><td>Capital</td><td>5,00,000</td></tr> <tr><td>Cash in Hand</td><td>25,000</td></tr> <tr><td>Bank Balance</td><td>1,20,000</td></tr> <tr><td>Purchases</td><td>2,50,000</td></tr> <tr><td>Sales</td><td>4,00,000</td></tr> <tr><td>Salaries</td><td>60,000</td></tr> <tr><td>Rent Paid</td><td>30,000</td></tr> <tr><td>Furniture</td><td>80,000</td></tr> <tr><td>Debtors</td><td>1,50,000</td></tr> <tr><td>Creditors</td><td>1,00,000</td></tr> <tr><td>Drawings</td><td>40,000</td></tr> <tr><td>Electricity</td><td>10,000</td></tr> <tr><td>Charges</td><td></td></tr> <tr><td>Commission Received</td><td>20,000</td></tr> </tbody> </table>	Particulars	Amount (₹)	Capital	5,00,000	Cash in Hand	25,000	Bank Balance	1,20,000	Purchases	2,50,000	Sales	4,00,000	Salaries	60,000	Rent Paid	30,000	Furniture	80,000	Debtors	1,50,000	Creditors	1,00,000	Drawings	40,000	Electricity	10,000	Charges		Commission Received	20,000	K4	CO1
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2	17	Explain the cost sheet help in pricing healthcare services.	K5	CO2																														
3	18	Evaluate the effectiveness of cash flow and fund flow statements in assessing the financial health of a hospital. Justify which tool offers better insights for strategic decision-making.	K5	CO3																														
4	19	Analyse the accounting structure of a non-profit healthcare organization.	K4	CO4																														
5	20	Develop a financial reporting framework for hospital performance.	K6	CO5																														