



"Investing in Africa's future"

COLLEGE OF HEALTH, AGRICULTURE & NATURAL SCIENCES

DEPARTMENT OF PUBLIC HEALTH AND NURSING

NSHA 100 PRINCIPLES OF HEALTH SERVICES ACCOUNTING (BISM)

END OF SEMESTER FINAL EXAMINATIONS

NOVEMBER 2025

LECTURER: MR T.T. DZVAIRO

DURATION: 3 HRS

INSTRUCTIONS

You are required to answer questions as instructed below

Answer the **Compulsory question** in Section A and any

Three (3) in Section B in this paper

Credit will be awarded for logical, systematic and neat presentations

Start **each** question on a new page in your answer booklet

SECTION A (Compulsory Question 25 Marks)

QUESTION ONE

The information below relates to Paradise Health Centre for the year ended 31 December 2023.

Patient Revenue \$2,818,000

Salaries & Wages \$1,425,000

Purchased Services 180,000

Other Operating Revenue 305,000

Employee Benefits 356,000

Medical Supplies 350,000

Drugs cost 120,000

Other Expenses 347,000

Water and utilities \$ 55 000

Catering sales \$ 250 000

Depreciation of non-current assets 160,000

Bad debts written off \$ 20 000

Business unit income \$ 35 000

Interest expense 30,000

Non-Operating Revenue 45,000

Government grant \$1 500 000

Donation from PEPFAR 450 000

There were unpaid employee benefits worth \$44 000 at the year-end 31 December 2023.

Other expenses figure includes \$47 000 relating to January and February 2024.

Required

Prepare an Income Statement for the year ended 31 December 2023 for Paradise Health Centre

SECTION B (ANSWER ANY THREE)

QUESTION TWO

(25 Points)

- a) Explain the accounting equation and its relevance in the preparation of the balance sheet for a healthcare organization [10 Marks]
- b) Define the following accounting terms
 - i. Drawings (2 Marks)
 - ii. Turnover (2Marks)
 - iii. Purchases (2 Marks)
 - iv. Gross profit (2 Marks)
 - v. Depreciation (2 Marks)
- c) Give examples of the following accounting terms
 - i. Expenses two examples (2 marks)
 - ii. Current assets two examples (2 marks)
 - iii. Revenue one example (1 mark)

QUESTION THREE

[25 Marks]

- a) Compare and contrast the Economic Order Quantity (EOQ) model and the Just-in-Time (JIT) inventory model in the context of health services. Which model would you recommend for a hospital pharmacy, and why? [15 Marks]
- b) Provide strategies that can be used to prevent revenue loss by health care entities. [10 Marks]

QUESTION FOUR

(25 Marks)

- a) Describe how the budgeting process in healthcare services is used as a financial management tool. Include key steps and types of budgets involved. [25 Marks]

QUESTION FIVE

(25 Marks)

- a) Explain the importance of inventory management in healthcare organizations.[10 Marks]
- b) Discuss the challenges specific to healthcare and how inventory models can be used to optimize inventory control [15 Marks]

QUESTION SIX

(25 Marks)

- a.) Discuss the role of Electronic Health Records (EHR) in preventing revenue loss in healthcare organizations. [15 Marks]

b.) How does EHR contribute to improved billing accuracy and revenue cycle management? [10 Marks]

End Of Exam

END OF PAPER