Internship Report

on

Accounting Practices in Hospital:

A Case Study on Comfort Nursing Home (Hospital)

Submitted by:

Md. Ariful Islam

ID: BBA2103024077
Program: Bachelor of Business Administration (BBA)
Major: Accounting
Semester: Summer-2025

Submitted to:

Department of Business Administration

Sonargaon University (SU)
Submitted for the partial fulfillment of the degree of
Bachelor of Business Administration (BBA)

Sonargaon University (SU)

147/I, Green Road, Tejgaon, Dhaka-1215, Bangladesh.

Date of Submission: August30, 2025

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Submitted to:

Sumon Sheikh
Lecturer
Department of Business Administration
Sonargaon University (SU)

Sonargaon University (SU)

147/I, Green Road, Tejgaon, Dhaka-1215, Bangladesh.

Date of Submission: August30, 2025

Letter of Transmittal

August30, 2025

To,

Sumon Sheikh
Lecturer
Department of Business Administration
Sonargaon University (SU), Dhaka.

Subject: Submission of Report on **"Accounting Practices in Hospital: A Case Study on Comfort Nursing Home (Hospital)"**

Dear Sir,

With due respect, I am submitting my Internship Report on **"Accounting Practices in Hospital: A Case Study on Comfort Nursing Home (Hospital)"** as a part of my Bachelor of Business Administration program. This is my honor to submit this report of my four months long Internship Program in Comfort Nursing Home (Hospital). This report has been prepared to fulfill the requirement of my Internship Program at my assigned organization in Comfort Nursing Home (Hospital). It has been a great learning experience for me to work in the organization and preparing this report by outmost effort. Hence, this has been obvious for me to conduct similar types of studies in the future.

I am thankful to you for your guidance, suggestions, and constructive criticisms during the preparation of this report that only impelled me further into excelling. I genuinely hope that you would enjoy learning about the organization and its operational procedures besides merely evaluating the work based on the grading criteria set for this assignment.

Sincerely Yours,

_____

Md. Ariful Islam
ID: BBA2103024077
Department of Business Administration
Sonargaon University (SU)

Letter of Authorization

I, Mr. Sumon Sheikh, Lecturer, Department of Business Administration, Sonargaon University (SU) hereby certify that the report work entitled **"Accounting practices in hospital: A Case Study onComfort Nursing Home (Hospital)"** has been prepared byMr. Ariful Islam, ID: BBA2103024077, Department of Business Administration, Sonargaon University (SU) and submitted as a requirement for the partial fulfillment for the degree of the Bachelor of Business Administration (BBA) with major in Accounting. To the best of my knowledge, the above-mentioned work has been conducted by the student herself. Any option and/or suggestion made in this study are entirely that of the author of this report.

The report is an original work and prepared as a partial requirement of the degree the Bachelor of Business Administration (BBA).

_____

Sumon Sheikh
Lecturer
Department of Business Administration
Sonargaon University (SU)

Student's Declaration

This is Md. Ariful Islam, a student of Bachelor of Business Administration (BBA), ID: BBA2103024077 from Sonargaon University (SU) would like to solemnly declaration here that this report on **"Accounting Practices in Hospital: A Case Study on Comfort Nursing Home (Hospital)"**has been authentically prepared by me under supervisor Mr.Sumon Sheikh, Lecturer, Department of Business Administration, Sonargaon University(SU).

I didn't breach any copyright act intentionally. I am further declaring that I did not submit this report anywhere for awarding any degree, diploma, or certificate.

Sincerely Yours,

Md. Ariful Islam
ID: BBA2103024077
Major: Accounting
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Acknowledgement

First and foremost, I want to express my heartfelt thanks to my supervisor, Mr.Sumon Sheikh, lecturer at the Department of Business Administration, Sonargaon University (SU), for his unwavering support and guidance throughout this report. His expertise in accounting and his insightful feedback have been invaluable in helping me complete this case study on **"Accounting Practices in Hospital: A Case Study on Comfort Nursing Home (Hospital)."**

I would also like to extend my gratitude to all the faculty members of the Department of Business Administration at Sonargaon University. Your continuous support and encouragement have created an environment where learning truly thrives.

A special thank you to Comfort Nursing Home (Hospital) for graciously providing me with the necessary resources and access to vital information that made this study possible. Your cooperation and transparency have been crucial in helping me gain real-world insights.

Lastly, I want to thank my family, friends, and classmates for their endless encouragement and motivation. Their support has been a constant source of strength and inspiration throughout this journey.

Executive Summary

This internship report is a partial requirement of the Bachelor of Business Administration (BBA) program and is based on practical training at Comfort Nursing Home (Hospital), a reputed healthcare institution in Bangladesh. The internship was designed to bridge theoretical knowledge with practical exposure, focusing specifically on accounting practices within a healthcare setting.

The Accounting Department of Comfort Nursing Home, led by the Deputy General Manager (DGM) of Finance, plays a central role in managing financial operations. Its responsibilities include accounts payable and receivable, payroll, taxation, financial reporting, and internal control systems. The hospital follows a hybrid accounting model, utilizing a custom ERP system for patient services, Tally Prime for accounting and financial reporting, and manual registers for record summaries. This combination ensures operational efficiency, data security, and ease of understanding for senior decision-makers.

During the internship, I actively participated in tasks such as cheque register management, payroll preparation, transaction tracking, and tax compliance. I also gained exposure to the preparation of financial reports and internal audits, which provided practical insights into the application of accounting principles in a service-oriented industry.

The report further analyzes the strengths, weaknesses, opportunities, and threats (SWOT) of Comfort Nursing Home's accounting practices and identifies areas for improvement. Key recommendations include strengthening the use of accounting software, enhancing staff training, and improving digital backup systems to ensure resilience.

Overall, this internship has been an invaluable opportunity to apply academic learning in a professional environment, develop technical and analytical skills, and understand how accounting supports transparency, compliance, and effective decision-making in the healthcare sector.

Table of Content

Sl. No.	Particulars	Page No.
Letter of Transmittal		**I**
Letter of Authorization		**II**
Student's Declaration		**III**
Acknowledgement		**IV**
Executive Summary		**V**
Table of Content		**VI-VII**
Chapter 1	**Introduction**	**1-5**
1.1	Introduction	2
1.2	Objective of this Study	2
1.3	Significance of the Study	3
1.4	Methodology of the Study	3
1.5	Sources of Data	4
1.6	Data Collection Techniques	4
Chapter 2	**Literature Review**	**6-14**
2.1	Literature Review	7
2.2	Conceptual Framework of Accounting	7
2.3	The Unique Financial Environment of Hospitals	8
2.4	Sources of Income and Complexity	8
2.5	Healthcare Cost Structure	9
2.6	For-Profit Vs. Non-Profit Vs. Public Hospitals	10
2.7	Patient Confidentiality and Billing Transparency	10
2.8	Previous Studies and Research	11
2.9	Research Gap	14
Chapter 3	**Company Profile**	**15-28**
3.1	Company Profile	16
3.2	Background	16
3.3	Staff of Comfort Nursing Home (Hospital)	18
3.4	Facilities of Comfort Nursing Home (Hospital)	19
3.5	List of Directors	22
3.6	Organogram	23
3.7	Shareholding Structure	24
3.8	Registered Office	24
3.9	SWOT Analysis	25
Chapter 4	**Nature of the Internship**	**27-29**
4.1	Nature of the Internship	28
Chapter 5	**Results & Discussion**	**30-48**
5.1	Fundamental Concepts and Scope of Accounting Practices	31
5.2	Importance of Proper Accounting Practices	32
5.3	Accounting Activities at Comfort Nursing Home (Hospital)	33

5.4	Organogram of Accounting Department	36
5.5	Manual Accounting Practices and IT-Based Accounting Practices at Comfort Nursing Home (Hospital)	37
5.6	Hybrid Accounting Practices at Comfort Nursing Home (Hospital)	38
5.7	Accounting Practices of Comfort Nursing Home	39
5.8	Daily Transaction Collection Process	47
5.9	Vouchers	48
5.10	Credit Invoice Management	48
Chapter 6	**Limitation, Recommendation & Conclusion**	**49-54**
6.1	Findings	50
6.2	Limitations	51
6.3	Recommendations	52
6.4	Conclusion	53
	Reference	54

CHAPTER-1

INTRODUCTION

1.1 Introduction

This internship report fulfills part of the Bachelor of Business Administration (BBA) program requirements, aiming to connect theoretical knowledge with practical application in accounting. The internship was completed at Comfort Nursing Home (Hospital), a renowned healthcare provider in Bangladesh committed to quality patient care and operational efficiency.

The report outlines the structure and operations of the accounting department, detailing financial reporting, payroll, taxation, and the use of both ERP and Tally Prime systems. It also reflects on the practical experience gained, demonstrating how accounting principles are applied in a healthcare setting to ensure transparency, compliance, and informed decision-making.

1.2Objective of this study

The main aim of this report is to fulfill the course requirements for the accounting internship in the bachelor of business administration program at Sonargaon University. It also aims to examine and analyze the accounting practices at Comfort Nursing Home (Pvt.) Ltd., a modern and technology-equipped hospital in Dhaka that delivers quality health-care services, with specializations in urology and orthopedics

1.2.1 General Objective

- To understand the accounting practices and financial operations at Comfort Nursing Home (Pvt.) Ltd.

1.2.2 Specific Objectives

- To gain a clear understanding of the day-to-day accounting procedures and processes within the organization.
- To identify the factors that contribute to the effectiveness of financial record-keeping and reporting.
- To explore any challenges, weaknesses, or inefficiencies present in the current accounting system.
- To suggest practical and actionable recommendations to improve the hospital's accounting and financial management practices.

1.3Significance of the Study

The healthcare industry, a cornerstone of national well-being, is characterized by stringent regulatory requirements, complex service delivery processes, and the necessity to maintain high standards of patient care. Within this sector, effective accounting practices are crucial, as they directly influence financial stability, operational efficiency, and the ability to invest in quality healthcare services. Comfort Nursing Home (Pvt.) Ltd., a renowned healthcare provider in Dhaka specializing in urology, orthopedics, and advanced medical diagnostics, faces diverse challenges in managing its financial operations, including accurate billing, cost control, revenue management, and compliance with healthcare regulations.

In recent years, there has been growing recognition of the critical role that sound accounting practices play in sustaining and improving healthcare services. Proper financial management can lead to cost reduction, resource optimization, improved service quality, and enhanced patient trust. However, implementing robust accounting systems in a hospital environment is complex, requiring careful integration of financial procedures with patient care operations, insurance claims, and government reporting requirements.

The specific operational context of Comfort Nursing Home offers a valuable opportunity to explore how accounting practices support both the financial and service delivery objectives of a modern healthcare organization. By examining the case of this hospital, this study aims to contribute to the understanding of accounting practices in the healthcare sector and provide insights for professionals and policymakers seeking to strengthen financial management in similar institutions.

1.4Methodology of the Study

This report is based on my internship experience in the Accounts Department of Comfort Nursing Home, combining both theoretical knowledge and practical exposure. Working closely with the Head Accountant allowed me to access various financial documents such as vouchers, ledgers, trial balances, and audit reports.

The study is descriptive in nature and uses both primary and secondary data. Financial performance analysis using liquidity, operating efficiency, and profitability ratios was also conducted.

1.5Sources of Data

The study was conducted using both primary and secondary data from different sources.

1.5.1 Primary Sources

I. Direct observation of accounting activities within the Accounts Department.
II. In-depth, open-ended interviews with the Head Accountant and other key staff.
III. Informal discussions with Accounts and Finance Department officials.
IV. Practical deskwork involving routine accounting activities.
V. Review of accounting records, ledgers, trial balances, and audit reports.
VI. Personal investigation of internal control and budget management practices.

1.5.2 Secondary Sources

I. Annual reports and financial statements of Comfort Nursing Home.
II. Organizational brochures, manuals, and internal publications.
III. Accounting records from head office.
IV. Hospital sector journals and industry publications.

1.6Data Collection Techniques

To ensure the validity and reliability of the collected data, the following techniques were applied:

1. **Observation Method**: Careful observation of day-to-day accounting procedures, transaction processing, ledger posting, and preparation of financial reports.
2. **Interview Method**: Conducting both formal and informal interviews with departmental staff to gain insights into accounting operations, financial reporting, and budget management.

3. **Document Review**: Examination of vouchers, ledgers, trial balances, audit reports, and other official financial documents to obtain accurate figures and procedural details.
4. **Desk Research**: Reviewing annual reports, manuals, and relevant laws to understand the regulatory and operational framework of the hospital's financial activities.
5. **Online Research**: Gathering supplementary data from credible online resources, including hospital sector research articles, accounting standards updates, and healthcare industry reports.
6. **Practical Participation**: Actively assisting in accounting tasks such as data entry, voucher preparation, and financial statement drafting to acquire first-hand operational knowledge

CHAPTER-2

LITERATURE REVIEW

2.1 Literature Review

For healthcare organizations to be managed effectively and transparently, accounting is essential. Accounting procedures are crucial in the context of hospitals and assisted living facilities not only for financial reporting and compliance but also for guaranteeing that medical care is provided in a way that is financially viable.

Accurate and dependable accounting systems are becoming more and more necessary as h ealthcare organizations deal with mounting pressure to control costs while upholding high standards of care.With an emphasis on how these techniques are used in hospital settings, this literature review examines the fundamental ideas, procedures, and difficulties related to accounting practices in the healthcare industry. The review lays the groundwork for comprehending the accounting procedures seen during an internship at Comfort Nursing Home, a Dhaka-based private healthcare institution renowned for its specialist nursing services and patient-centered care.

In order to do this, the chapter will give a thorough rundown of managerial and financial accounting procedures in relation to hospital operations. The conceptual framework of accounting will be defined first, and then the particular financial environment of the healthcare sector will be examined. After that, the assessment will focus on certain, Unique Financial Environment of Hospitals, Healthcare Cost Structure, For-Profit vs. Non-Profit vs. Public Hospitals, Patient Confidentiality and Billing Transparency.

This literature foundation will create a strong framework to contextualize and assess the practical accounting procedures experienced during the internship at Comfort Nursing Home by combining accepted theories and industry standards.

2.2 Conceptual Framework of Accounting

The conceptual framework of accounting provides a structured foundation for the preparation and presentation of financial information. It outlines the fundamental principles and concepts that guide accounting. In a healthcare setting such as Comfort Nursing Home, proper accounting ensures financial transparency, efficient resource allocation, and compliance with regulatory requirements.

2.2. Definition of Accounting

Accounting is the systematic process of identifying, recording, summarizing, and reporting financial transactions of an organization in a meaningful and understandable manner. It supports internal decision-making, external reporting, and compliance.

2.2.1Important Accounting Concepts

i. **The matching principle**states that costs are documented within the same accounting period as the income they contribute to. Medical supplies used during a patient's treatment, for example, are recorded at the same time as the associated revenue.

ii. **The principle of revenue recognition**states that income is recorded as soon as it is produced and obtainable, not always when money is received. This is crucial for hospital billing procedures, particularly when handling insurance claims or credit payments.

iii. **Principle of Consistency**states that over time, the hospital has consistently used the same accounting procedures and guidelines. This guarantees the dependability of financial statistics and permits precise financial comparisons across time periods.

2.3 The Unique Financial Environment of Hospitals

The financial environment in which hospital accounting operates is complex and specialized, different from other industries. Comfort Nursing Home and other healthcare organization's financial management calls for a thorough comprehension of various revenue sources, cost structure.

2.4 Sources of Income and Complexity

Revenue at Comfort Nursing Home usually comes from the following sources:

i. **Revenue from Patient:** This comprises earnings from both inpatient and outpatient care. Individuals admitted for prolonged treatment is referred to as inpatients, whilst individuals receiving treatments without overnight stays are referred to as outpatients.

ii. **Third-Party Payers:** private insurance firms account for a sizable amount of hospital revenue. These organizations frequently pay hospitals according to pre-arranged bundles or prices, which makes billing and reconciliation more difficult.
iii. **Direct Patient Payments:** Co-pays, deductibles, or full payments for services not covered by insurance are examples of how patients may pay for healthcare services directly. Accurate tracking of these payments is necessary to guarantee appropriate revenue recognition.
iv. **Ancillary Services:** Supportive medical services including pharmacy sales, physical therapy, dialysis services can bring in money. Each of these divisions has its own revenue and billing systems.

2.5 Healthcare Cost Structure

i. **High Fixed Costs:** Land, buildings, and costly medical equipment like operating rooms, CT scanners, and MRI machines are all part of the infrastructure that hospitals need to invest heavily in. Over time, these capital assets must be depreciated, necessitating careful accounting handling.
ii. **High manpower Costs:** The healthcare sector requires a lot of manpower; salaries and benefits of medical staff, including doctors, nurses, technicians, and support workers, account for a significant amount of hospital spending. These expenses are ongoing and account for a significant portion of the hospital's debt.
iii. **Variable Costs:** These comprise expenditures for patient meals, consumable medical supplies, and other operational items. Variable costs, as opposed to fixed costs, change according to the number of patients and the severity of their treatment.

2.6 For-Profit vs. Non-Profit vs. Public Hospitals

The ownership and organizational structure of the hospital can affect the accounting requirements:

i. **For-Profit Hospitals:**Focused on profitability and shareholder returns. The focus of financial reporting is on return on investment, cost reduction, and revenue growth.
ii. **Non-profit hospitals:** Place a strong emphasis on funding community health services again. Financial statements generally include information on grant utilization, fundraising activities, and community benefit projects.

iii. **Public Hospitals:** Run by the government, these facilities put the needs of the general public before their own bottom line. Their accounting has to meet the criteria of public sector audits, fund accounting, and government budgeting.

Accounting procedures at Comfort Nursing Home, a private healthcare facility, are made to guarantee regulatory compliance, service effectiveness, and revenue growth.

2.7 Patient Confidentiality and Billing Transparency

In hospital accounting, maintaining patient confidentiality is critical. Financial records must protect sensitive information such as medical history, treatments, and insurance details. At Comfort Nursing Home, access to billing data is restricted to authorized staff, and all patient information is handled securely to comply with privacy regulations. These controls shield the company from financial and legal risks, guarantee invoicing and payment accuracy, and stop fraud. Integrity in financial operations is preserved by regular audits, job segregation, safe access to accounting systems, and policy enforcement.

Billing transparency ensures patients clearly understand what they are being charged for. This includes providing itemized bills, explaining insurance coverage, and offering cost estimates for services. Comfort Nursing Home emphasizes clarity in billing to build trust, avoid disputes, and support informed patient decisions.

2.8 Previous Studies and Research

Hospital accounting has evolved to meet changing regulatory and competitive environments. Traditional systems focus on financial reporting requirements but lack detailed cost information for specific services (Sabin, 1987). Modern approaches emphasize micro costing to determine full costs of procedures, enabling better decision-making and negotiation with payers (Sabin, 1987). Hospitals employ various transaction cycles, including revenue, expenditure, production, and financial reporting (Meiryani et al., 2020). Historical analysis reveals that accounting practices may persist despite institutional changes, as seen in French hospitals from the 15th to 17th centuries (Baker, 2016). In regulated environments, hospitals have used accounting techniques like manipulating contractual adjustments to shift costs among payers and increase revenues (Eldenburg& Soderstrom, 1996). As the healthcare landscape continues to evolve, hospital accounting systems must adapt to provide accurate cost information and support strategic decision-making in an increasingly competitive market.

Title and Authors	Abstract Summary	Main Findings	Limitations
Accounting Perspective in Hospital *(Meiryani et al., 2020)*	Overview of the accounting perspective in hospitals, including the various transaction cycles involved in hospital operations.	- The cost accounting system is crucial for determining actual healthcare costs in hospitals. - Accounting plays a vital role in providing information for decision-making and planning in hospitals.	- The hospital conducts two recording and reporting systems (Accrual Basis and Cash Basis), which are felt to be a burden on hospital staff.
Hospital cost accounting and the new imperative. *(Sabin, 1987)*	Hospital cost accounting is important for determining	- Hospitals are increasing their reliance on cost accounting due to	- Current hospital accounting systems do not provide detailed cost

	truecosts of services, enabling optimal decision-making.	regulatory and competitive pressures. - Current accounting systems lack detailed cost information for specific services, hindering managerial decisions. - Micro costing is used to determine full costs for key procedures, focusing on those generating 80% of hospital revenue.	information for specific service units. - Predetermined charges for services may not accurately reflect the true costs.
Hospital accounting and information systems: a critical assessment. *(Macintosh,1991)*	Hospital accounting and information systems are critical for cost-effective accountability, but traditional management accounting issues may arise.	- Hospitals are under pressure to adopt cost-effective accounting systems due to financial constraints and the influence of "neo-Thatcherism." - These new systems could potentially do more harm than help due to subjective and arbitrary accounting decisions.	- Traditional management accounting issues will surface as new systems become operational. - Ongoing debates about incremental versus full-costing, transfer pricing, and cost of capital. - New accounting systems could do more harm than help.

Hospital Management Accounting Systems: Evolving roles, actors, and interactions *(Shi, 2025)*	A systematic review of 196 studies (1980–2022) identifies five evolving roles for Hospital Management Accounting Systems (HMAS).The study emphasizes the interdependence of these roles and advocates for more participative HMAS design to improve effectiveness in public healthcare.	-HMAS serve multiple interconnected roles, not isolated functions -Diagnostic and interactive roles promote control, learning, and engagement -Culture shaping roles help embed accountability and managerial values -Political and symbolic roles impact power dynamics and legitimacy -Effectiveness depends on actor involvement and context-sensitive implementation	-Fragmented literature; few studies integrate multiple roles and actors -Geographic bias toward Anglo-Saxon countries; limited developing country research -Heavy reliance on qualitative methods; lacks longitudinal and mixed-method studies -Underrepresentation of patients and non-clinical staff perspectives -Risk of HMAS reforms being symbolic rather than operationally effective

2.9 Research Gap

While the literature provides a broad overview of hospital accounting practices, there is limited detailed analysis of how these practices are implemented on a day-to-day basis within a mid-sized, private hospital in Dhaka, Bangladesh. This report aims to fill that gap by providing a case study of Comfort Nursing Home (Hospital).

CHAPTER-3

COMPANY PROFILE

COMFORT DIAGNOSTIC CENTER (PVT.) LTD.

COMFORT NURSING HOME (HOSPITAL)

3.1 Company Profile

COMFORT NURSING HOME (HOSPITAL) mission *is to provide excellent health care services to all of COMFORT NURSING HOME (HOSPITAL) clients with dedication to meet their expectation.*



3.2 Background

In 1992 KABIR AHMED BHUIYAN and MD SAIFUL ISLAM planned to setup a complete well-equipped private Hospital. To implement their plan, suggestions were taken from the owners of some reputed Hospitals and eminent doctors of COMFORT NURSING HOME (HOSPITAL) country. Kabir Ahmed Bhuiyan visited different Hospitals in Singapore, Bangkok, Malaysia and India; he observed their business philosophy, administrative techniques, business strategies, business management, managerial functions, types of services, standard of services, etc. On the basis of sharp observations and obtained suggestions, a decision was taken to set-up a modern Hospital in Dhaka city, where complete range of Diagnostic facilities as well as medical treatment will be provided under one roof. Thus, and COMFORT NURSING HOME (HOSPITAL) came into operation in 1993. Initially Comfort started its operation at a rented building situated in Dhanmondi, Dhaka. For the company's appreciable and relatively better services, Comfort got into the mind and heart of the clients and doctors within a short span of time after the inauguration.

Due to increasing numbers of clients and improved services, it became difficult for Comfort to accommodate expected services in the rented building. Therefore, the authorities felt a need to establish a space of their own. Accordingly, a eleven-storied well designed Hospital building was constructed on a purchased piece of land at the prime location of Dhaka city. In October, 1999, the company shifted to the newly built Hospital complex along with newly procured many other world class medical equipment required to run a modern Diagnostic Centre and Hospital. Comfort was the only institution that offered most of the diagnostic facilities and medical treatments under one roof in the private sector at that time in Bangladesh. To meet the increased need to serve more clients, the company successfully opened another branch at Uttara Model Town, Dhaka.



3.3 Staff of Comfort Nursing Home (Hospital)

Highly qualified and experienced staffs at different departments are the main strength of Comfort. In short, the situation is as under:

Particulars	Numbers
Number of Specialist Doctors attached with COMFORT	120
Senior Management Staff	18
Number of Specialist Reporting Doctors	47
Full time Medical Officers (MBBS)	28
Executives	25
Number of qualified Nurses	80
Sr. Technicians/Jr. Technicians	45
Sr. Technicians/Jr. Technicians	110
Word Boy/Female Attendant/Cleaner etc	30
Drivers/Messengers/Security Guards etc	25
Total Staff	**528**

3.4 Facilities of Comfort Nursing Home (Hospital)

The nursing home is fully equipped with all the latest medical technologies to provide the best quality medical services to the patients. Comfort is specialized in Urology and Orthopedics treatments in COMFORT NURSING HOME (HOSPITAL) country that maintain an international standard.



A competent and dedicated doctor's team along with highly trained nurses ensures quality health care service in both emergency and non-emergency situations. In each and every

floor one medical Doctor and two nurses always remain stand by to ensure full time service and care for patients.

All the cabins are good value priced which cannot be compared with others given the provided quality of services. In all there are 47 beds with provision of 33 cabins and 14 semi cabins are available in the Hospital. Options of highly facilitated Independent Cabins are also available.

3.4.1 Category of Investigations available at COMFORT NURSING HOME (HOSPITAL):

i. Cardiac Test (Non-Invasive)
ii. X-Ray (Contrast)
iii. Neurological Test (Digital)
iv. Urodynamics Study
v. Serology/Immunology
vi. Hormones
vii. Autoimmunity
viii. Histopathology/Cytology
ix. Gen Medical Check Up
x. E X-Ray (Plain)
XI. Mammography
xii. 4d Ultrasonography
xiii. Clinical Pathology
xiv. Drugs/ Vitamins
xv. Body Fluid
xvi. 128 Slice Whole Body Computed Tomography Scan
xvii. Test For Tuberculosis
xviii. Pulmonary Function Test (Pft)
xix. Video Endoscopy
xx. Color Doppler Study
xxi. Hematology
xxii. Cardiac Enzymes/ Markers
xxiii. Biochemical Tests (Others)
xxiv. Viral Hepatitis Profile

xxv. Coagulation Profile
xxvi. Microbiology
xxvii. Magnetic Resonance Imaging

3.4.2 In -Patient Facilities at Comfort Nursing Home (Hospital)

i. 60 beds
ii. Large, comfortable, full-furnished suites and deluxe patient care rooms
iii. Large, clean, modern private & semi-private rooms
iv. Cable TV & telephone services
v. Specialized hospital beds with all state-of-the-art medical outfits
vi. Central gas system (piped oxygen in all units)
vii. 24-hour nurse call & monitoring system
viii. Dietitian supported meals

3.4.3 Surgery Facilities Available at Comfort Nursing Home (Hospital)

i. ENT
ii. Urology
iii. Neurology
iv. Pediatrics
v. Nephrology
vi. Orthopedics
vii. Spine Surgery
viii. Medical & Surgical Gastroenterology & Herpetology
ix. Head & neck surgery
x. Medical Oncology
xi. Laparoscopic Surgery
xii. Anesthesiology
xiii. Endocrinology
xiv. Nero Surgery
xv. General Surgery
xvi. Obstetrics & Gynecology
xvii. Plastic & Reconstructive Surgery

3.4.5 Critical Care:

- 24-hr Comfort Nursing Home (Hospital) Emergency & Trauma Services with ExpressTriage & Resuscitation Area
- Emergency Cardiac Care Specialists
- Trauma Surgery Specialists
- 24-hr Comfort Nursing Home (Hospital) Ambulance Service

3.4.6 Intensive Care Unit (ICU):

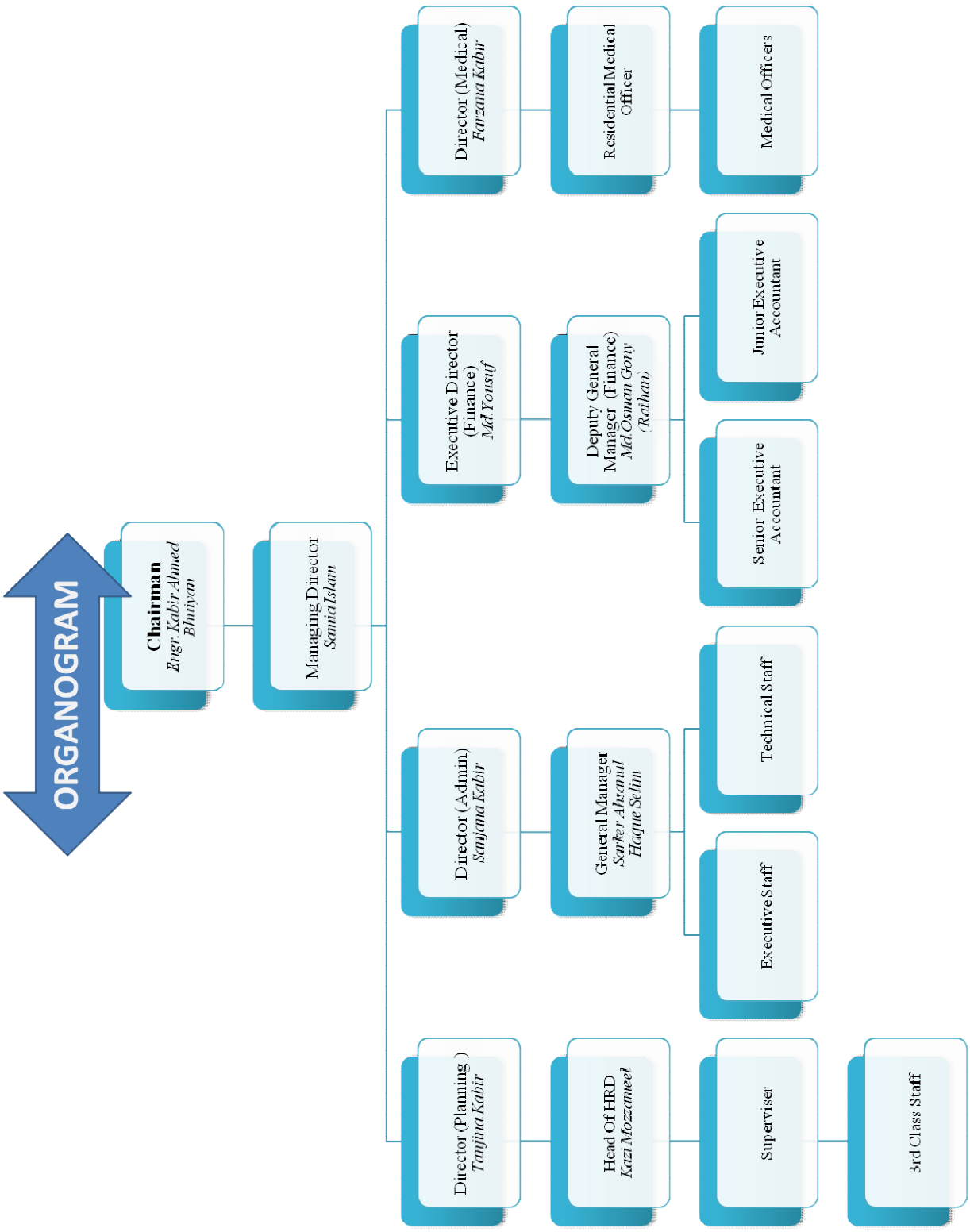
Intensive care unit is one in which patients requiring close monitoring and intensive care is housed for as long as needed. COMFORT NURSING HOME (HOSPITAL) ICU contains highly technical and sophisticated monitoring devices and equipment, and the staff in this unit is educated to give critical care as needed by the patients. The ICU and CCU are designed in a way where the physicians are situated in a central position with rooms around them. Patient vitals can be monitored with a central monitor.



3.5 List of Directors

1. Engr.Kabir Ahmed Bhuiyan
2. Mrs.Noor Negar
3. Mrs.Sayema Islam
4. Mrs. Akhtara Ahmed
5. Dr. Md. Abdus Salam
6. Tanjina Kabir
7. Sanjana Kabir
8. Nourin Kabir
9. Farzana Kabir
10. Raiyan Islam
11. Samia Islam
12. Eva Rahman

3.6 Organogram



3.7 Shareholding Structure

Major shareholder Name	Number of share (out of 2650)
Engr.Kabir Ahmed Bhuiyan	100
Mrs.Noor Negar	100
Mrs.Sayema Islam	281
Mrs. Akhtara Ahmed	100
Mrs.Shamsun Nahar Rahman	150
Dr. Md. Abdus Salam	100
Dr.Khorshed Jahan Maula	100
Imtiaz Al Mahmood	100
Tanjina Kabir	140
Sanjana Kabir	140
Tanvira Kabir	140
Nourin Kabir	140
Farzana Kabir	140
Raiyan Islam	140
Samia Islam	273
Eva Rahman	100
Raiyan Islam	346
Total	**2590**

3.8 Registered Office

Comfort Tower 167/B
Green Road, Dhanmondi
Dhaka-1205, Bangladesh
01731956033
01332550672



3.9 SWOT Analysis

The SWOT analysis evaluates both the internal factors (strengths and weaknesses) and external factors (opportunities and threats) that influence Comfort Nursing Home (Pvt.) Ltd. This analysis helps the hospital use its strengths, address its weaknesses, mitigate risks, and identify growth opportunities. Based on observations, research, and industry context, the SWOT for Comfort Nursing Home is as follows:



3.9.1 Strengths

i. **Reputation & Patient Trust:** Comfort Nursing Home has established a strong reputation in Dhaka for quality healthcare, especially in urology and orthopedics, which helps in retaining loyal patients.

ii. **24/7 Service Availability:** The hospital operates round-the-clock with a dedicated multidisciplinary team ready to handle patient needs at any time.

iii. **Qualified & Experienced Medical Staff:** Many of the hospital's doctors, nurses, and technicians are highly trained and experienced, ensuring reliable medical service delivery.

iv. **Specialized Services:** Focused excellence in certain departments (urology, orthopedics, and diagnostics) has helped build a competitive advantage.

v. **Infrastructure & Technology:** Equipped with modern diagnostic tools and advanced surgical facilities.

vi. **Employee Support Programs:** Staff loans and other financial benefits improve employee morale.

vii. **Trusted Employee Base:** Long-serving and dedicated staff contribute to operational stability.

3.9.2 Weaknesses

i. **Limited Specialty Coverage:** Lack of strong presence in high-demand areas such as cardiology, oncology, and neurology limits patient base expansion.
ii. **Dependency on Key Specialists:** Heavy reliance on a small group of expert doctors; their absence could disrupt services.
iii. **Limited Financial Capacity:** Compared to larger hospitals, budget constraints restrict rapid expansion or modernization.
iv. **Inconsistent Use of Technology:** No fully integrated hospital management or HR software, which can slow operations.
v. **Shortage of Highly Skilled Personnel in Some Areas:** Lack of sufficient trained professionals for specialized fields.
vi. **Few Employee Motivation Programs:** Limited incentives beyond salary and loans may affect long-term retention.
vii. **Outdated Equipment in Some Departments:** Certain diagnostic tools and treatment devices need upgrading.

3.9.3 Opportunities

i. **Expanding Healthcare Demand in Dhaka:** Growing middle-class population seeking quality private healthcare services.
ii. **Introduction of New Specialties:** Potential to expand into cardiology, oncology, nephrology, and rehabilitation services to attract a wider patient base.
iii. **Digital Transformation:** Implementing Hospital Information Systems (HIS), Human Resource Information Systems (HRIS), and telemedicine services could boost efficiency.
iv. **Strategic Partnerships:** Collaborations with international hospitals or universities for training, research, and advanced care programs.
v. **Marketing & Branding:** Stronger promotional campaigns could increase patient inflow and brand recognition.
vi. **Government Health Initiatives:** Leveraging public health programs and insurance schemes to expand patient access.

3.9.4 Threats

i. **Intensifying Competition:** Large, well-established hospitals in Dhaka offer broader specialties, advanced equipment, and internationally trained doctors.
ii. **Rising Operational Costs:** Increases in salaries, medical equipment costs, and utilities could affect profitability.
iii. **Retention Challenges***:* Talented doctors and nurses may be drawn to higher-paying competitors or overseas opportunities.
iv. **Regulatory & Tax Burden:** Changes in healthcare regulations, VAT, and tax policies may increase compliance costs.
v. **Patient Expectations:** As more hospitals upgrade, patient expectations for faster, more technologically advanced care are rising.
vi. **Economic Instability:** Inflation or economic downturns could reduce patients' ability to afford private healthcare.

This SWOT analysis highlights Comfort Nursing Home's strong reputation, specialized services, and loyal staff as key advantages. However, limitations in specialty coverage, technology integration, and financial resources could hinder growth. Expanding service lines, upgrading technology, and strengthening marketing efforts could help the hospital remain competitive in the evolving healthcare sector.

Chapter 4:
NATURE OF THE INTERNSHIP

4.1 Nature of the Internship

I joined Comfort Nursing Home (Pvt.) Ltd. as an intern in the Accounting and Finance Department, one of the most vital divisions of the organization. My internship period allowed me to engage directly with the financial operations of a healthcare institution and gain first-hand experience in how accounting systems support hospital management and service delivery.

I was placed under the direct supervision of the Accounts Officer and occasionally reported to the Senior Accountant for specialized tasks. The accounting department was relatively small, consisting of a compact yet highly efficient team. This close-knit environment allowed me to build strong working relationships with my colleagues and receive detailed, task-specific guidance.

The first few days of my internship were primarily observational, where I was introduced to the overall structure of the department, the hospital's financial policies, and its internal accounting procedures. During this time, I learned how the accounting department interacts with other hospital units such as patient billing, procurement, human resources, and administration.

After this initial orientation phase, I received hands-on training on the hospital's customized accounting software, which is used to record daily transactions, manage patient billing records, process payments, and prepare financial statements. Once I gained basic proficiency in using the software, I was entrusted with more practical responsibilities, such as:

- ✓ **Bill Register Maintenance**: Recording details of every bill received from patients, corporate partners, and insurance companies, ensuring accuracy and timely updates.
- ✓ **Admission Procedure**: Admitting new patient, according to their desire and financial ability assign them bed/room.
- ✓ **Daily Notification Reports**: Preparing daily reports according to cheque drawing dates for tracking and timely deposit.

- ✓ **Bill Verification**: Cross-checking patient bills, vendor invoices, and receipts for accuracy before they were entered into the system.
- ✓ **Voucher Preparation**: Assisting in preparing payment vouchers, attaching necessary supporting documents, and submitting them for approval.
- ✓ **Bank Reconciliation Support**: Comparing transaction records with bank statements to identify and resolve discrepancies.
- ✓ **Monthly Statement Assistance**: Helping in the preparation and review of monthly financial statements, including revenue and expense summaries.
- ✓ **Data Entry and Filing**: Entering financial transactions into the accounting system and maintaining well-organized files for documentation and compliance purposes.

Chapter-5
RESULTS & DISCUSSION

5.1 Fundamental Concepts and Scope of Accounting Practices

The core functions of accounting encompass the identification, measurement, and communication of financial information pertaining to economic entities, with the objective of assisting decision-making by various stakeholders. Accounting operates as a structured information system that systematically captures, processes, and reports financial data, such as outstanding liabilities, fluctuations in sales, cash flow, asset holdings, profitability, and other critical indicators of organizational performance. An efficient accounting system is indispensable for enterprises, as it facilitates transparency, compliance, and informed strategic planning.

Financial Accounting: Itrefers to the structured process culminating in the preparation and presentation of financial reports that reflect the overall financial position and performance of an enterprise. These reports are intended for both internal and external users, including investors, creditors, managers, trade unions, and government agencies. The primary objective is to ensure that stakeholders can make informed economic decisions based on accurate, reliable, and standardized financial information.

Managerial Accounting: On the other hand, focuses on the identification, measurement, analysis, and communication of financial and non-financial data required by organizational leadership. It supports managerial functions such as planning, performance evaluation, and operational control, thereby aligning financial insights with strategic objectives.

A standard accounting cycle provides a systematic framework for recording, processing, and reporting transactions, ensuring accuracy, consistency, and compliance with relevant accounting principles and regulatory requirements.

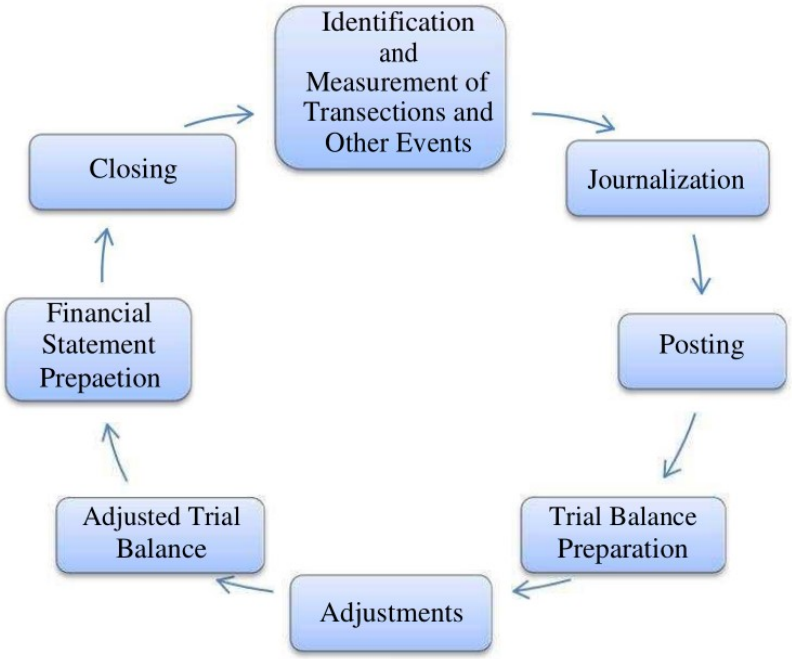


Fig 1: Accounting Cycle

Upon completion of these steps, the sequence recommences at the beginning of the subsequent accounting period.

5.2 Importance of Proper Accounting Practices

Accounting practices encompass the consistent application of a firm's established accounting guidelines and policies to ensure the systematic recording, classification, and summarization of financial data. These practices form the basis for evaluating and monitoring an organization's economic activities and are integral to informed decision-making. In essence, accounting practice represents the practical implementation of accounting and auditing standards within the operational framework of a business.

Accurate and well-maintained accounting records are vital for the sustainability and growth of any enterprise, regardless of its size, age, or industry. In periods of financial instability, such records provide critical insights into areas requiring adjustment or elimination to maintain profitability and stability. Achieving this requires not only an effective accounting system but also the expertise to keep records organized, current, and compliant with regulatory requirements. Continuous processing and review of financial

information enable organizations to track expenditures, identify cost-reduction opportunities, and make reliable financial forecasts.

The general ledger, which contains a company's financial transactions, offers a detailed account of profits and losses. Financial statements derived from these records, such as balance sheets and income statements, provide stakeholders—including auditors, regulatory bodies, and financial institutions—with evidence of the organization's financial position and performance. Banks and other lenders often require these documents to assess creditworthiness before extending loans. Furthermore, comparing present financial performance with historical data allows for an assessment of growth trends and operational efficiency.

Ultimately, accurate, timely, and regularly maintained accounting records are indispensable to business continuity. They ensure that financial information reflects the true position of the organization, supports compliance, and facilitates strategic planning. Neglecting this fundamental aspect of business management significantly increases the risk of operational and financial failure.

5.3 Accounting Activitiesat Comfort Nursing Home (Hospital)

Accountants undertake a diverse range of critical responsibilities that are fundamental to ensuring the financial integrity, operational transparency, and sustainable growth of an organization. Their role extends far beyond the mere recording of transactions; it encompasses financial analysis, regulatory compliance, internal control, and strategic decision-making support. At Comfort Nursing Home (Hospital), the accounting department performs the following key functions:

5.3.1.Accounts Payable (Disbursement of Funds)

The management of accounts payable is essential for maintaining strong professional relationships with suppliers of reagents, medical films, documentation materials, and other necessary goods or services. A significant proportion of these supplies are procured on credit from manufacturing companies. Accountants are therefore responsible for monitoring the agreed credit terms and payment deadlines stipulated in supplier invoices, ensuring that payments are executed punctually. Timely settlements not only uphold the organization's reputation but also secure favorable supplier relationships.

5.3.2. Accounts Receivable and Revenue Management

Another core function of the accounting department is overseeing accounts receivable, which represents outstanding payments from both in-patients and out-patients. The responsible personnel ensure that all patient payments are collected, documented, and supported by appropriate billing records. To enhance patient convenience and satisfaction, Comfort Nursing Home offers multiple payment channels, including credit card, mobile financial services (bKash, Nagad), and direct bank transfers. The accounting staff systematically record net daily accounts receivable, based on system-generated financial reports, ensuring accurate revenue tracking and financial reporting.

5.3.3. Payroll Administration

Payroll management is a highly sensitive and vital accounting function, as it involves ensuring that all employees receive accurate and timely remuneration. This process requires meticulous attention to employee records, contractual obligations, statutory deductions, and compliance with labor regulations. At Comfort Nursing Home (Hospital), salaries are disbursed through bank transfers, which not only ensure proper administration but also facilitate systematic record-keeping and transparency in payroll transactions.

5.3.4. Financial Reporting and Statement Preparation

The primary purpose of maintaining accurate and comprehensive accounting records is to facilitate the preparation of detailed financial reports. These reports are indispensable for budgeting, forecasting, and other strategic decision-making processes. Furthermore, financial statements serve as essential communication tools for stakeholders, including owners, banks, tax authorities, and regulatory agencies. At Comfort Nursing Home, the accounting department prepares bi-monthly financial statements prior to board meetings, ensuring that decision-makers have access to up-to-date and reliable financial data.

5.3.5.Financial Controls and Compliance

Robust financial controls are integral to safeguarding organizational assets and ensuring the accuracy of financial information. These controls include account reconciliations, segregation of duties, and adherence to International Financial Reporting Standards (IFRS). At Comfort Nursing Home, the accounting team rigorously applies IFRS principles in financial calculations, thereby maintaining transparency, accuracy, and compliance with global best practices.

5.3.6. Taxation and Statutory Payments

The accounting department is responsible for calculating, recording, and remitting all applicable taxes in accordance with the laws and regulations of Bangladesh. This includes Value Added Tax (VAT), income tax, and other statutory levies applicable to the healthcare sector. Timely and accurate tax payments not only ensure compliance but also protect the organization from legal penalties and enhance its reputation for financial integrity.

5.4Organ gram of Accounting Department:

The Accounting Department of Comfort Nursing Home (Hospital) operates under a well-defined hierarchical structure to ensure efficiency. The department consists of five members, with the Deputy General Manager (DGM) of Finance serving as the head. The DGM is responsible for overseeing all financial operations, ensuring compliance with accounting standards, and providing strategic direction for the department.

Directly reporting to the DGM is the Senior Accountant, who manages critical accounting functions such as financial reporting, reconciliation, and supervision of subordinate staff. Supporting the Senior Accountant is the Junior Accountant, who is responsible for day-to-day transaction processing, data entry, and assisting in the preparation of financial statements. Additionally, two Executive Accountants contribute to operational tasks including accounts payable, accounts receivable, payroll processing, and tax compliance.

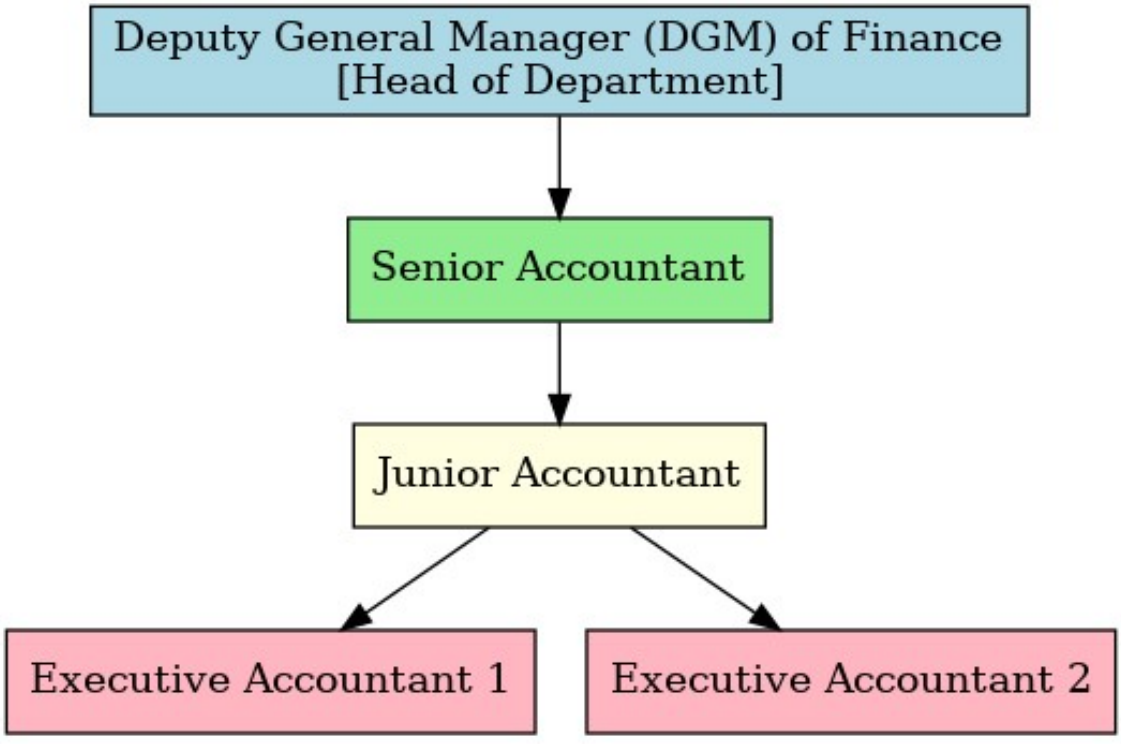


Fig 2: Organogram of Accounting Department

5.5 Manual Accounting Practices and IT-Based Accounting Practices at Comfort Nursing Home (Hospital)

In contemporary business environments, computerized accounting systems have become the dominant mode of financial recordkeeping, offering speed, automation, and enhanced analytical capabilities. Nevertheless, some organizations continue to maintain manual accounting systems due to specific operational, financial, or strategic considerations.

A manual accounting system requires minimal capital investment, as it does not involve costs associated with purchasing computer hardware, accounting software, or specialized employee training. Furthermore, manual systems are less susceptible to certain cyber security risks, as they do not depend on internet connectivity for transmitting sensitive data to accountants, regulatory authorities, or tax agencies.

However, manual systems have inherent limitations. The absence of automated calculation and error-checking functions increases the likelihood of human error. Generating financial statements is more time-consuming and labor-intensive, while paper-based records lack digital backups, making them vulnerable to loss or destruction through incidents such as fire or flooding. Tax return preparation is also slower, and audits require more human resources to collect, organize, and present historical documentation.

Manual accounting is best suited for small enterprises with limited transaction volumes. It requires that bookkeepers possess a strong grasp of fundamental accounting principles, as there is no software to guide data entry or ensure compliance with double-entry rules. This often makes it difficult to recruit qualified personnel for manual systems, given the widespread adoption of computerized solutions.

On the other hand, IT-based accounting practices allow for faster data processing, real-time financial monitoring, and automated compliance features. They enable accountants to handle large volumes of transactions efficiently and to generate complex reports with minimal delay. Nevertheless, they present risks such as potential data loss due to hardware failure, malicious software attacks, or system corruption. Without proper backup protocols, these incidents can result in significant operational disruption.

5.6 Hybrid Accounting Practices at Comfort Nursing Home (Hospital)

At Comfort Nursing Home (Hospital), a hybrid accounting model is implemented to combine the strengths of both manual and computerized systems while mitigating their respective weaknesses. The hospital employs a custom Enterprise Resource Planning (ERP) platform to manage patient services, billing, and operational data, ensuring seamless integration between clinical operations and administrative functions. Concurrently, the accounting department uses Tally Prime for core financial recordkeeping, ledger management, statutory compliance, and reporting.

To complement these digital tools, summaries of key transactions are also documented manually in well-maintained physical registers. This practice serves multiple purposes:

- **Ease of Understanding:** Senior board members, who are more familiar with traditional record formats, can readily interpret financial summaries without relying on digital interfaces.
- **Operational Continuity:**In the event of system downtime, hardware malfunction, or cyber security breaches, the manual registers act as a secure, immediately accessible backup of essential financial information.
- **Audit Readiness:** Physical records provide an additional verification layer, streamlining audits and regulatory inspections.

This dual-recordkeeping approach reflects Comfort Nursing Home's strategic commitment to operational efficiency, data security, and inclusivity, ensuring that technological advancement is harmonized with accessibility and resilience.

5.7 Accounting Practices of Comfort Nursing Home

During my internship at Comfort Nursing Home (Pvt.) Ltd., I had the opportunity to observe the hospital's accounting and financial management processes in detail. The hospital employs a hybrid accounting system, combining traditional book-keeping methods with the use of customized accounting software. This approach allows the organization to maintain a comprehensive financial record while addressing the specific needs of a healthcare institution.

The hospital's accounting system revolves around the daily recording of transactions, their classification, summarization, and final reporting in the form of financial statements. Several registers and books form the foundation of this system, each serving a distinct function but collectively ensuring accuracy, transparency, and accountability in financial management.

5.7.1 Core Books and Records Maintained

Comfort Nursing Home maintains a number of essential accounting books and records, including:

1. **Cash Book**: For daily cash receipts and payments.
2. **Bank Book**: For all banking transactions.
3. **General Ledger**: The central record of all accounts.
4. **Patient Ledger**: For recording individual dues and collections.
5. **Cheque Register Book**: For tracking incoming cheques.
6. **Monthly Financial Reports**: For managerial decision-making.
7. **Customized Front Accounting Software & Tally Prime**: To support electronic record keeping.

Each of these plays an important role in maintaining accurate, timely, and organized records, which are essential for hospital operations and regulatory compliance.

5.7.2 Cash Book

The Cash Book is the primary record of all daily cash transactions. It includes receipts from patients, withdrawals from the hospital's bank accounts, income from service charges, and loans from banks, directors, or other organizations. Expenditures such as salaries, utility payments, and petty cash disbursements are also recorded here.

All entries originate from Journal Vouchers, which are prepared for every transaction and contain the date, explanation, and relevant account details. The Journal Voucher serves both as proof of the transaction and as the initial record before posting to the ledger. This system ensures that every cash movement is documented and traceable, reducing the risk of fraud or error.

5.7.3 Bank Book

The Bank Book records all financial transactions involving bank accounts. Comfort Nursing Home maintains multiple accounts in the same bank, including a Current Account for smaller, frequent payments and an SND (Short Notice Deposit) Accountfor larger transactions.

The Bank Book is a crucial tool in bank reconciliation—the process of matching internal bank transaction records with official bank statements. This helps detect discrepancies such as unrecorded bank charges, client deposits not yet reflected in internal records, or errors in transaction posting. Accurate bank reconciliation is vital for ensuring that reported cash balances are correct and up to date.

5.7.4 General Ledger Book

The General Ledger is the central repository of all the hospital's financial data. It contains numerous account heads, most of which are related to operating expenses such as conveyance, office maintenance, rent, legal fees, utilities, salaries, and taxes.

Two important control accounts within the ledger include:

- **Patient Receivables**: Tracks outstanding payments from patients, under which all related cash collections are recorded.
- **Purchase Accounts**: Separate control accounts for local purchases and import purchases, providing clarity over procurement costs.

Maintaining an updated ledger enables the hospital to monitor expenses, assess profitability, and ensure accurate financial reporting.

5.7.5Customized Accounting Software

The hospital utilizes a custom ERP software to manage patient-related transactions, including billing, service charges, and related collections. On the accounting side, it employs Tally Prime to record and process financial transactions. While this combination allows for a division of functions—ERP for operational patient data and Tally Prime for formal accounting—there is limited integration between the two systems. This often requires manual reconciliation, which can be time-consuming and prone to errors. Enhancing system integration and providing specialized training for staff could significantly improve efficiency, accuracy, and real-time financial reporting.

5.7.6 Cheque Register Book

The Cheque Register Book serves as a detailed log of all cheques received from patients, students, or other payers. Recorded details include:

- Date of receipt
- Payer's name
- Bank name
- Cheque number
- Amount in local currency
- Drawing date
- Expiry date

This register also provides valuable summary information, such as the total number of cheques received, total amount, number of cashable cheques, expired cheques, and invalid cheques. This helps the accounts department track payments effectively and follow up on outstanding amounts.

5.7.7 Monthly Financial Reports

At the end of each month, the accounts department prepares a Monthly Financial Report, which consolidates data from the Cash Book, Bank Book, and General Ledger. This report presents the hospital's income and expenses for the month and serves as a key document in monthly financial meetings. Management uses it to evaluate performance, allocate resources, and plan for the upcoming period.

5.7.8 Sources of Income

Comfort Nursing Home generates income from multiple streams:

i. **Laboratory services**: Diagnostic tests and lab procedures.
ii. **Hospital services**: Inpatient and outpatient care.
iii. **Canteen**: Gas and water bill recovery, rental income.
iv. **Pharmacy sales**: Sale of medicines and medical supplies.

5.7.9 Types of Expenditure

Expenditures are categorized into:

i. **Revenue Expenditure**: Salaries, administrative expenses, and utility bills.
ii. **Capital Expenditure**: Purchases of machinery and equipment.
iii. **Annual Development Program (ADP)**: construction work & upgrading facilities.

5.7.10 Financial Statements Prepared

Comfort Nursing Home prepares a range of financial statements that serve as the formal presentation of its financial position, performance, and changes in financial condition.

As an intern, I did not have access to the finalized and officially approved versions of the hospital's financial statements due to confidentiality and data protection policies. Access to such documents is generally restricted to authorized personnel to ensure compliance with internal control procedures, patient privacy regulations, and the hospital's information security framework.

However, for the purpose of this report, I was permitted to review and include two non-finalized (draft) reports as well as mock versions of the key financial statements. These

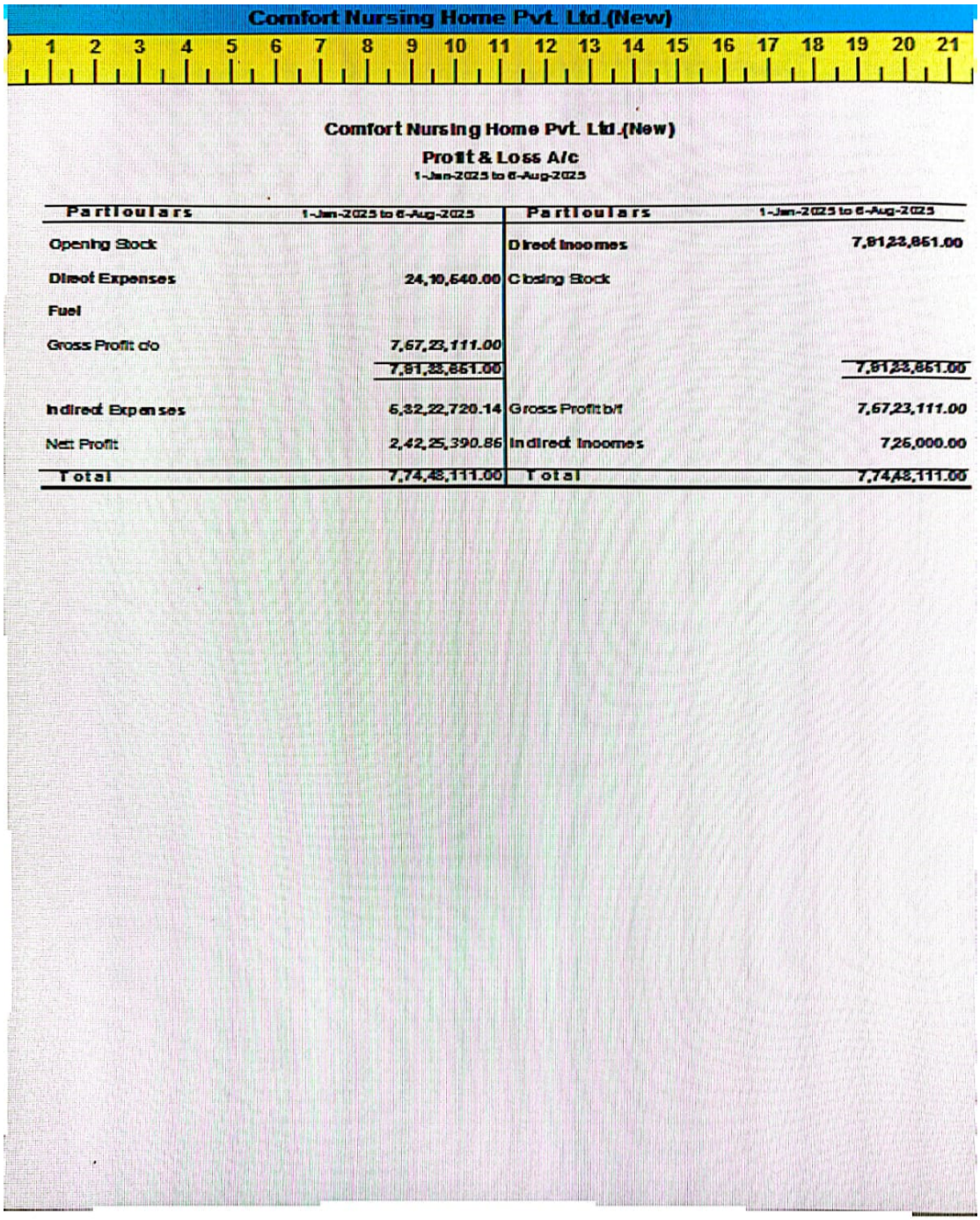
draft reports were prepared for internal use during the accounting period and had not yet undergone the final verification, adjustments, and approvals required before submission to management or external auditors. The mock versions, on the other hand, were developed based on available formats, standard accounting principles, and general observations of the hospital's reporting process.

Although these documents do not represent the official published statements, they serve as valuable references to illustrate the structure, content, and type of financial data that the hospital compiles. They also help to demonstrate my understanding of the reporting formats, the nature of the figures presented, and the practical steps involved in preparing and finalizing financial statements within a healthcare setting.

The main financial statements include:

1. **Statement of Financial Position (Balance Sheet)**: This statement provides a snapshot of the hospital's assets, liabilities, and equity at the end of the accounting period. It enables management and stakeholders to assess liquidity, solvency, and the overall financial stability of the hospital. Assets include current assets (such as cash, receivables, and inventories) and non-current assets (such as property, plant, and equipment), while liabilities are classified into current and long-term obligations.
2. **Statement of Comprehensive Income &Expenditure**: This report presents the total revenue and total expenses for the period, including both operational and non-operational items. For a hospital, this may cover patient service income, diagnostic and pharmacy sales, grants, donations, and other income sources, as well as expenses related to salaries, utilities, medical supplies, and administrative costs. The net result reflects the surplus or deficit for the period.

3. **Income Statement / Profit & Loss Account**: This statement specifically measures the results of operations during the accounting period, showing how income is transformed into net profit or loss. It helps evaluate the hospital's operational efficiency, cost management, and revenue-generating capacity.



Comfort Nursing Home Pvt. Ltd.(New)

Profit & Loss A/c

1-Jan-2025 to 6-Aug-2025

Particulars	1-Jan-2025 to 6-Aug-2025	Particulars	1-Jan-2025 to 6-Aug-2025
Opening Stock		Direct Incomes	7,81,23,861.00
Direct Expenses	24,10,640.00	Closing Stock	
Fuel			
Gross Profit c/o	7,67,23,111.00		
	7,91,33,861.00		7,91,23,861.00
Indirect Expenses	6,32,22,720.14	Gross Profit b/f	7,67,23,111.00
Net Profit	2,42,25,390.86	Indirect Incomes	7,26,000.00
Total	7,74,48,111.00	Total	7,74,48,111.00

4. **Ratio Analysis**:The hospital performs key financial ratio analyses to interpret the raw data in the statements. Ratios such as solvency ratios (to assess long-term financial stability), profitability ratios (to measure earnings performance), and turnover ratios (to evaluate efficiency in using assets) provide valuable insights for decision-making and performance benchmarking.

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RATIO ANALYSIS:

(Mock Documentation)

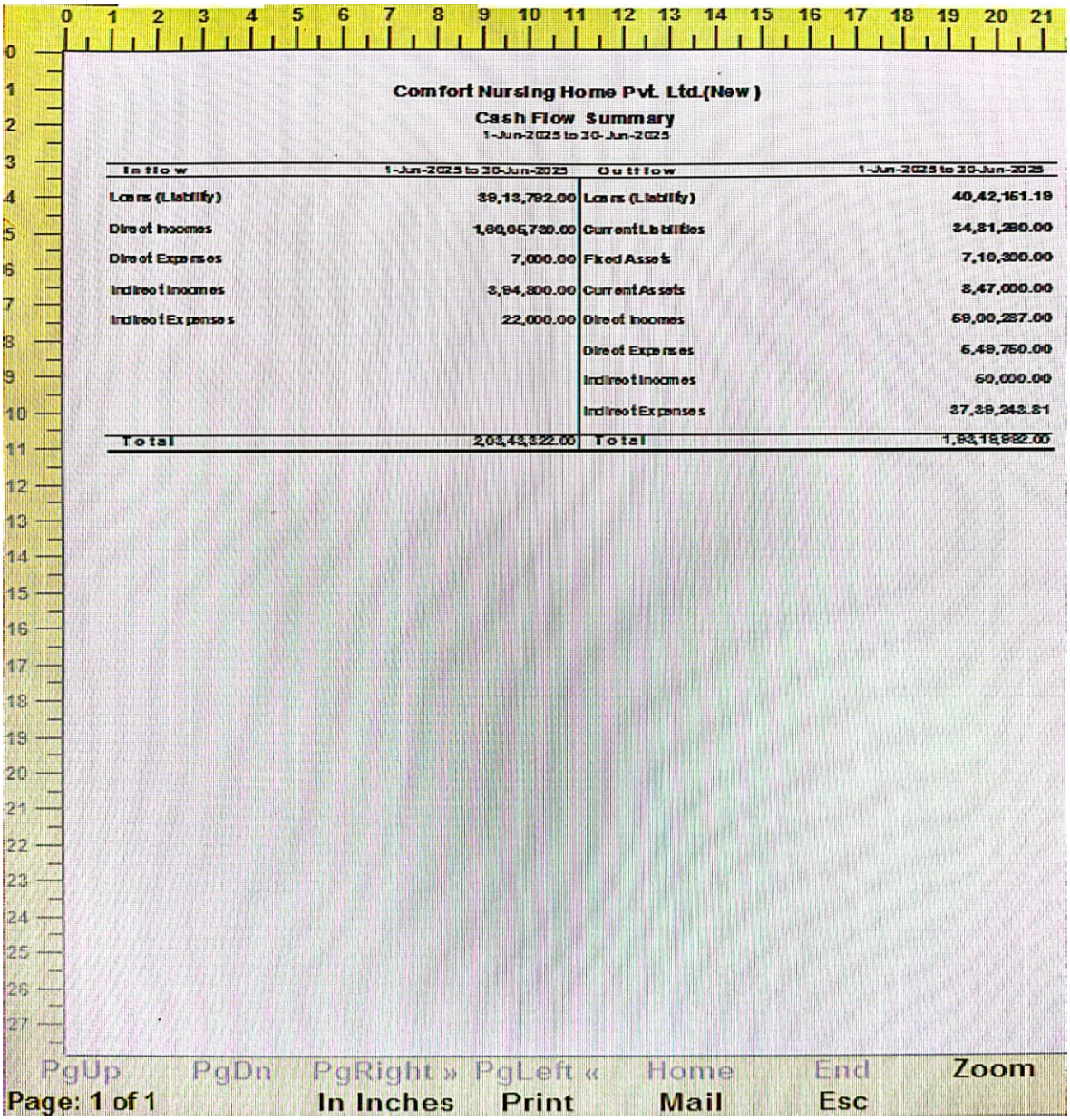
SOLVANCY RATIO:					**Result**		**Stan**
(a) Current Assets Ratio:							
Current Assets		-			-	-	-
Current Liabilities	=	-	=				
(b) Quick Asset Ratio:							
Quick Assets*		-			-	-	-
Current Liabilities	=	-	=				

*Quick Assets= (Current Assets)-(Stock+Advances)

PROFITABILITY RATIO:							
(a) Gross Earning Ratio:							
Gross Earning		-			-		-
Total Revenue	=	-	=				
(b) Net Earning Ratio:							
Net Earning		-			-		-
Total Revenue	=	-	=				
TURNOVER RATIO:							
(a) Turnover Ratio:							
Total Revenue		-			-		-
Total Net Assets	=	-	=				

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5. **Cash Flow Statement** – Provides a detailed record of cash inflows and outflows during the period, classified into operating activities (e.g., receipts from patients, payments to suppliers and employees), investing activities (e.g., purchase of equipment, proceeds from asset sales), and financing activities (e.g., loan proceeds, debt repayments). This statement helps assess the hospital's ability to generate cash, meet short-term obligations, and finance future operations or investments.



Comfort Nursing Home Pvt. Ltd.(New)

Cash Flow Summary

1-Jun-2025 to 30-Jun-2025

Inflow	1-Jun-2025 to 30-Jun-2025	Outflow	1-Jun-2025 to 30-Jun-2025
Loans (Liability)	39,13,782.00	Loans (Liability)	40,42,161.19
Direct Incomes	1,80,05,730.00	Current Liabilities	24,81,280.00
Direct Expenses	7,000.00	Fixed Assets	7,10,300.00
Indirect Incomes	3,84,800.00	Current Assets	8,47,000.00
Indirect Expenses	22,000.00	Direct Incomes	69,00,287.00
		Direct Expenses	6,48,750.00
		Indirect Incomes	60,000.00
		Indirect Expenses	37,39,243.81
Total	2,03,43,322.00	Total	1,83,18,982.00

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5.8 Daily Transaction Collection Process

Every morning, accountants collect daily transaction reports from various counters, such as the pharmacy, OPD billing, IPD billing. Reports printed from the server show sales, dues, collections, advances, and purchases. Physical documents such as receipts, purchase invoices, expense vouchers, and dues statements are then gathered from counter staff.

The physical documents are matched against the server report. In cases of small cash discrepancies, no action is taken; however, larger discrepancies result in corrective action or disciplinary measures. This process ensures that both physical and electronic records are synchronized.

5.8.1 Journal Book

The Journal Book is the initial point of entry for all transactions. Each entry records:

1. The date of the transaction
2. Accounts to be debited and credited
3. A brief description of the transaction

The process of recording these entries, known as journalizing, ensures that every financial activity is systematically documented before being posted to the ledger.

5.8.2 Posting to the Ledger

Once transactions are journalized, they are posted to the appropriate accounts in the ledger. The General Ledger consolidates all asset, liability, and equity accounts, providing a centralized view of the hospital's financial records. Posting helps track account balances and prepare financial reports accurately.

5.9 Vouchers

Vouchers act as the formal evidence of transactions.

- **Debit Vouchers**: Document amounts owed or goods returned.
- **Credit Vouchers**: Document goods or services provided on credit.

Maintaining a proper voucher system ensures accountability and transparency in financial transactions.

5.10 Credit Invoice Management

For most large purchases, the hospital deals on credit terms. The accounts department maintains an Accounts Payable Sheet for each supplier, tracking the payable amount, discounts, returns, and due dates. Payments are made by cheque after the agreed credit period, ensuring that the hospital maintains good supplier relationships while managing cash flow efficiently.

Chapter-6

LIMITATION, RECOMMENDATION& CONCLUSION

6.1 Summary of Finding

During my internship period at Comfort Nursing Home, several observations were made regarding the accounting and financial management practices, highlighting both strengths and areas requiring improvement. The key findings are summarized as follows:

1. **Accounting Cycle and Reporting**

   The hospital follows the fundamental accounting cycle; however, some critical steps such as the preparation of trial balances—especially adjusted and post-closing trial balances—are either inadequately performed or absent. The lack of timely trial balance preparation hinders efficient financial statement compilation, hereby increasing the labor and time involved in closing accounts.

2. **Accounting Basis and Compliance**

   Comfort Nursing Home primarily maintains its accounts on a cash basis. While this method simplifies transaction recording, it has inherent limitations, particularly in accurately matching revenues and expenses to the correct accounting periods. Transitioning towards an accrual basis of accounting is recommended to enhance compliance and financial transparency.

3. **Staffing and Department Structure**

   The accounts and finance department operate with a limited number of staff relative to the hospital's transaction volume and operational complexity. This understaffing leads to high workloads, delays in processing, and limited capacity for prompt service delivery.

4. **Use of Accounting Systems**

   The hospital employs a combination of manual record-keeping and computerized accounting systems, including a customized ERP for patient-side transactions and Tally Prime for accounting. However, these systems are not fully integrated, and some accounting functions remain manual.

5. **Physical Infrastructure and Documentation**

   The physical space allocated to the accounts department is inadequate to accommodate staff and secure financial records effectively. Moreover, documentation practices, including maintaining proper registers and filing systems for vouchers, invoices, and reconciliation reports, require improvement to facilitate easier access and audit readiness.

6. **Operational Efficiency and Client Services**

   The high volume of transactions, especially during peak periods, often leads to delays in processing payments, cheque clearances, and report generation. The lack of automation and insufficient staffing compound these challenges, potentially affecting patient satisfaction and financial management accuracy.

6.2 Limitations

During my internship at Comfort Nursing Home, I faced several challenges that affected the depth and accuracy of my report. As an internee, arranging appointments with officials was often difficult due to their busy schedules. The collection of data was further hindered by patient privacy concerns, confidentiality policies, and the unavailability of certain sensitive information. While I received cooperation from the concerned officials, their limited availability and the hospital's small scale made it challenging to gather complete data on costing, budgeting, and management practices. The shortage of secondary data also meant that primary data and surveys were my main sources, which sometimes resulted in gaps or assumptions in the analysis. Furthermore, the internship period was relatively short, making it difficult to gain a full understanding of all operational aspects, conduct a comprehensive survey, or cross-check findings with past records.

6.2.1Key Limitations Encountered During the Internship:

- Difficulty in arranging appointments with auditors and other key officials.
- Restricted access to confidential or sensitive organizational information.
- Patient privacy regulations limiting data collection.
- Short internship period restricting in-depth exploration of all areas.

- Limited opportunity to observe all operational and administrative processes.
- Lack of previous operational studies for comparison.
- Shortage of secondary data, forcing reliance on primary data and interviews.
- Unavailability of cost accounts, inventory reports, and other internal accounting records.
- Absence of a formalized chain of command in specific operations.
- Reliance on traditional accounting methods.
- Lack of updated instruction manuals or procedural guidelines.
- Time constraints preventing thorough cross-verification of collected data.
- Lack of training or orientation sessions for interns regarding internal systems.
- Some areas of the hospital being off-limits due to operational sensitivity.
- Difficulty in obtaining financial breakdowns of specific departments.
- Limited guidance from supervisors because of their workload.
- Inability to track changes in data over time due to absence of historical records.
- Resource limitations, including lack of technological tools for data analysis.
- Overlapping responsibilities during the internship, dividing time between report preparation and daily tasks.

As a result, some recommendations are based solely on my observations, understanding, and interpretations within the given time frame. Despite these constraints, I made every effort to ensure the report reflected the practical knowledge and experience gained during my internship.

6.3Recommendations

During my internship at Comfort Nursing Home, I gained valuable insights into the accounting and financial management operations. Based on my observations and learning, I propose the following recommendations to enhance the efficiency, accuracy, and overall effectiveness of the hospital's financial department:

i. Increase Workforce Capacity

The accounting and finance department currently operates with limited staff while managing a high volume of work, particularly during peak periods. Expanding the team by recruiting additional qualified personnel would help distribute workloads more evenly, reduce processing delays, and improve operational efficiency.

ii. Enhance Staff Training and Professional Development

Ongoing training programs are essential to keep the accounting team updated on the latest accounting standards, taxation rules, and software functionalities. Providing professional development opportunities will not only improve staff competence but also foster a culture of continuous learning and accountability.

iii. Develop an Efficient Document Management System

Maintaining a well-organized document register for all financial records, vouchers, and receipts will improve traceability, facilitate audits, and support timely reconciliations. This system should be supported by clear policies on documentation and record retention.

iv. Modernize Payment and Clearance Procedures

Upgrading the cash counter and payment processing systems would facilitate faster, more secure and user-friendly transactions for patients and other clients. Introducing an online payment facility could further enhance convenience and reduce the risk of cash handling errors.

v. Develop a Customized Hospital Accounting Software

Given the unique nature of healthcare transactions, the hospital should consider developing or acquiring a tailored accounting software system designed specifically for healthcare settings. Such a system would integrate patient billing, inventory, payroll, and financial reporting, thereby streamline operations and reduce data discrepancies.

6.4 Conclusion

While Comfort Nursing Home demonstrates a foundational adherence to accounting practices, there are significant opportunities to enhance its efficiency, accuracy, and reliability. Addressing critical gaps such as the formalization of trial balance preparation, transitioning to accrual-based accounting, upgrading and integrating accounting software, expanding and training, and establishing robust internal controls will collectively strengthen the hospital's financial integrity. Implementing these will not only streamline operations but also support better decision-making and sustained organizational growth in the increasingly complex healthcare environment.

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