REG.NO.:

VIT

Vellore Institute of Technology
(Deemed to be University under section 3 of UGC Act, 1956)

VIT BUSINESS SCHOOL
CONTINUOUS ASSESSMENT TEST - II
FALL SEMESTER 2025-2026

SLOT: F1+TF1

F1+TF1

Programme Name & Branch	: B.Tech (BBS)
Course Code and Course Name	: MGT1064 and Financial and Cost Accounting
Faculty Name(s)	: Dr Gaurav Singh
Class Number(s)	: VL2025260105785
Date of Examination	:
Exam Duration	: 90 minutes

F1+TF1
Maximum Marks: 50

General instruction(s):

- Answer All Questions
- M - Max mark; CO - Course Outcome; BL - Blooms Taxonomy Level (1 - Remember, 2 - Understand, 3 - Apply, 4 - Analyse, 5 - Evaluate, 6 - Create)
- Course Outcomes (Type the CO statements covered in this question paper. Use the CO number as per the syllabus copy)
  3 - Analyze the Annual Reports.
  4 - Prepare the FFS and CFS.

Q. No	Question	M	CO	BL
1.	Ms Kunti is an budding entrepreneur successfully running a business since last four years. She want to know how her organisations is performing financially. To know this she asked an accountant to prepare some statements. Identify the statements and mention how these can be used by an organisation along with their objective.	10	3	2
2.	A. From the following information, prepare balance sheet of the IndusTech Pvt. Ltd. B. Calculate Current ratio, acid-test ration and cash ratio.	10	3	5

Particulars	Amount	Particulars	Amount
Cash	1,500,000	Accounts Receivable	2,200,000
Accounts Payable	1,800,000	Intangible Assets (Net)	800,000
Property, Plant, and Equipment (Net)	10,000,000	Accrued Expenses	250,000
Long-Term Debt	6,000,000	Deferred Tax Liabilities	500,000
Inventory	3,800,000	Prepaid Expenses	150,000
Common Stock	2,000,000	Retained Earning	*Find out*

Q. No	Question	M	CO	BL
3.	A manufacturing company, XYZ Ltd., provided the following information for the year ended December 31, 2023: Income statement: • Revenue: $1,200,000 • Cost of Goods Sold: $750,000 • Gross Profit: $450,000 • Operating Expenses: $300,000 • Operating Income: $150,000 • Interest Expense: $20,000 • Income Before Taxes: $130,000 • Income Tax Expense: $39,000 • Net Income: $91,000	10	4	5

Assets	Amount		Liability	Amount	
	01-01-2023	31-12-2023		01-01-2023	31-12-2023
Cash	100,000	80,000	Accounts Payable	100,000	80,000
Accounts Receivable	150,000	120,000	Salaries Payable	30,000	25,000
Inventory	200,000	180,000	Common Stock	300,000	250,000
Property, Plant,	500,000	450,000	Long-Term	200,000	180,000

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and Equipment			Debt		
Accumulated Depreciation	($200,000)	($180,000)	Retained Earnings	120,000	115,000
Total Assets	750,000	650,000	Total Liabilities and Equity	750,000	650,000

Prepare a cash flow statement for XYZ Corporation using the indirect method. **F1+TF1**

4. Following are the extract from trial balance of Mr Kapil. On the basis of following information pass the adjustment entries and perepare the accounts. — 10 | 3 | 5

Name of Account	Debit	Credit
Mr. Mukesh (Debtor)	1,10,000	
Sundry Debtors	90,00,500	
Discount from creditors		60,000
Discount to Debtors	80,000	

Additional information:

1. Create a provision for doubtful debt @ 12% on debtors.
2. Create a provision for discount on debtors @ 5% on debtors.
3. Additional discount given to the debtors Rs. 10,000.
4. Additional bad debts Rs. 4,000

5. From the following prepare trading and P&L account and Balance sheet on 31st March 2024. — 10 | 3 | 5

Debit	Amount	Credit	Amount
Opening Stock	24,000	Sales	4,00,000
Purchases	1,60,000	Return Outwards	2,000
Cash in hand	16,000	Capital	1,50,000
Cash at bank	32,000	Creditors	64,000
Return Inwards	4,000	Bills Payable	20,000
Wages	22,000	Commission Received	4,000
Fuel and power	18,000		
Carriage inwards	6,000		
Insurance	8,000		
Buildings	1,00,000		
Plant	80,000		
Patents	30,000		
Salaries	28,000		
Furniture	12,000		
Drawings	18,000		
Rent	2,000		
Debtors	80,000		
Total	6,40,000	Total	6,40,000

From the above trial balance prepare the Income and Balance Sheet and also consider the following adjustments:

(a) Salaries outstanding 12,000
(b) Wages outstanding 6,000
(c) Commission is received in advance 2,400
(d) Depreciation on building 5% and plant 3%
(e) Insurance paid in advance 700
(f) Closing stock 12,000

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