SLOT: D1+TD1

VIT
Vellore Institute of Technology

SCHOOL OF COMPUTER SCIENCE AND ENGINEERING
CONTINUOUS ASSESSMENT TEST - II
FALL SEMESTER 2024-2025

Programme Name & Branch : B. Tech (CSBS)
Course Code and Course Name : Financial and Cost Accounting & MGT1064
Faculty Name(s) : Dr. Thayyib PV
Class Number(s) : VL2024250104482
Date of Examination : 16-10-2024 (02:00 p.m. to 03:30 p.m.)
Exam Duration : 90 minutes
Maximum Marks: 50

General instruction(s):

- Answer All Questions
- Non-programmable calculators are allowed

Q. No	Question	M
1.	From the following balances, prepare the trading and profit and loss account and balance sheet of AYC Ltd. as of March 31, 2022.	10

Debit	Amount	Credit Balances	Amount
Drawings	6,300	Capital	1,50,000
Cash at Bank	13,870	Discount received	2,980
Bills receivable	1,860	Loans	15,000
Loan and Building	42,580	Purchases return	1,450
Furniture	5,130	Sales	2,81,500
Discount allowed	3,960	Creditors	23320
Bank charges	100		
Salaries	6,420		
Purchases	1,99,080		
Stock (opening)	60,220		
Sales return	1,870		
Carriage	5,170		
Rent and Taxes	7,680		
General expenses	3,630		
Plant and Machinery	31,640		
Debtors	82,740		
Bad debts	1,250		
Insurance	750		

Additional Information

1. Closing stock Rs. 70,000
2. Insurance prepaid Rs. 50
3. Rent outstanding Rs. 150

2. (10)

Particulars	Amount	Particulars	Amount
Opening Stock	76,250	Sales	5,00,000
Purchases	3,15,250	Closing stock	98,500
Carriage and Freight	2,000		
Wages	5,000		

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Administration expenses	1,01,000		
Selling and Dist. expenses	12,000	Interest on Securities	1,500
Non-operating expenses	2,000	Dividend on shares	3,750
Financial Expenses	7,000	Profit on sale of shares	750

Using the above particulars, calculate:

(1) Gross Profit
(2) Net Profit
(3) Gross Profit Ratio
(4) Net Profit Ratio
(5) Operating Profit Ratio
(6) Inventory Turnover Ratio
(7) What will be the EPS if number of shares outstanding is 1000?
(8) Interest Coverage Ratio

3 Explain different types of accounting errors with appropriate examples 10

4 Briefly explain the steps involved in preparing the cash flow statement of a firm. 10

5 A company is giving you the following details to derive insights: 10

- COGS = 20,000
- Sales = 50,000
- Operating Expenses = 5000
- Interest = 500
- Tax = 20%

1. Comment on its current year profitability
2. In the previous year, there was no change in any of the above items except sales. However, the gross profit for the previous year was 100,000. What would have been the profitability ratios in the previous year?
3. Compare both years and comment which year was better, and why?

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