

## TUTOR MARKED ASSIGNMENT

### Record to Report (R2R)

Maximum Marks: 100  
Weight age: 30%

Course Code: BPOI-005

**Note:** The above assignment covers Course 5. All questions are compulsory. Marks assigned to the questions have been shown in the bracket

#### Section A ( All questions are compulsory & carry 05 marks each)

1. Explain five reasons for Fixed Assets Revaluation.
2. Explain with examples two methods of preparing cash budget.
3. State the importance of Record to Report in business.
4. Explain the Inter company Reconciliation.
5. Show the diagrammatical representation of R2R process.
6. Briefly explain the methods of cash forecasting.
7. a) "R2R is high in F&A value Chain" .Explain  
b) Why is R2R not outsourced easily?
8. Explain the flow concept of liquidity.

#### Section B (Answer any six. All questions carry 10 marks each)

1. "Efficient Cash management will aim at maximizing the cash inflows and slowing cash outflows". Discuss.
2. Explain in brief the Inventory Model and the Stochastic Model of optimal cash balance
3. Discuss the causes of Depreciation in detail.
4. Explain the difference between budgeting and forecasting.
5. Machinery Account of Raj & Company Ltd showed a debit balance of Rs 32,400 on 01<sup>st</sup> January 2006, depreciation being provided at 10%. On 01<sup>st</sup> July 2006 a part of the machinery purchased for Rs 10,000 on 1<sup>st</sup> January 2004 was sold for Rs 7,000 and on the same date new machinery which costs Rs 20,000 was purchased. On 31<sup>st</sup> December 2006, the Company decided to change the method of depreciation from WDVmethod to SLM with effect from 1<sup>st</sup> January 2004, depreciation rate is 10% per annum.
6. What is metrics and how is it developed?

7. The following independent transactions requires a year-end adjusting entry. Record the impact of each transaction and related adjusting entry on the accounting equation in the template provided below. Assume December 31 as accounting period end.
- a. On May 31 paid \$2,400 cash in advance for a one-year office rent. Hint for adjusting entry - record rent expense.
  - b. Purchased supplies (inventory) for \$1,000. At year end, \$300 of supplies remained on hand. Hint for adjusting entry - record supplies expense.
  - c. On November 1, paid \$5,000 cash for office equipment that is expected to have a useful life of 5 years and salvage value of \$1,000. The company uses the straight-line depreciation method. Hint for adjusting entry - record depreciation expense.
  - d. On March 31, the company borrowed \$10,000 from a bank issuing a note with a one-year term and 7% interest rate. Hint for adjusting entry - record interest payable and expense.
  - e. Received a \$3,000 cash advance for services to be performed in the future. The contract required a one-year commitment, starting June 1. Hint for adjusting entry - record revenue earned.
  - f. On October 31, invested \$15,000 cash in a certificate of deposit (this is Fixed Deposit with a Bank) that paid 5% annual interest. The certificate of deposit had a one-year maturity term. Hint for adjusting entry - record interest receivable and revenue.
8. Explain the procedure of accounting cycle in any large organization.

**Last Date for Submission of Assignment:**

**For June Exam**

**31<sup>st</sup> March**

**For December Exam**

**30<sup>th</sup> September**

