

**DIPLOMA IN BUSINESS PROCESS
OUTSOURCING - FINANCE AND
ACCOUNTING PROGRAMME (DBPOFA)**

Term-End Examination

June, 2013

00269

BPOI-005 : RECORD TO REPORT (R2R)

Time : 3 hours

Maximum Marks : 100

Note : Attempt all the three sections.

SECTION - A

(All questions in this sections are compulsory). 5x1=5

1. State whether the following statements are **true** or **false**.
- (a) GL balance of FA is reported in balance sheet.
 - (b) A bank reconciliation statement is a statement prepared by banks.
 - (c) Revaluation of fixed assets done to describe the true value of the capital goods a business owns.
 - (d) A statement of events likely to occur is called forecasting.
 - (e) Time taken by banks in collecting payments for customer bank is called as deposit float.

2. Fill up the blanks :

5x1=5

- (a) Assets are recorded on the balance sheet at their original cost. This is called _____.
- (b) The two main teams which do reconciliation are _____ and _____.
- (c) The causes of external depreciation are _____ and _____.
- (d) _____ indicates the amount of loan required as well as the time when it is needed.
- (e) The control account balance is the _____ balance.

SECTION - B

3. Attempt **any three** questions : 3x5=15
- (a) Show diagrammatical representation of R2R process.
 - (b) Discuss different types of reconciliations used by organization.
 - (c) Explain the different motives for holding cash in R2R process.
 - (d) Discuss the various categories of reporting.
 - (e) Briefly explain the methods of cash forecasting.
4. Answer **any three** questions : 3x5=15
- (a) Explain Inter Company reconciliation.
 - (b) What are important consideration in revaluation of fixed assets ?
 - (c) Why R2R functions are being outsourced and how is it beneficial for India ?
 - (d) Determine the various factors that explain cash flow.
 - (e) Explain the flow concept of business liquidity ?

SECTION - C

Attempt **any four** questions : **15x4=60**

5. Explain different types of error in R2R process. Discuss the generic metrics and specific metrics for R2R process.

6. Explain in detail the Inventory Model and the Stochastic Model of optimal cash balance.

7. Explain the various techniques of forecasting and the factors influencing firms in their choice of forecasting technique.

8. On June 30, 2007 the cash book of S.K and company showed an overdraft balance of Rs. 40,000. Prepare a bank reconciliation statement using the following information.
 - (a) Out of the two cheques issued to other company June 20, 2007 (one for Rs. 2,000 and other of Rs.2,550) the cheque for Rs. 2,550 was cashed on July 6, 2007.
 - (b) A wrong credit for Rs. 270 relating to some other account was found in the pass book.
 - (c) Three cheques for Rs. 3,800, Rs. 4,800 and Rs. 9,000 were deposited in the bank for collection on June 20, 2007. Only the cheque for Rs. 4,800 was collected by June 20, 2007.

- (d) There is a debit of Rs. 1,000 for interest and Rs. 400/- for bank charges in the pass book.
 - (e) The pass book showed that the bank had collected Rs. 8,000 as interest on securities but no entry of interest was recorded in cash book.
 - (f) A bill receivable for 6,200 (discounted with the bank in May) was dishonoured on June 18, 2007. It was debited in the pass book but no entry was made in the cash book.
9. Discuss the methods to Accelerating cash inflow and Slowing cash out flows in R2R process.
-