

00293

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

**Term-End Examination**

**June, 2016**

**BPOI-005 : RECORD TO REPORT (R2R)**

*Time : 3 hours*

*Maximum Marks : 100*

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*Note : All sections are compulsory.*

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**SECTION - A**

**(All questions in this section are compulsory)**

1. State whether the following statements are **1x5**  
**True or False :**
- (a) Recurring entries require to be passed after every certain period.
  - (b) Debit balance in the cash book means favourable balance.
  - (c) The term depreciation, depletion and amortization refer to one and the same thing.
  - (d)  $\text{Book Value} = \text{Original Cost} - \text{Accumulated Depreciation}$
  - (e) Budget period refers to forecasting period beyond one year.

2. Fill in the blanks : 1x5
- (a) A \_\_\_\_\_ is both plan as well as a control tool.
  - (b) \_\_\_\_\_ is the basis for preparation of the budget.
  - (c) Baumol explains the cash holding principle under condition of \_\_\_\_\_ .
  - (d) \_\_\_\_\_ is the most liquid asset that a business owns.
  - (e) \_\_\_\_\_ refers to the time taken by bank in collecting cheques.

### SECTION - B

(Attempt any three questions)

- 3. Why is it required to reverse the entries ? Explain 5+5  
different types of reversal entries.
- 4. Explain the methods of preparing cash budget. 10
- 5. Discuss the methods of accounting for costs of various types of fixed asset. 10
- 6. Define depreciation. Explain the factors affecting depreciation. 10

## SECTION - C

(Attempt four questions in all Q.No. 7 is compulsory)

7. Prepare a Bank Reconciliation Statement as on 31-12-2013 from the following particulars : 15

|   | <b>₹</b> |  |
|---|----------|--|
| (a) Overdraft as per Cash Book as 31-12-2013  | 15,000   |  |
| (b) Cheques deposited but not yet credited by Bank  | 8,500    |  |
| (c) Cheques deposited but dishonoured by Bank   | 1,200    |  |
| (d) Cheques issued but not yet presented for Payment  | 6,000    |  |
| (e) Interest on overdraft not recorded in Cash Book   | 780      |  |
| (f) A cheque of ₹ 2420 received from a customer, entered in Cash Book but not sent to Bank. |          |  |

8. Discuss the importance of Record to Report (R2R) in business. 15

9. "Efficient Cash Management will aim at maximising the cash inflows and slowing cash outflows". Discuss in detail. 15

10. (a) Differentiate between 'Cycle Time' and 'Timeliness'.  
(b) Explain how proper hiring and training act as controls.  
(c) How would you control the risks associated with Fixed Assets ? 5+5+5

11. What is reporting ? Explain the characteristics of tax reporting. Why is management reporting integral for the company ? 3+6+6