

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

**Term-End Examination**

**June, 2019**

01454

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

*Time : 3 hours*

*Maximum Marks : 100*

**Note :** *Attempt all three sections.*

**SECTION A**

1. State whether the following statements are *True* or *False* : *5×1=5*
- (a) On the purchase of a fixed asset, invoice must be mapped to budgets.
  - (b) Soft close is an important control point in case of reconciliation.
  - (c) Credit Rating Agencies are very important users of company's financial reports.
  - (d) Lock box system is a method for accelerating for outflows.
  - (e) Bank float refers to the time taken by bank in collecting cheques.

**2. Fill in the blanks :**

*5×1=5*

- (a) \_\_\_\_\_ is the most liquid asset that a business owns.
- (b) Financial decisions are based on \_\_\_\_\_.
- (c) New capitalists require companies to be \_\_\_\_\_.
- (d) The control account balance is the \_\_\_\_\_ balance.
- (e) Sales return is an example of \_\_\_\_\_ reconciliation item.

## SECTION B

3. Attempt any *three* questions : 3×5=15

- (a) Explain the importance of R2R in business.
- (b) Draw the diagram of process of reconciliation.
- (c) Give reasons for revaluation of fixed assets.
- (d) Discuss the accounting treatment for change in depreciation method.
- (e) Discuss 'percentage of sales method' technique of forecasting.

4. Attempt any *three* questions : 3×5=15

- (a) Write a note on cash management in Indian business firms.
- (b) Give some examples of communication error.
- (c) Explain in brief about Management Reporting.
- (d) Give four assumptions of Baumol model of cash management.
- (e) Differentiate between Forecasting and Budgeting.

## SECTION C

*Attempt any four questions :*

*4×15=60*

5. What is Bank Reconciliation Statement ? Explain the procedure of preparing a Bank Reconciliation Statement. Prepare a Bank Reconciliation Statement with the help of imaginary figures.
  6. Explain the issues involved in accounting for fixed assets as per Accounting Standards (AS) – 10.
  7. Give reasons for providing depreciation. Explain the benefits of providing depreciation under reducing balance method.
  8. Discuss various methods of preparing a cash budget.
  9. What are the various controls in R2R ? Explain with examples.
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