

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

Term-End Examination

00044

December, 2014

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) Financial Accounting is the basis of formulating budgets.
 - (b) Financial decisions are not based on financial statements.
 - (c) Reconciliation process ends with the identification of variances.
 - (d) Sales return is an example of AR reconciliation item.
 - (e) Overdraft as per cash book means that the balance at bank will increase.

2. Fill in the blanks :

5×1=5

- (a) Debtors and Creditors reconciliations are also referred to as _____ reconciliation.
- (b) Book value = Original cost - (_____).
- (c) The cost of fixed asset is in the nature of _____ expenditure.
- (d) Depletion refers to the allocation of the cost of _____ over time.
- (e) Budget period refers to the forecasting period of _____ year.

SECTION B

3. Attempt any *three* questions. 3×5=15
- (a) Explain “Reconciliation as a process”.
 - (b) Explain the reasons for differences in the balance of debtors and creditors reconciliation.
 - (c) Explain the process of financial reporting and its benefits.
 - (d) Briefly explain the methods of revaluation of fixed assets.
 - (e) Explain the factors affecting the amount of depreciation.
4. Attempt any *three* questions. 3×5=15
- (a) Explain in brief, the techniques of forecasting.
 - (b) Discuss the motives for holding cash.
 - (c) Differentiate between Cycle Time and Timeliness.
 - (d) Explain the methods of accelerating cash inflows.
 - (e) Discuss the characteristics of tax reporting.

SECTION C

Attempt any **four** questions.

4×15=60

5. “Financial Reporting is a mechanism used to explain all the various financial components.” Elaborate.
 6. Explain the process of R2R (Record to Report) diagrammatically.
 7. “Efficient cash management will aim at maximizing the cash inflows and slowing cash outflows.” Discuss.
 8. How does cash flow forecasting help managers to perform their responsibilities effectively ?
 9. Define Depreciation and the reasons for providing depreciation. Explain the need of provision for depreciation. Define the concepts of Amortization, Depreciation and Depletion.
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