

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

Term-End Examination

June, 2021

BPOI-005 : RECORD TO REPORT (R2R)

Time : 3 hours

Maximum Marks : 100

Note :

*Section A – All questions are **compulsory**.*

*Section B – Attempt any **three** questions.*

*Section C – Q. No. 7 is **compulsory**. Attempt any **three** questions out of the rest.*

SECTION A

*All questions are **compulsory** in this section.*

1. State whether the following statements are *True* or *False* : *5×1=5*

- (a) The balance shown by pass book and the balance shown by bank column of the cash book generally differ.
- (b) When a fixed asset is obtained as gift, the account to be credited is Asset A/c.

- (c) The sale of depreciable asset resulting in a loss indicates that the proceeds from the sale were less than the book value.
- (d) A budget is both, a plan as well as a control tool.
- (e) Cash management is a trade-off between cost of carrying cash and the necessity of maintaining liquidity.

2. Fill in the blanks :

5×1=5

- (a) Availability of _____ is important for outsourcing.
- (b) Inter-company accounting involves proper allocation of expenses, _____ and _____.
- (c) Debit balance in the pass book means _____.
- (d) Salvage value is the estimated value of the asset at the end of its _____ .
- (e) _____ is the plan for cash inflows and cash outflows formulated at a specific level of activity.

SECTION B

Attempt any **three** questions.

3. What are the methods of Cash Forecasting ?
Explain. 10

4. What are the controls in R2R process ? Briefly
explain them. 10

5. Discuss the straight and reducing balance
methods of depreciation and state the difference
between them. 10

6. State the importance of R2R to Business. Why is
it outsourced ? Discuss. 10

SECTION C

*Q. No. 7 is **compulsory**. Attempt any **three** questions from the remaining.*

7. (a) What are the ways to value special kinds of fixed assets ? 5
- (b) On April 1, 2017 Bihar Collieries obtained wagons on hire-purchase system. The total amount payable was ₹ 2,50,000. Payment was to be made ₹ 50,000 down, and the balance in 4 instalments of ₹ 50,000 each. Interest charged was @ 15%. At what value should the wagons be capitalized ? 10
8. (a) Explain with examples Accuracy errors and Timeline errors. $7\frac{1}{2}$
- (b) List any two risks associated with Fixed Assets. How would you control each of these ? $7\frac{1}{2}$
9. What do you understand by Reporting ? How is Financial Reporting different from Tax Reporting ? Explain with resultant benefits to organisation. 15
10. What is Period Close ? Write a note on Period Close steps and consolidation process. 15
11. What is Inter-Company Reconciliation ? Explain with flow diagram and brief explanation of "Reconciliation as a Process". 15