

BİLGİ ÜNİVERSİTESİ BAF 351 BANK ACCOUNTING Mid-Term Exam 21 November 2018

Q(1) (35 marks) Prepare a banks a)Balance Sheet and b)Income Statement using your own numbers

Q(2) (35 marks) ABC Bank Net Income for the year is 200 mil TL. The bank's shareholders in the Annual General Meeting approved a dividend distribution of 80 mil TL from Net Income and 10 mil TL from Retained Earnings. As per the Commercial Code the Legal Reserve requirement is 10%. Prepare 4 accounting entries for ABC Bank to record these transactions.

Q(3) (15 marks) Increases and Decreases in Assets and Liabilities of a bank are recorded in the Sources & Uses of Funds Statement (Cash Flow Statement) of a bank. Indicate which of the following items are "Sources" and which are "Uses" of fund of a bank:

- a) Increase in mortgage loans
- b) Decrease in term deposits
- c) Decrease in property plant & equipment
- d) Increase in bank borrowings
- e) Increase in Share Capital

Q(4) (15 marks) Define the following bank accounting terminology:

- a. Bank Trial Balance
- b. Bank Standard (uniform) Chart of Accounts
- c. Banking Transaction