THE INSTITUTE OF BANKERS, BANGLADESH (IBB)

5th Banking Professional Examination, April-2025

AIBB

ACCOUNTING FOR FINANCIAL INSTITUTIONS (AFI)

Subject Code : 2 0 6

Time—3 hours
Full marks—100
Pass marks—45

[N.B. The figures in the right margin indicate full marks. Answer any five questions.]

Marks

1. (a) What is Accounting? What is the main objectives of accounting? 8
   (b) What is accounting information? Discuss the qualitative characteristics of accounting information. 8
   (c) Define 'Debit' and 'Credit'. 4

2. (a) What is basic accounting equation? Explain the components of accounting equation. 6
   (b) What is 'Asset'? What are the characteristics of an asset? 6
   (c) Show the effect of the following transactions in an accounting equation creating a tabular summary : 8
   (i) Investment of owner Tk. 10,00,000 in the business.
   (ii) Purchase of furniture from Akther Furnitures Tk. 70,000 on credit.
   (iii) Providing consultancy service to Mr. Golam Tk. 50,000.
   (iv) Payment made to Akther Furnitures Tk. 70,000.
   (v) Paid rent for the month Tk. 30,000.
   (vi) Depreciation of assets Tk. 70,000.
   (vii) Owner paid Tk. 30,000 as tuition fee of his children.
   (viii) Payment of salary to employee Tk. 20,000.

3. **ABC Ltd.**
Trial Balance
For the year ended 31 December 2024

Particulars	Debit (Tk.)	Credit (Tk.)
Cash	2,600	
Account receivables	1,800	
Supplies	1,100	
Equipment	6,000	
Accumulated depreciation—Equipment		1,200
Accounts payable		1,500
Unearned revenue		300
Capital		7,000
Drawings	600	
Service revenue		3,000
Salaries expense	700	
Miscellaneous	200	
	13,000	13,000

Other information :

1. A physical count only Tk. 140 of supplies on hand.
2. Depreciation is 10% per year.
3. Unearned revenue amounted Tk. 130 on 31-12-2024.
4. Accrued salary Tk. 350.

Required :

(a) Income statement. 8
(b) Statement of changes in owner's equity. 4
(c) A balance sheet as of 31 December 2024. 8

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		Marks
4.	*(a)* Distinguish between Trial Balance and Balance Sheet.	3
	(b) What are the purposes of Trial Balance?	3
	(c) The following transactions are made by Mr. Rahman, the owner of M/S. Rahman Enterprise for the month of November 2024.	

November	1	The owner invest Tk. 2,50,000 in cash and Tk. 90,000 as furniture.
	5	Appointment of a manager for Tk. 50,000 per month.
	12	Purchase of goods Tk. 1,20,000 for cash and Tk. 30,000 on credit.
	15	Sale of goods to Mr. Safwan for Tk. 2,00,000 and received cash Tk. 1,50,000.
	20	Purchase of furniture for cash Tk. 20,000.
	24	Received from Mr. Safwan Tk. 50,000.
	30	Paid utility expenses Tk. 10,000 and Manager's salary Tk. 50,000.

You are required to :

(i) Pass the journal entry with narration. 6

(ii) Transfer the entry into proper ledger accounts. 4

(iii) Prepare Trial Balance. 4

5. *(a)* What do you mean by bank reconciliation statement? What are the objectives of preparing bank reconciliation statement? 8

(b) Prepare a bank reconciliation statement of M/S. Shahina Enterprise as on 31-12-2024 with the following information : 12

(i) Bank balance as on 31-12-2024 as per bank statement Tk. 5350.

(ii) A draft deposited but not credited on bank book for Tk. 2,800.

(iii) A customer deposited Tk. 5,000 directly to the bank.

(iv) A cheque issued to the supplier but not presented for encashment Tk. 2,750.

(v) Bank charges Tk. 550 as account maintenance fee.

(vi) Total non-sufficient cheque was Tk. 3,000.

(vii) Balance as per cash book Tk. 3,950.

6. *(a)* Comparative financial statement's data for ABC Company are as follows :

	2023 (Tk.)	**2022** (Tk.)
Assets		
Cash and cash equivalents	13	16
Accounts receivables	22	24
Inventory	50	40
Total Current Assets	85	80
Property plant & equipment	240	200
Less : Accumulated depreciation	65	50
Net property plan & equipment	175	150
Total Assets	260	230
Liabilities & Shareholders' Equity		
Accounts payable	50	46
Common stock	150	145
Retained earnings	60	39
Total Liabilities & Shareholders' Equity	260	230

For the year 2023, ABC Company declared and paid a cash dividend. There were no sales of property, plant & equipment during the year 2023. The company did not repurchase any of it's won stock in 2023.

Required :

Using indirect method, prepare a statement of cash flow for 2023. 15

(b) What are financial statements? What are the names of those financial statements? 5

Marks

7. (a) Why depreciation is important to maintain tangible assets? 4

(b) What are the essential factors to be considered for computing depreciation? 4

(c) Navana Furniture a furniture manufacturer and wholesaler acquired a new equipment at a cost of Tk. 2,00,00,000 at the beginning of the year. The equipment has an estimated economic life of 4 (four) years and estimated salvage value Tk. 20,00,000. The President of the company has requested you for information regarding alternative depreciation method.

You are required to determine the annual depreciation expenses and schedule for four years as under : 4×3=12

(i) Strait Line Method.

(ii) Sum of Year Digits Method.

(iii) Reducing Balance Method.

8. (a) Sara Fashions comparative statements of financial positions are presented below : 10

Sara Fashions
Statement of Financial Position as on 31 December

	2023 (Tk.)	2022 (Tk.)
Assets		
Land	20,000	26,000
Buildings	70,000	70,000
Accumulated depreciation, Building	(15,000)	(10,000)
Inventory	10,000	7,000
Account receivables	22,000	24,000
Cash	4,300	3,700
Total	1,11,300	1,20,700
Liabilities and Equity		
Share Capital–Ordinary	72,000	69,000
Retained Earnings	24,300	20,600
Accounts Payable	15,000	31,100
	1,11,300	1,20,700

Sara Fashion's Income Statement included net sales of Tk. 1,00,000, cost of goods sold of Tk. 60,350 and net income of Tk. 14,000.

Instructions : Compute the following ratios for 2023 :

(i) Current Ratio

(ii) Quick Ratio

(iii) Inventory Turnover

(iv) Profit Margin

(v) Return on Assets

(b) What is Horizontal Analysis and Vertical Analysis? 5

(c) What is Perpetual Inventory System and Periodic Inventory System? 5

9. (a) Indicate whether each of the following account is an Asset, Liability, Owner's equity or any other account and also mention the normal balance of those accounts : 10

(i) Debtors

(ii) Creditors

(iii) Furniture

(iv) Unearned Revenue

(v) Prepaid Insurance

(vi) Owner's Drawings

(vii) Salaries

(viii) Interest Received

(ix) Rent

(x) Accumulated Depreciation.

(b) What is Income Statement? Explain the characteristics of Income Statement. 5

(c) What is permanent account? Where do you show the permanent accounts? Do we close the permanent accounts by closing entries? 5

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10. Write short notes on any five of the followings : 4×5=20
 (i) Cash Discount and Trade Discount
 (ii) Statutory Reserve
 (iii) Depreciation and Depletion
 (iv) Intangible Assets
 (v) Provisions for Loans and Advances
 (vi) Matching Principles
 (vii) GAAP
 (viii) Stakeholders
 (ix) Conceptual Framework of Accounting.

[বাংলা অনুবাদ]

[দ্রষ্টব্য : ডান পার্শ্বের সংখ্যা প্রশ্নের পূর্ণমান জ্ঞাপক। যে কোনো পাঁচটি প্রশ্নের উত্তর দিন।]

নম্বর

১। (ক) হিসাবরক্ষণ বলতে কী বুঝায়? হিসাবরক্ষণের প্রধান উদ্দেশ্য কী কী? ৮
 (খ) হিসাবরক্ষণের তথ্য কী? হিসাবরক্ষণ তথ্যের গুণগত বৈশিষ্ট্যগুলো আলোচনা করুন। ৮
 (গ) 'বিকলন' ও 'আকলন' কাকে বলে? ৪

২। (ক) মৌলিক হিসাবরক্ষণ সমীকরণ কী? হিসাবরক্ষণ সমীকরণের উপাদানগুলো ব্যাখ্যা করুন। ৬
 (খ) 'সম্পদ' বলতে কী বুঝায়? একটি সম্পদের বৈশিষ্ট্য কী কী? ৬
 (গ) ইংরেজি অংশ দেখুন। ৮

৩। ইংরেজি অংশ দেখুন। ২০

৪। (ক) রেওয়ামিল ও উদ্বৃত্তপত্রের পার্থক্য করুন। ৩
 (খ) রেওয়ামিল তৈরির উদ্দেশ্য কী? ৩
 (গ) ইংরেজি অংশ দেখুন। ১৪

৫। (ক) ব্যাংক রিকনসিলিয়েশন স্টেটমেন্ট বলতে কী বুঝায়? এটি তৈরির উদ্দেশ্যগুলো কী কী? ৮
 (খ) ইংরেজি অংশ দেখুন। ১২

৬। (ক) ইংরেজি অংশ দেখুন। ১৫
 (খ) আর্থিক বিবরণী কী? আর্থিক বিবরণীর নামগুলো কী কী? ৫

৭। (ক) টেনজিবল সম্পত্তি মেইনটেইন করার জন্য অবচয় এর গুরুত্ব আলোচনা করুন। ৪
 (খ) অবচয় হিসাবায়নের সময় কী কী উপাদান বিবেচনা করা হয়? ৪
 (গ) ইংরেজি অংশ দেখুন। ১২

৮। (ক) ইংরেজি অংশ দেখুন। ১০
 (খ) আনুভূমিক বিশ্লেষণ ও উল্লম্ব বিশ্লেষণ কী? ৫
 (গ) চিরস্থায়ী ইনভেন্টরি (inventory) ব্যবস্থা ও মেয়াদি (periodic) ইনভেন্টরি ব্যবস্থা কী? ৫

৯। (ক) ইংরেজি অংশ দেখুন। ১০
 (খ) আয় বিবরণী কী? আয় বিবরণীর বৈশিষ্ট্য বর্ণনা করুন। ৫
 (গ) স্থায়ী হিসাব কী? স্থায়ী হিসাবগুলো কোথায় দেখানো হয়? ৫

১০। ইংরেজি অংশ দেখুন। ২০