

Course No:
Course title: Banking & financial institution
Date: 19/04/2017
No. of Questions: (2)
Time: 1 hours
Using Calculator (Yes)

University of Palestine



Midterm Exam
Second Semester
2016/2017
Total Grade:

Instructor: Dr. Ahmed A. M. Al-Afifi
Student No.: _____
Student Name: _____
College Name: Business and Finance
Dep. / Specialist: Accounting-English
Using Dictionary (No)

Question One: State whether the following statements are true or false

	statement	T/F
1.	Time deposit is money deposited at a banking institution that can be withdrawn anytime.	
2.	Treasury receipts should be recorded in the debited side of the treasury.	
3.	At the establishment of a bank depositing the capital at the main treasury the capital should be recorded in the debited side	
4.	The functions of the promissory departments at banks include receiving notes for collection but not for discounting.	
5.	Credit card bills are a form of long-term debt.	
6.	Supplying branches with cash make main treasury in the debited side.	
7.	When the bank transfers money from his customer's current account to another account at another branch. The branch should be in the credit side.	
8.	Usually the payee is the one who signs the promissory note for certifying the due amount as borrowed.	
9.	Bank overdrafts and corporate bonds are usually unsecured loans.	

Question two:

The following transactions that happened in Jan.-2016 at the Arab Bank:

1. The bank started with Capital of 6,000,000 \$; it deposited 4,500,000 of the amount at the Central bank and 1,500,000 at the ABC bank.
2. It was withdrawing 500,000 from the central bank to the main treasure.
3. Bank paid to buildings 80,000 \$ and 9,000 \$ to tools.
4. Loans department give a short-term loan with Personal collaterals (Guarantor) amounted 7,000\$ to Amir Salem with commission 1% of the loan amount and annual interest 10% for six months.
5. payment the amount of a note promissory in favor of customers with 15,000.
6. Al-Amal Co. deposits cheque 50,000 NIS issued by Ali Imam who has a current account in the same branch.
7. Ahmed Salem open new saving account for his daughter and deposit 1000 NIS in.

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8. Loans with tangible collaterals 40,000\$ commission 1%, interest 10%, cost of the stock 50,000\$, the bank paid 500\$ as Expenses transferring, 1500\$ Expenses storing.

9. Cheques deposits from Al-Nahdah Co. amounted 480,000 NIS issued by Babel Co. who has account in BOP. The branch add the amount in their account direct without waiting clearing house.

10. The customer Amir Salem paid amount of 5,000\$ in cash, and did not repay the remaining Loan, so the bank asked the Guarantor and withdrawn the amount from current account.

11. Loans with Commercial papers 60000\$, the nominal value of this papers are 100000\$, commission 1% , interest 10%.

12. Ahmed withdrawn 3400 NIS cash from his current account.

13. Omar transfers from his current account to Samer (in another branch) with 1,000 NIS.

14. Total notes for collection 100,000\$ - commission 1%. The bank collected and discount their commission from customers' current account.

Required: Record the journal entries for the transactions that took place at the Arab bank.

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End of Questions
Good Luck