

**TITLE OF EXAMINATION: BSc. EXAMINATION**

**COLLEGE: COLLEGE OF BUSINESS AND SOCIAL SCIENCES**

**DEPARTMENT: ACCOUNTING AND FINANCE**

**SESSION: 2019/2020**

**SEMESTER: RAIN**

**COURSE: FINANCIAL ACCOUNTING II**

**COURSE CODE: ACC302**

**TIME ALLOWED: 60 MINUTES**

**INSTRUCTION: ATTEMPT THREE QUESTIONS ONLY**

**QUESTION ONE**

The statement of accounting standard on Accounting for Banks and Non-Bank Financial institution gives the typical financial statements a bank should present before its members at the Annual General Meeting.

- a. Enumerate the financial statement to be presented. (4marks)
  - b. Mention the regulatory framework guiding the preparation of published bank financial statement. (4marks)
  - c. Itemize the risk assets of bank. (2marks)
- (10marks)**

**QUESTION TWO**

Insurance is a contract purchased to guarantee compensation for a specified loss such as fire, death through accident, etc.

- a. Highlight the regulatory framework guiding the preparation of published insurance company's statement. (6marks)
- b. Discuss the two classes of insurance business. (4marks)

**(Total 10marks)**

**QUESTION THREE**

Financial ratio analysis involves the consideration of two numerical values in the financial statements.

- a. Discuss the advantages of financial ratio (3marks)
- b. Highlights the concept of financial ratio (4marks)
- c. Mention the main users of financial statements. (3marks)

**(Total 10marks)**

**QUESTION FOUR**

What do you understand by the term "Performing and Nonperforming loan" and what are the provisions to be made if a loan is regarded as nonperforming? (10marks)

**QUESTION FIVE**

Discuss the functions of Securities and Exchange Commission (10marks)