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KIRIRI WOMEN'S UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2023/2024 ACADEMIC YEAR
FOR THE CERTIFICATE IN BANKING AND FINANCE
CBF 201: ELEMENTS OF BANKING

Date: 9TH AUGUST 2023

Time: 2:30PM-4:30PM

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

- Explains THREE differences between central bank and commercial banks in Kenya. (6 Marks)
- Explain THREE types of Money. (6 Marks)
- Outline THREE factors that have led to growth of digital microfinance in Kenya. (6 Marks)
- State any six reasons that would make a bank dishonor payment of a cheque. (6 Marks)
- Explains the roles financial Intermediaries in the economic development. (6 Marks)

QUESTION TWO (20 MARKS)

- Besides electronic banking; discuss FIVE benefits of technological advancement in the banking industry. (6 Marks)
- Explain how the central bank acts as banker to commercial banks. (6 Marks)
- Explain FOUR roles of the central bank of Kenya. (8 Marks)

QUESTION THREE (20 MARKS)

- Outline FOUR factors that have led to growth of digital microfinance in Kenya. (8 Marks)
- State and any SIX accounts offered by banks to their customers. (6 Marks)
- Explain THREE types of accounts you can open in a commercial bank. (6 Marks)

QUESTION FOUR (20 MARKS)

- Explain any four objectives of the IMF. (8 Marks)
- Briefly describe financial intermediaries. (6 Marks)
- Explain THREE types of negotiable instruments. (6 Marks)

QUESTION FIVE (20 MARKS)

- Explain any six challenges of E-banking. (6 Marks)
- Barter system is still in use in today's economic environment. Discuss the possible setbacks of such a system. (6 Marks)
- Discuss in details any four instruments of controlling money supply in an economy. (8 Marks)