

041206T4BFN

BANKING AND FINANCE LEVEL 6

BUS/OS/BF/CR/08/6

Manage Back Office

March/April 2026



**TVET CURRICULUM DEVELOPMENT, ASSESSMENT AND CERTIFICATION
COUNCIL (TVET CDACC)**

WRITTEN ASSESSMENT

TIME: 2 HOURS

INSTRUCTIONS TO CANDIDATE

1. This paper consists of **TWO** sections: **A** and **B**.
2. Answer **ALL** questions in section A.
3. Answer question **ELEVEN** (11) and any other **TWO** (2) questions in section B.
4. Marks for each question are indicated in the brackets.
5. Candidates are provided with a separate answer booklet
6. Do not write on the question paper.

This paper consists of FIVE (5) printed pages

**Candidates should check the question paper to ascertain that all
pages are printed as indicated and that no questions are missing.**

SECTION A (40 MARKS)

Answer ALL the Questions in this Section.

1. ABC Bank branch has multiple suspense account entries that have remained unresolved for months with no explanation or narration. Identify FOUR causes of suspense account balances at ABC Bank. (4 Marks)
2. The DEF Bank branch frequently runs out of stationery even though orders are placed regularly. Identify FOUR weaknesses in DEF Bank's stationery management system. (4 Marks)
3. XYZ Ltd submitted their monthly salary instructions to Kezi Bank two days after the agreed deadline, causing delays in employees' salaries and multiple complaints to the bank. Name FOUR controls Kezi bank should apply to ensure timely salary processing. (4 Marks)
4. During a routine physical count at XZ Bank, several office equipment items could not be found in the records or on the premises. Give FOUR actions XZ bank management should take when assets are missing. (4 Marks)
5. During an internal audit at GHI Bank, it was observed that several payment vouchers were processed without proper authorization signatures. Identify FOUR risks associated with improper voucher authorization to GHI Bank. (4 Marks)
6. During a system migration, JKL Bank discovers that many customer records are outdated or incomplete, causing delays in the migration process and thus warranting data clean-up. List FOUR reasons why JKL Bank should perform regular data clean-up. (4 Marks)
7. During an audit at PQR Bank, it was found that suspense account entries were being cleared without proper investigation, leading to inconsistencies in financial records. Name FOUR consequences of poor suspense account management at PQR Bank. (4 Marks)
8. A customer at MNO Bank complains after their account was classified as dormant without any prior notification. State FOUR responsibilities of MNO Bank when managing customer accounts. (4 Marks)
9. The STU Bank branch stores office equipment and other assets without any unique identification marks. Identify FOUR benefits of asset marking at STU Banks. (4 Marks)

10. At VWX Bank, used and unused payment vouchers are stored together, creating confusion and increasing the risk of fraud. State FOUR best practices for safe storage of bank vouchers at VWX Bank. (4 Marks)

SECTION B (60 MARKS)

Answer question ELEVEN (11) and Any other TWO (2) Questions in this section.

11. ABZ bank has expanded its branch network and invested heavily in new office equipment, vehicles, and ICT infrastructure. However, management has discovered that records of physical assets are outdated, with some assets not captured in the asset register and others lacking identification tags. This has made it difficult to track asset location, condition, and ownership. During a recent internal audit, discrepancies were noted between physical assets on the ground and those recorded in the books. Some assets could not be traced, while others appeared in the register despite having been disposed of earlier. The absence of timely updates has raised concerns over asset misuse, theft, and inaccurate financial reporting.

As a result, the bank is exposed to operational risks, audit queries, and possible financial losses. Management has resolved to strengthen asset management controls by improving asset acquisition procedures, maintaining an up-to-date asset register, and enforcing proper disposal policies in line with regulatory and internal guidelines.

- a) Explain FIVE advantages of keeping an asset register to support effective asset management at ABZ Bank. (10 Marks)
 - b) Discuss FIVE methods ABZ Bank should use to handle asset disposal to ensure accountability and compliance. (10 Marks)
12. Kezi Microfinance bank is experiencing frequent complaints from corporate clients due to delayed and incorrect salary payments to employees. Internal reviews reveal weaknesses in salary verification and late processing of payroll files. At the same time, auditors have raised concerns over large unresolved suspense account balances, some linked to failed salary transactions. Management suspects poor coordination between salary processing and suspense account management.
- a) Explain FIVE causes of salary processing errors and delays at Kezi Microfinance Bank. (10 Marks)
 - b) Discuss FIVE reasons why suspense accounts may have unresolved balances in banking industry. (10 Marks)
13. The Unity Bank branch, managed by Peter has recorded a steady increase in stationery expenses, which has significantly reduced branch profitability where Stock records are poorly maintained, and issues are made without proper authorization or documentation. Periodic stock-taking is rarely conducted, leading to frequent losses and unexplained

shortages. Management is concerned that weak stationery controls are encouraging wastage and misuse.

- a) Explain TWO ways Unity Bank can maintain proper stationery records. (4 Marks)
 - b) Explain THREE ways Unity Bank can control stationery effectively. (6 Marks)
 - c) Explain FIVE disadvantages of poor stationery control on the operations of Unity Bank. (10 Marks)
14. Abby bank is facing a supplier payment dispute after discovering that some payment vouchers were processed without proper supporting documents, authorization, and regular reconciliation.
- a) Explain FIVE roles of bank vouchers in promoting accurate and effective financial transaction processing at Abby Bank. (10 Marks)
 - b) Discuss FIVE ways in which voucher reconciliation benefits the financial operations of Abby Bank. (10 Marks)