

4.5.2 Business Paper 2 (565/2)

1. (a) Explain **five** circumstances under which a producer may sell goods directly to the consumer. (10 marks)
- (b) Explain each of the following terms of sale as used in international trade: (10 marks)
 - (i) Ex-works
 - (ii) Cost and Freight
 - (iii) FOB
 - (iv) Landed
 - (v) In Bond
2. (a) Explain **five** factors that may discourage entrepreneurship in Kenya. (10 marks)
- (b) Explain **five** demerits of indirect taxes. (10 marks)
3. (a) Explain **five** errors that may **not** be detected in a trial balance. (10 marks)
- (b) Explain **five** documents prepared by the seller after receiving an order up to the point of delivery. (10 marks)