Pearson
Edexcel

Mark Scheme (Results)

Summer 2019

Pearson Edexcel International GCSE

In Accounting (4AC1)

Paper 01R Introduction to Bookkeeping and Accounting

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General Marking Guidance

- All candidates must receive the same treatment. Examiners must mark the first candidate in exactly the same way as they mark the last.
- Mark schemes should be applied positively. Candidates must be rewarded for what they have shown they can do rather than penalised for omissions.
- Examiners should mark according to the mark scheme not according to their perception of where the grade boundaries may lie.
- There is no ceiling on achievement. All marks on the mark scheme should be used appropriately.
- All the marks on the mark scheme are designed to be awarded. Examiners should always award full marks if deserved, i.e. if the answer matches the mark scheme. Examiners should also be prepared to award zero marks if the candidate's response is not worthy of credit according to the mark scheme.
- Where some judgement is required, mark schemes will provide the principles by which marks will be awarded and exemplification may be limited.
- When examiners are in doubt regarding the application of the mark scheme to a candidate's response, the team leader must be consulted.
- Crossed out work should be marked UNLESS the candidate has replaced it with an alternative response.

SECTION A

Question number	Answer	Mark
	Award 1 mark as indicated each question.	
1	**C** **Account to be debited** Purchases; **Account to be credited** Cash	**(1)**
2	**A** Credit purchases	**(1)**
3	**B** Journal	**(1)**
4	**B** Purchases return book	**(1)**
5	**D** To spread the cost of the asset over its useful life	**(1)**
6	**B** $7 200	**(1)**
7	**B** Credit discount received account	**(1)**
8	**D** Current	**(1)**
9	**D** **Account to be debited** Income statement; **Account to be credited** Current	**(1)**
10	**B** $160	**(1)**

TOTAL FOR QUESTIONS 1-10 = 10 MARKS

Question number	Answer	Mark
11	**Award 1 mark for each correct figure as indicated.** **(i)** Credit **(1)** **(ii)** 1 800 **(1)** **(iii)** 1 800 **(1of)** **(iv)** 360 **(1of)** **(v)** 1 440 **(1of)**	**(5)**

TOTAL FOR QUESTION 11 = 5 MARKS

Question number	Answer	Mark
12	**Award 1 mark for correct date, details and amounts in combination.**	**(5)**

Shazia Account

Date 2019	Details	$	Date 2019	Details	$
1 April	Balance b/d	240**(1)**	23 April	Sales returns (day book)	72**(1)**
12 April	Sales (day book)	486**(1)**	29 April	Cash book /Bank	240**(1)**
			30 April	Balance c/d	414
		726			726
1 May	Balance b/d	414**(1of)**			

TOTAL FOR QUESTION 12 = 5 MARKS

<table>
<tr><th>Question number</th><th>Answer</th><th>Mark</th></tr>
<tr><td>13</td><td>
Award 1 mark for correct amount.
Award 1 mark for all correct dates and details

Disposal Account
<table>
<tr><th>Date</th><th>Details</th><th>$</th><th>Date</th><th>Details</th><th>$</th></tr>
<tr><td>2019
31 Mar</td><td>Machinery</td><td>24 000
(1)</td><td>2019
31 Mar</td><td>Provision for deprecation</td><td>8 640
(2/1of)</td></tr>
<tr><td></td><td>Income statement</td><td>640
<u>(1of)</u></td><td></td><td>Cash Book/Bank</td><td>16 000</td></tr>
<tr><td></td><td></td><td><u>24 640</u></td><td></td><td></td><td><u>24 640</u></td></tr>
</table>
</td><td>(5)</td></tr>
</table>

TOTAL FOR QUESTION 13 = 5 MARKS

TOTAL MARKS FOR SECTION A = 25 MARKS

SECTION B

Question number	Answer	Mark
14(a)	**Award marks for correct date, details and amounts in combination.**	

Cash Book (bank column)

Date 2019	Details	$	Date 2019	Details	$
30 April	(Credit transfer) - Kamil	820 **(1)**	30 April	Balance b/d	1 358 **(1)**
	Balance c/d	735		Bank charges	32 **(1)**
				(Direct debit) - Insurance	165 **(1)**
		1 555			1 555
			1 May	Balance b/d	735 **(1of)**

Mark: **(5)**

Question number	Answer	Mark
14(b)	**Award marks as indicated.**	

Sanit
Bank Reconciliation statement at 30 April 2019

	$	
Balance per cash book **(1)**	(735)	**(1of)**
Unpresented cheques	315	**(1)**
Uncredited bankings	(180)	**(1)**
Balance per bank statement **(1)**	(600)	**(1)**

Alternative presentation

	$	
Balance per bank statement **(1)**	(600)	**(1)**
Unpresented cheques	(315)	**(1)**
Uncredited bankings	180	**(1)**
Balance per cash book **(1)**	(735)	**(1of)**

Mark: **(6)**

Question number	Answer	Mark
14(c)(i)	**Award 1 mark as indicated.** A payment of a fixed amount **(1)** initiated by the payer **(1).**	**(2)**

Question number	Answer	Mark
14(c)(ii)	**Award 1 mark as indicated.** A payment of a variable amount **(1)** initiated by the payee **(1).**	**(2)**

TOTAL FOR QUESTION 14 = 15 MARKS

Question number	Answer	Mark
15(a)	**Award marks as indicated** **Error** / **Type of error** 2 — Principle **(1)** 5 — Omission **(1)** 6 — Transposition **(1)**	**(3)**

Error	Type of error
2	Principle **(1)**
5	Omission **(1)**
6	Transposition **(1)**

Question number	Answer	Mark
15(b)	**Award marks for correct date, details and amounts in combination.**	**(6)**

Suspense Account

Date	Details	$	Date	Details	$
2019 30 April	Balance b/d	580 **(1)**	2019 30 April	Sales	200 **(1)**
	Discount received	80 **(1)**		Raul	450 **(1)**
	Discount allowed	80 **(1)**		Rent	90 **(1)**
		740			740

<table>
<tr><th>Question number</th><th>Answer</th><th>Mark</th></tr>
<tr><td>15(c)</td><td>Award marks as indicated
<table><tr><th>Error</th><th>Increase</th><th>Decrease</th><th>No effect</th></tr><tr><td>1</td><td></td><td>✓ (1)</td><td></td></tr><tr><td>2</td><td></td><td>✓ (1)</td><td></td></tr><tr><td>3</td><td></td><td></td><td>✓(1)</td></tr><tr><td>4</td><td>✓ (1)</td><td></td><td></td></tr><tr><td>5</td><td>✓ (1)</td><td></td><td></td></tr><tr><td>6</td><td></td><td>✓ (1)</td><td></td></tr></table></td><td>(6)</td></tr>
</table>

TOTAL FOR QUESTION 15 = 15 MARKS

Question number	Answer	Mark
16(a)	**Award 1 mark for correct amount.** **Award 1 mark for all correct dates and details**	

Trade Receivables Ledger Control Account

Date	Details	$	Date	Details	$
2019 1 April	Balance b/d	17 460 **(1)**	2019 30 April	Bank	79 640 **(1)**
30 April	Sales day book	84 200 **(1)**		Cash book/ discount allowed	2 100 **(1)**
	Bank	315 **(1)**		Journal/ Set-off trade payables ledger control	475 **(1)**
				Journal/ irrecoverable debts	290 **(1)**
				Sales returns day book	3 150 **(1)**
				Balance c/d	16 320
		101 975			101 975
1 May	Balance b/d	16 320 **(1of)**			

(10)

Question number	Answer	Mark
16(b)	**Award up to 2 marks for identification, 2 marks for development and 1 mark for conclusion.** **Sample answers** Hanif maintains a trade receivable ledger account as it will provide: A total amount of trade receivables **(1),** which can be used to prepare the financial statements **(1)**. A deterrent to fraud **(1)** as these are normally produced by a different person than produced the subsidiary ledger accounts **(1)**. Help in locating errors when the trial balance fails to balance **(1)** as the balance of the control account must equal the total of the individual trade receivables **(1).** Proof of the arithmetical accuracy of the trade receivables ledger **(1)** but not all errors will be revealed - e.g. error of commission **(1).** Therefore the advantages to Hanif outweigh the disadvantages **(1).**	**(5)**

TOTAL FOR QUESTION 16 = 15 MARKS

Question number	Answer	Mark

17(a)

Award marks as indicated.

Account	**Debit $**	**Credit $**
Bank overdraft		1 830 **(1)**
Carriage inwards	710 **(1)**	
Carriage outwards	1 220	
Discount allowed	420 **(1)**	
Discount received		300
Drawings	6 200 **(1)**	
Equity		16 600
General expenses	5 950	
Inventory	5 350	
Irrecoverable debts	250 **(1)**	
Non-current assets – accumulated depreciation		5 900
Non-current assets - cost	15 050	
Purchases	34 280	
Rent and rates	3 650	
Returns inwards	530 **(1)**	
Returns outwards		980
Revenue		65 570
Trade payables		3 510 **(1)**
Trade receivables	2 180 **(1)**	
Wages	18 900	
Total	94 690	94 690
	(1of) for both	

(9)

Question number	Answer	Mark
17(b)	**Award marks as indicated** **Scenario** / **Accounting concept** A computer purchased for her personal use should be charged to drawings. — Business entity **(1)** The purchase of a new calculator for $40 should not be charged to non-current assets. — Materiality **(1)**	**(2)**

Scenario	Accounting concept
A computer purchased for her personal use should be charged to drawings.	Business entity **(1)**
The purchase of a new calculator for $40 should not be charged to non-current assets.	Materiality **(1)**

Question number	Answer	Mark
17(c)	**Award marks as indicated**	**(4)**

Item	Expense	Income	Current Asset	Current Liability
Irrecoverable debts	✓**(1)**			
Provision for irrecoverable debts			✓**(1)**	
Provision for irrecoverable debts - decrease		✓**(1)**		
Provision for irrecoverable debts - increase	✓**(1)**			

TOTAL FOR QUESTION 17 = 15 MARKS

Question number	Answer	Mark
18(a)(i)	**Award marks as indicated** Expenses which have been incurred **(1)** but unpaid at the financial year end **(1)** **Accept any other appropriate responses**	**(2)**

Question number	Answer	Mark
18(a)(ii)	**Award marks as indicated** Expenses that have been paid **(1)** in advance of the accounting period **(1)** **Accept any other appropriate responses**	**(2)**

Question number	Answer	Mark
18(b)	**Award marks as indicated** $360 **(2) (W)** **W** ($960 / 8 or $120 **(1)** x 3 = $360 **(1)**	**(2)**

Question number	Answer	Mark

<table>
<tr><td>18(c)</td><td>Award mark as indicated

<table>
<tr><th>Transaction</th><th>Revenue Expenditure</th><th>Capital Expenditure</th></tr>
<tr><td>Factory roof repairs</td><td>✓(1)</td><td></td></tr>
<tr><td>Factory extension</td><td></td><td>✓(1)</td></tr>
<tr><td>Machinery installation</td><td></td><td>✓(1)</td></tr>
<tr><td>Machinery maintenance</td><td>✓(1)</td><td></td></tr>
</table></td><td>(4)</td></tr>
<tr><th>Question number</th><th>Answer</th><th>Mark</th></tr>
<tr><td>18(d)</td><td>Award up to 2 marks for identification, 2 marks for development and 1 mark for conclusion.

Sample answers

It is important to distinguish between revenue expenditure and capital expenditure because:

The incorrect treatment of revenue expenditure would result in the profit for the year being either overstated or understated (1) as revenue expenditure is written off against profit in the year in the year incurred (1).

The incorrect treatment of capital expenditure would result in the non-current assets being either overstated or understated (1) as capital expenditure items last longer than one year and appear in the statement of financial position (1).

By treating capital expenditure and revenue expenditure incorrectly, this would result in the financial statements not providing a true and fair view of the business (1).</td><td>(5)</td></tr>
</table>

TOTAL FOR QUESTION 18 = 15 MARKS

TOTAL MARKS FOR SECTION B = 75 MARKS

TOTAL MARKS FOR PAPER = 100 MARKS

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