

Please check the examination details below before entering your candidate information

Candidate surname	Other names
Centre Number	Candidate Number
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Pearson Edexcel International GCSE (9–1)

Thursday 20 November 2025

Morning (Time: 1 hour 15 minutes)	Paper reference	4AC1/02
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Accounting

Level 1/2

PAPER 2: Financial Statements

<p style="font-weight: bold;">You do not need any other materials.</p>	<p style="text-align: center;">Total Marks</p>
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### Instructions

- Use **black** ink or ball-point pen.
- **Fill in the boxes** at the top of this page with your name, centre number and candidate number.
- Answer **all** questions.
- Answer the questions in the spaces provided  
– *there may be more space than you need.*
- Calculators may be used.

### Information

- The total mark for this paper is 50.
- The marks for **each** question are shown in brackets  
– *use this as a guide as to how much time to spend on each question.*

### Advice

- Read each question carefully before you start to answer it.
- Try to answer every question.
- Check your answers if you have time at the end.

Turn over ►

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**Answer ALL questions. Write your answers in the spaces provided.**

- 1 On 30 September 2025 Joleene, a manufacturer, provided the following information.

	\$
Factory machinery at 1 October 2024	
– Cost	280 000
– Provision for depreciation	100 800
Office equipment at 1 October 2024	
– Cost	50 000
– Provision for depreciation	18 000
Inventory at 1 October 2024	
– Raw materials	48 900
– Work-in-progress	23 100
– Finished goods	12 870
Inventory at 30 September 2025	
– Raw materials	54 320
– Work-in-progress	24 270
– Finished goods	10 850
Direct factory expenses	18 250
Indirect factory expenses	24 500
Insurance	32 000
Lighting and heating	50 000
Machinery repairs	1 880
Purchases of finished goods	11 930
Purchases of raw materials	134 020
Rent and rates	26 900
Returns inwards	32 100
Returns outwards (finished goods)	1 200
Returns outwards (raw materials)	4 500
Revenue	543 100
Transport costs	8 000
Wages and salaries	120 000

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**Additional information at 30 September 2025**

- Transport costs are apportioned 80% to purchases of raw materials and 20% to delivery of finished goods to customers.
- Non-current assets are depreciated at 20% per annum on a reducing balance basis. During the year there were no purchases or disposals of non-current assets.
- Wages and salaries include the factory supervisor’s salary of \$35 000. The remainder is to be apportioned 30% to direct labour, 35% to indirect labour and 35% to office administration.
- Both insurance and lighting and heating are apportioned equally between manufacturing and administration.
- Rent and rates included a payment of \$2 000 for the month of October 2025.
- Rent and rates are apportioned 75% to manufacturing and 25% to administration.
- During the year Joleene took for her own use raw materials, \$500, and finished goods, \$750

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(ii) an income statement extract showing the **trading section** only.

(5)

**Joleene**  
**Income statement extract for the year ended 30 September 2025**

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(b) Explain, referring to a relevant accounting concept, whether Joleene needs to maintain a record of any goods or cash withdrawn from the business for personal use.

(5)

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**(Total for Question 1 = 25 marks)**



- 2 On 31 March 2025 Taylor provided the following trial balance after the preparation of the trading account for the year.

**Taylor**  
**Trial balance at 31 March 2025**

Account	Debit \$	Credit \$
Cash at bank		2 200
Cash in hand	1 120	
Drawings	50 000	
Equity		250 000
Fixtures and fittings – cost	50 000	
Fixtures and fittings – provision for depreciation		10 000
Gross profit		419 250
Lighting and heating	10 800	
Inventory	35 200	
Irrecoverable debts	250	
Land and buildings – cost	250 000	
Motor vehicles – cost	20 000	
Motor vehicles – provision for depreciation		7 200
Profit on disposal of motor vehicle		800
Provision for irrecoverable debts		750
Sundry expenses	39 630	
Trade payables		9 800
Trade receivables	12 000	
Wages and salaries	231 000	
	<b>700 000</b>	<b>700 000</b>

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(b) Prepare a statement of financial position at 31 March 2025.

(12)

**Taylor**  
**Statement of financial position at 31 March 2025**

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