



Cambridge IGCSE™

ACCOUNTING	0452/21
Paper 2	May/June 2024
MARK SCHEME	
Maximum Mark: 100	

Published

This mark scheme is published as an aid to teachers and candidates, to indicate the requirements of the examination. It shows the basis on which Examiners were instructed to award marks. It does not indicate the details of the discussions that took place at an Examiners’ meeting before marking began, which would have considered the acceptability of alternative answers.

Mark schemes should be read in conjunction with the question paper and the Principal Examiner Report for Teachers.

Cambridge International will not enter into discussions about these mark schemes.

Cambridge International is publishing the mark schemes for the May/June 2024 series for most Cambridge IGCSE, Cambridge International A and AS Level and Cambridge Pre-U components, and some Cambridge O Level components.

PUBLISHED**Generic Marking Principles**

These general marking principles must be applied by all examiners when marking candidate answers. They should be applied alongside the specific content of the mark scheme or generic level descriptions for a question. Each question paper and mark scheme will also comply with these marking principles.

GENERIC MARKING PRINCIPLE 1:

Marks must be awarded in line with:

- the specific content of the mark scheme or the generic level descriptors for the question
- the specific skills defined in the mark scheme or in the generic level descriptors for the question
- the standard of response required by a candidate as exemplified by the standardisation scripts.

GENERIC MARKING PRINCIPLE 2:

Marks awarded are always **whole marks** (not half marks, or other fractions).

GENERIC MARKING PRINCIPLE 3:

Marks must be awarded **positively**:

- marks are awarded for correct/valid answers, as defined in the mark scheme. However, credit is given for valid answers which go beyond the scope of the syllabus and mark scheme, referring to your Team Leader as appropriate
- marks are awarded when candidates clearly demonstrate what they know and can do
- marks are not deducted for errors
- marks are not deducted for omissions
- answers should only be judged on the quality of spelling, punctuation and grammar when these features are specifically assessed by the question as indicated by the mark scheme. The meaning, however, should be unambiguous.

GENERIC MARKING PRINCIPLE 4:

Rules must be applied consistently, e.g. in situations where candidates have not followed instructions or in the application of generic level descriptors.

GENERIC MARKING PRINCIPLE 5:

Marks should be awarded using the full range of marks defined in the mark scheme for the question (however; the use of the full mark range may be limited according to the quality of the candidate responses seen).

GENERIC MARKING PRINCIPLE 6:

Marks awarded are based solely on the requirements as defined in the mark scheme. Marks should not be awarded with grade thresholds or grade descriptors in mind.

**Social Science-Specific Marking Principles
(for point-based marking)**

1 Components using point-based marking:

- Point marking is often used to reward knowledge, understanding and application of skills. We give credit where the candidate's answer shows relevant knowledge, understanding and application of skills in answering the question. We do not give credit where the answer shows confusion.

From this it follows that we:

- a** DO credit answers which are worded differently from the mark scheme if they clearly convey the same meaning (unless the mark scheme requires a specific term)
- b** DO credit alternative answers/examples which are not written in the mark scheme if they are correct
- c** DO credit answers where candidates give more than one correct answer in one prompt/numbered/scaffolded space where extended writing is required rather than list-type answers. For example, questions that require n reasons (e.g. State two reasons ...).
- d** DO NOT credit answers simply for using a 'key term' unless that is all that is required. (Check for evidence it is understood and not used wrongly.)
- e** DO NOT credit answers which are obviously self-contradicting or trying to cover all possibilities
- f** DO NOT give further credit for what is effectively repetition of a correct point already credited unless the language itself is being tested. This applies equally to 'mirror statements' (i.e. polluted/not polluted).
- g** DO NOT require spellings to be correct, unless this is part of the test. However spellings of syllabus terms must allow for clear and unambiguous separation from other syllabus terms with which they may be confused (e.g. Corrasion/Corrosion).

2 Presentation of mark scheme:

- Slashes (/) or the word 'or' separate alternative ways of making the same point.
- Semi colons (;) bullet points (•) or figures in brackets (1) separate different points.
- Content in the answer column in brackets is for examiner information/context to clarify the marking but is not required to earn the mark (except Accounting syllabuses where they indicate negative numbers).

3 Calculation questions:

- The mark scheme will show the steps in the most likely correct method(s), the mark for each step, the correct answer(s) and the mark for each answer
- If working/explanation is considered essential for full credit, this will be indicated in the question paper and in the mark scheme. In all other instances, the correct answer to a calculation should be given full credit, even if no supporting working is shown.
- Where the candidate uses a valid method which is not covered by the mark scheme, award equivalent marks for reaching equivalent stages.
- Where an answer makes use of a candidate's own incorrect figure from previous working, the 'own figure rule' applies: full marks will be given if a correct and complete method is used. Further guidance will be included in the mark scheme where necessary and any exceptions to this general principle will be noted.

4 Annotation:

- For point marking, ticks can be used to indicate correct answers and crosses can be used to indicate wrong answers. There is no direct relationship between ticks and marks. Ticks have no defined meaning for levels of response marking.
- For levels of response marking, the level awarded should be annotated on the script.
- Other annotations will be used by examiners as agreed during standardisation, and the meaning will be understood by all examiners who marked that paper.

Question	Answer	Marks																				
1(a)	Addo Sales journal <table><tr><th>Date</th><th>Details</th><th>\$</th><th></th></tr><tr><td>2024 Apr 2</td><td>Ava (150 – 9)</td><td>141</td><td>(1)</td></tr><tr><td>12</td><td>Nuru</td><td>165</td><td></td></tr><tr><td>21</td><td>Mahia (480 – 24)</td><td>456</td><td>(1)</td></tr><tr><td>30</td><td>Transfer to sales account</td><td><u>762</u></td><td>(1)OF</td></tr></table>	Date	Details	\$		2024 Apr 2	Ava (150 – 9)	141	(1)	12	Nuru	165		21	Mahia (480 – 24)	456	(1)	30	Transfer to sales account	<u>762</u>	(1)OF	3
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30	Transfer to sales account	<u>762</u>	(1)OF																			
1(b)	Addo Journal <table><tr><th>Date</th><th>Details</th><th>Debit \$</th><th>Credit \$</th></tr><tr><td>2024 April 30</td><td>Irrecoverable debts (1) Rachel (1)</td><td>215</td><td>215</td></tr><tr><td></td><td>Amount due from Rachel written off as irrecoverable (1)</td><td></td><td></td></tr></table>	Date	Details	Debit \$	Credit \$	2024 April 30	Irrecoverable debts (1) Rachel (1)	215	215		Amount due from Rachel written off as irrecoverable (1)			3								
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2024 April 30	Irrecoverable debts (1) Rachel (1)	215	215																			
	Amount due from Rachel written off as irrecoverable (1)																					
1(c)(i)	Total amount received = \$689 +\$627 + \$760 = \$2 076 (1)	1																				
1(c)(ii)	Total cash discount = \$40(1) + \$33 = \$73 (1)OF	2																				

Question	Answer	Marks																																																												
1(d)	Addo Sales ledger control account <table><tr><th>Date</th><th>Details</th><th>\$</th><th>Date</th><th>Details</th><th>\$</th></tr><tr><td>2024 April 1</td><td>Balance b/d</td><td>3 658</td><td>2024 April 30</td><td>Sales returns</td><td>30</td></tr><tr><td>30</td><td>Sales</td><td>762</td><td></td><td>Bank</td><td>2 076</td></tr><tr><td></td><td>(1)OF</td><td></td><td></td><td>Discount allowed</td><td>73</td></tr><tr><td></td><td></td><td></td><td></td><td>Irrecoverable debts</td><td>215</td></tr><tr><td></td><td></td><td></td><td></td><td>Balance c/d</td><td>2 026</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td>4 420</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td>4 420</td></tr><tr><td>May 1</td><td>Balance b/d</td><td>4 420</td><td></td><td></td><td></td></tr><tr><td></td><td>(1)OF</td><td>2 026</td><td></td><td></td><td></td></tr></table>	Date	Details	\$	Date	Details	\$	2024 April 1	Balance b/d	3 658	2024 April 30	Sales returns	30	30	Sales	762		Bank	2 076		(1)OF			Discount allowed	73					Irrecoverable debts	215					Balance c/d	2 026						4 420						4 420	May 1	Balance b/d	4 420					(1)OF	2 026				6
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1(e)	Advantages Increased cash discount may encourage new customers/existing customers to buy more/increase sales (1) More customers may pay early because of extra discount/improve liquidity (1) Irrecoverable debts may be reduced (1) Increased credit check indicates ability to pay (1) Accept other valid points Max (2) Disadvantages More credit checks would take more time/cost more money (1) Less money coming in from sales (1) No guarantee that customers will pay early (1) Less profit on each sale/profit for the year will be reduced/expenses increased if give cash discount (1) No guarantee that there will not be any irrecoverable debts (1) Accept other valid points Max (2) Recommendation (1)	5																																																												

Question	Answer				Marks
2(a)	Paul Journal				11
	Error number	Details	Debit \$	Credit \$	
	1	Purchases (1) Office equipment (1)	140	140	
	2	Bank (1) Discount received (1)	18	18	
	3	Carriage inwards (1) Carriage outwards (1) Suspense (1)	82 82	164	
	4	Insurance (1) Bank (1)	750	750	
	5	Bank (1) Suspense (1)	90	90	

Question	Answer	Marks
2(b)	\$ Original cash at bank balance per draft financial statements 3 290 Error 2 18 (1) Error 4 (750) (1) Error 5 90 (1) 2 648 (1)OF	4
2(c)	\$ Original profit for the year per draft financial statements 9 268 Error 1 (140) (1) Error 2 18 (1) Error 3 (82 × 2) (164) (1) Error 4 (750) (1) 8 232 (1)OF	5

Question	Answer	Marks																																																												
3(a)	Q Limited Income statement for the year ended 31 January 2024 <table><tr><td></td><td>\$</td><td>\$</td><td></td></tr><tr><td>Revenue</td><td></td><td>78 000</td><td></td></tr><tr><td>Less: Cost of sales</td><td></td><td></td><td></td></tr><tr><td> Opening inventory</td><td>2 950</td><td></td><td></td></tr><tr><td> Purchases</td><td>38 200</td><td></td><td></td></tr><tr><td></td><td><u>41 150</u></td><td></td><td></td></tr><tr><td> Less Closing inventory</td><td><u>4 720</u></td><td><u>36 430</u></td><td>(1)</td></tr><tr><td>Gross profit</td><td></td><td>41 570</td><td>(1)OF</td></tr><tr><td>Less Rent and insurance</td><td>10 600</td><td>}</td><td></td></tr><tr><td> Directors' salaries</td><td>19 000</td><td>}(1)</td><td></td></tr><tr><td> General expenses</td><td>3 420</td><td>}</td><td></td></tr><tr><td> Advertising (5 400 + 75)</td><td>5 475</td><td>(1)</td><td></td></tr><tr><td> Depreciation of fittings (10% × 18 000)</td><td><u>1 800</u></td><td><u>(1)</u></td><td></td></tr><tr><td>Profit for the year</td><td></td><td><u>40 295</u></td><td></td></tr><tr><td></td><td></td><td><u>1 275</u></td><td>(1)OF</td></tr></table>		\$	\$		Revenue		78 000		Less: Cost of sales				Opening inventory	2 950			Purchases	38 200				<u>41 150</u>			Less Closing inventory	<u>4 720</u>	<u>36 430</u>	(1)	Gross profit		41 570	(1)OF	Less Rent and insurance	10 600	}		Directors' salaries	19 000	}(1)		General expenses	3 420	}		Advertising (5 400 + 75)	5 475	(1)		Depreciation of fittings (10% × 18 000)	<u>1 800</u>	<u>(1)</u>		Profit for the year		<u>40 295</u>				<u>1 275</u>	(1)OF	6
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3(b)	Retained earnings: <table><tr><td>Opening balance</td><td>\$</td><td>2 297</td><td></td></tr><tr><td>Profit for the year</td><td></td><td><u>1 275</u></td><td>(1)OF</td></tr><tr><td></td><td></td><td>3 572</td><td></td></tr><tr><td>Less Dividend paid</td><td></td><td><u>(2 500)</u></td><td>(1)</td></tr><tr><td>Closing balance</td><td></td><td><u>1 072</u></td><td>(1)OF</td></tr></table>	Opening balance	\$	2 297		Profit for the year		<u>1 275</u>	(1)OF			3 572		Less Dividend paid		<u>(2 500)</u>	(1)	Closing balance		<u>1 072</u>	(1)OF	3																																								
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Question	Answer				Marks
3(c)	Q Limited				6
	Statement of financial position at 31 January 2024				
		\$	\$	\$	
	Non-current assets	Cost	Accumulated depreciation	Net book value	
	Fittings	<u>18 000</u>	<u>7 200</u> (1)OF	10 800 (1)OF	
	Current assets				
	Inventory		4 720		
	Bank		<u>915</u>	<u>5 635</u> (1)	
				<u>16 435</u>	
	Equity and Liabilities				
	Ordinary share capital			13 000	
	Retained earnings			<u>1 072</u> (1)OF	
			14 072		
Current liabilities					
Trade payables		2 288			
Other payables		<u>75</u> (1)	<u>2 363</u> (1)OF		
			<u>16 435</u>		

Question	Answer	Marks
3(d)	For May increase sales/result in more customers (1) May help reduce the level of inventory (1) May benefit future years (1) Increase in gross profit more than the extra cost of advertising may increase profit for the year (1) Accept other valid points Max (2) Against May not be able to afford the increase in advertising costs (1) May need to borrow money for increased advertising costs (and borrowing would incur interest) (1) There is no guarantee that sales would increase (1) Profit may reduce/may result in a loss/expenses will increase because of extra advertising (1) Accept other valid points Max (2) Recommendation (1)	5

Question	Answer						Marks
4(a)	Ahmed Rent receivable account						3
	Date 2023 Dec 31	Details	\$	Date 2023 Apr 1	Details	\$	
		Income statement	(1) 4 800	Sept 30	Bank	3 600	
		Balance c/d	<u>1 200</u>		Bank	<u>2 400</u>	
			<u>6 000</u>			<u>6 000</u>	
				2024 Jan 1	Balance b/d	(1) 1 200	

Question	Answer	Marks																														
4(b)	Ahmed Disposal of office equipment account <table><tr><td>Date 2023 Jan 3</td><td>Details Office equipment</td><td>\$ (1) 3 200</td><td>Date 2023 Jan 3</td><td>Details Provision for Depreciation (800 + 600)</td><td>\$ (1) 1 400</td></tr><tr><td></td><td></td><td></td><td></td><td>Rahat</td><td>(1) 1 350</td></tr><tr><td></td><td></td><td></td><td>Dec 31</td><td>Income statement</td><td>(1)OF 450</td></tr><tr><td></td><td></td><td><u>3 200</u></td><td></td><td></td><td><u>3 200</u></td></tr></table> Dates (1) *Calculation of depreciation 3 200 × 25% = 800 (3 200 – 800) = 2 400 × 25% = 600	Date 2023 Jan 3	Details Office equipment	\$ (1) 3 200	Date 2023 Jan 3	Details Provision for Depreciation (800 + 600)	\$ (1) 1 400					Rahat	(1) 1 350				Dec 31	Income statement	(1)OF 450			<u>3 200</u>			<u>3 200</u>	5						
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4(c)	<table><tr><td></td><td>\$</td><td>Capital expenditure</td><td>Revenue expenditure</td><td></td></tr><tr><td>Painting the walls of the storage area</td><td>600</td><td></td><td>✓</td><td>(1)</td></tr><tr><td>Shelving for the storage area</td><td>2 115</td><td>✓</td><td></td><td>}</td></tr><tr><td>Installation of the shelving</td><td>460</td><td>✓</td><td></td><td>}(1)</td></tr><tr><td>Light fittings for storage area</td><td>620</td><td>✓</td><td></td><td>}</td></tr><tr><td>Light bulbs for storage area</td><td>105</td><td></td><td>✓</td><td>}(1)</td></tr></table>		\$	Capital expenditure	Revenue expenditure		Painting the walls of the storage area	600		✓	(1)	Shelving for the storage area	2 115	✓		}	Installation of the shelving	460	✓		}(1)	Light fittings for storage area	620	✓		}	Light bulbs for storage area	105		✓	}(1)	3
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Light bulbs for storage area	105		✓	}(1)																												

Question	Answer			Marks
4(d)	ratio	working	answer (to 2 decimal places)	7
	Rate of inventory turnover (times)	$\frac{(9\,000 + 97\,000 - 12\,130)}{(9\,000 + 12\,130) / 2} = \frac{93\,870}{10\,565}$ (1)	8.88 (1)OF	
	Current ratio	$(12\,130 + 6\,180 + 175) : (5\,500 + 640)$ = 18 485 : 6 140 (1) whole formula	3.01:1 (1)OF	
	Liquid (acid test) ratio	$(6\,180 + 175) : (5\,500 + 640)$ = 6 355 : 6 140 (1) whole formula	1.04:1 (1)OF	
4(e)	The increased inventory may result in goods deteriorating or becoming obsolete (1) Increase in storage costs (1) Inefficient use of storage space (1) Increase in funds tied up in inventory/may result in bank overdraft/may incur interest charges (1) Accept other valid points Max (2)			2

Question	Answer						Marks																																																																														
5(a)	<table><tr><td></td><td>\$</td><td></td><td></td><td></td><td></td></tr><tr><td>Payments to credit suppliers</td><td>34 250</td><td>(1)</td><td></td><td></td><td></td></tr><tr><td>Add closing credit suppliers</td><td><u>2 960</u></td><td>(1)</td><td></td><td></td><td></td></tr><tr><td>Credit purchases</td><td>37 210</td><td></td><td></td><td></td><td></td></tr><tr><td>Cash purchases</td><td><u>37 210</u></td><td>OF</td><td></td><td></td><td></td></tr><tr><td>Total purchases</td><td><u>74 420</u></td><td>(1)OF</td><td>OR</td><td></td><td></td></tr></table> <table><tr><td>Bank</td><td>\$</td><td></td><td></td><td>\$</td><td></td></tr><tr><td></td><td>34 250</td><td>(1)</td><td></td><td>Purchases</td><td>37 210</td></tr><tr><td>Balance c/d</td><td><u>2 960</u></td><td>(1)</td><td></td><td></td><td><u>37 210</u></td></tr><tr><td></td><td><u>37 210</u></td><td></td><td></td><td></td><td></td></tr><tr><td>Credit purchases</td><td>37 210</td><td></td><td></td><td></td><td></td></tr><tr><td>Cash purchases</td><td><u>37 210</u></td><td>OF</td><td></td><td></td><td></td></tr><tr><td>Total purchases</td><td><u>74 420</u></td><td>(1)OF</td><td></td><td></td><td></td></tr></table>							\$					Payments to credit suppliers	34 250	(1)				Add closing credit suppliers	<u>2 960</u>	(1)				Credit purchases	37 210					Cash purchases	<u>37 210</u>	OF				Total purchases	<u>74 420</u>	(1)OF	OR			Bank	\$			\$			34 250	(1)		Purchases	37 210	Balance c/d	<u>2 960</u>	(1)			<u>37 210</u>		<u>37 210</u>					Credit purchases	37 210					Cash purchases	<u>37 210</u>	OF				Total purchases	<u>74 420</u>	(1)OF				3
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5(b)	Stella Income statement for the year ended 31 March 2024 <table><tr><td></td><td>\$</td><td>\$</td><td></td><td></td><td></td></tr><tr><td>Sales</td><td></td><td>89 760</td><td>(1)OF</td><td>(132%)</td><td></td></tr><tr><td>Less Cost of sales</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td> Purchases</td><td>74 420</td><td>OF</td><td></td><td></td><td></td></tr><tr><td> Less Closing inventory</td><td><u>6 420</u></td><td></td><td><u>68 000</u></td><td>(1)OF</td><td>(100%)</td></tr><tr><td>Gross profit</td><td></td><td></td><td>21 760</td><td>(1)OF</td><td>(32%)</td></tr><tr><td>Less Rent and insurance</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td> (6 750 – 600(1) – 500(1))</td><td>5 650</td><td></td><td></td><td></td><td></td></tr><tr><td> Wages (8 300 + 300)</td><td>8 600</td><td>(1)</td><td></td><td></td><td></td></tr><tr><td> Other expenses (1 815 – (120/3))</td><td><u>1 775</u></td><td>(1)</td><td><u>16 025</u></td><td></td><td></td></tr><tr><td>Profit for the year</td><td></td><td></td><td><u>5 735</u></td><td>(1)OF</td><td></td></tr></table>							\$	\$				Sales		89 760	(1)OF	(132%)		Less Cost of sales						Purchases	74 420	OF				Less Closing inventory	<u>6 420</u>		<u>68 000</u>	(1)OF	(100%)	Gross profit			21 760	(1)OF	(32%)	Less Rent and insurance						(6 750 – 600(1) – 500(1))	5 650					Wages (8 300 + 300)	8 600	(1)				Other expenses (1 815 – (120/3))	<u>1 775</u>	(1)	<u>16 025</u>			Profit for the year			<u>5 735</u>	(1)OF		8												
	\$	\$																																																																																			
Sales		89 760	(1)OF	(132%)																																																																																	
Less Cost of sales																																																																																					
Purchases	74 420	OF																																																																																			
Less Closing inventory	<u>6 420</u>		<u>68 000</u>	(1)OF	(100%)																																																																																
Gross profit			21 760	(1)OF	(32%)																																																																																
Less Rent and insurance																																																																																					
(6 750 – 600(1) – 500(1))	5 650																																																																																				
Wages (8 300 + 300)	8 600	(1)																																																																																			
Other expenses (1 815 – (120/3))	<u>1 775</u>	(1)	<u>16 025</u>																																																																																		
Profit for the year			<u>5 735</u>	(1)OF																																																																																	

Question	Answer	Marks
5(c)	For: Should increase sales/attract more customers (1) Should lead to higher profit/higher profit margin (1) Competitors may allow credit sales/may help Stella to compete (1) Increase monthly sales to generate growth (1) Accept other valid points Max (3) Against: Money would come into the business more slowly (1) Liquidity may be reduced (1) Irrecoverable debts can occur (1) Increased bookkeeping/a sales ledger would be required (1) Credit control may be required (1) Accept other valid points Max (3) Max (4) Recommendation (1)	5
5(d)(i)	Materiality (1)	1
5(d)(ii)	Time and cost of recording small items outweigh the benefits of treating them as non-current assets (1) Depreciation does not need to be calculated and charged low value non-current assets (1) Max (1)	1

Question	Answer	Marks
5(e)	Full details of the assets, liabilities, revenues and expenses are available (1) The preparation of financial statements is more straightforward (1) The calculation of profit or loss for the year is likely to be more accurate (1) More informed decision-making is possible (1) A greater degree of control over the business activities can be exercised (1) The possibility of fraud is reduced (1) Comparisons with the results of previous years and with other businesses are possible (1) Detailed records are available for reference (1) Information required by a bank or other lender is readily available (1) Accept other valid points Max (2)	2