CAMBRIDGE
International Education

Cambridge IGCSE™

ACCOUNTING **0452/21**

Paper 2 Structured **October/November 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 October/November 2024 series for most Cambridge IGCSE, Cambridge International A and AS Level components, and some Cambridge O Level components.

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.

Annotation	Description	Use
✓	Tick	Indicates a point which is relevant and rewardable.
✗	Cross	Indicates a point which is inaccurate/irrelevant and not rewardable.
BOD	Benefit of doubt	Used when the benefit of the doubt is given in order to reward a response.
A	An extraneous figure or item in the statement	
OF	OF	Own figure
SEEN	Noted but no credit given	Indicates that content has been recognised but not rewarded.
REP	Repetition	Indicates where content has been repeated.

Question	Answer	Marks
1(a)	Jenny Cash Book – bank columns	7

Date	Details		$	Date	Details		$
2024				2024			
Mar 1	M Stores	**(1)**	1 900	Mar 1	Balance b/d	**(1)**	1 933
	Interest received	**(1)**	358		C Stores (dis. chq)	**(1)**	1 121
	Drawings/Correction of error	**(1)**	45		Bank charges	**}**	125
					Electricity	**} (1)**	290
	Balance c/d		1 166				
			3 469				3 469
				2024			
				Mar 1	Balance b/d	**(1)OF**	1 166

Question	Answer	Marks
1(b)	Jenny Bank reconciliation statement at 29 February 2024 | | $ | | $ | | Balance on bank statement | | | 1 367 | **(1)** Amounts not yet credited Cheque – Y Traders | | | 792 | **(1)** | | | 2 159 Amounts not presented Cheque – B Properties | 1 025 | **(1)** Credit transfer – Rent and insurance | 2 300 | **(1)** | 3 325 Balance in cash book | | | (1 166) | **(1)OF** **Alternative presentation** | | $ | | $ | | Balance in cash book | | | (1 166) | **(1)OF** Amounts not presented Cheque – B Properties | 1 025 | **(1)** Credit transfer – Rent and insurance | 2 300 | **(1)** | 3 325 | | | 2 159 Amounts not yet credited Cheque – Y Traders | | | (792) | **(1)** Balance on bank statement | | | 1 367 | **(1)**	**5**
1(c)	An accurate bank balance is available Errors on bank statement can be identified Errors in the bank account can be identified Assists with discovering fraud and embezzlement Cheques not presented can be identified Amounts not credited by the bank can be identified Any stale (out of date) cheques can be identified **Any 2 advantages (1) each**	**2**
1(d)	It is an asset to the bank/it is money owed to the bank	**1**

Question	Answer	Marks
1(e)	**Advantages** Improves bank balance/ improve liquidity Money available to run the business/pay trade payables/business expenses Reduces interest/bank charges from bank Improves relationship with bank **Any other valid points** **Max 3** **Disadvantages** Lack of funds for own personal use May not have sufficient personal funds available May have to obtain a personal loan Will lose interest on investments if they have to be withdrawn More personal funds at risk **Accept other valid points** **Max 3** **Recommendation (1)**	**5**

Question	Answer	Marks
2(a)	Ali & Sai Profit and loss appropriation account for the year ended 30 June 2024	**8**

		$		$
Profit for the year (42 700 **(1)** – 500 **(1)**)				42 200
Add Interest on drawings	Ali	550	**(1)**	
	Sai	800	**(1)**	1 350
				43 550
Less Interest on capital	Ali	3 600	**(1)**	
	Sai	2 400	**(1)**	
		6 000		
Salary	Sai	10 050	**(1)**	16 050
Residual profit				27 500
Profit share	Ali	16 500	**}(1)OF**	
	Sai	11 000		27 500

Question	Answer	Marks
2(b)	Sai Capital account <table><tr><td>Date 2024 June 30</td><td>Details Balance c/d</td><td>$ <u>40 000</u> <u>40 000</u></td><td>Date 2023 July 1 2024 July 1</td><td>Details Balance b/d Balance b/d **(1)**</td><td>$ <u>40 000</u> <u>40 000</u> 40 000</td></tr></table> Sai Current account <table><tr><td>Date 2024 June 30</td><td>Details Drawings **(1)** Interest on drawings **(1)OF** Balance c/d</td><td>$ 16 000 800 6 900 <u>23 700</u></td><td>Date 2023 July 1 2024 June 30 2024 July 1</td><td>Details Balance b/d **(1)** Interest on capital **(1)OF** Salary **(1)** Profit share **(1)OF** Balance b/d **(1)OF**</td><td>$ 250 2 400 10 050 <u>11 000</u> <u>23 700</u> 6 900</td></tr></table>	**8**
2(c)	Profits have to be shared among the partners Decisions must be recognised by all partners Decisions may take longer to put into effect One partner's actions on behalf of the business are binding on all partners Disagreements can occur All partners are responsible for the debts of the business **Accept other valid advantages** **Any 2 disadvantages (1) each**	**2**

Question	Answer	Marks
2(d)	Ali and Sai Journal <table><tr><th>Date</th><th>Details</th><th>Debit $</th><th>Credit $</th></tr><tr><td></td><td>Interest on loan **(1)** Bank **(1)**</td><td>500</td><td> 500</td></tr></table>	**2**

Question	Answer	Marks
3(a)	Natalie Journal <table><tr><th>Error number</th><th>Details</th><th>Debit $</th><th>Credit $</th></tr><tr><td>1</td><td>Suspense **(1)** Sarah **(1)**</td><td>420</td><td> 420</td></tr><tr><td>2</td><td>Motor vehicles **{(1)** Vehicle maintenance **{** Capital **(1)**</td><td>7 000 7 000</td><td> 14 000</td></tr><tr><td>3</td><td>Purchases **(1)** Suspense **(1)**</td><td>63</td><td> 63</td></tr><tr><td>4</td><td>General expenses **(1)** Bank **(1)**</td><td>126</td><td> 126</td></tr><tr><td>5</td><td>Drawings **(1)** Cash **(1)**</td><td>400</td><td> 400</td></tr></table>	**10**

Question	Answer	Marks
3(b)	Natalie Suspense account Dr: Date 2024 Mar 31 — Sarah **(1)** — $ 420; total 420 Cr: Date 2024 Mar 31 — Difference on trial balance **(1)** — $ 357; Purchases **(1)** — $ 63; total 420	**3**

Date	Details		$	Date	Details		$
2024				2024			
Mar 31	Sarah	**(1)**	420	Mar 31	Difference on trial balance	**(1)**	357
					Purchases	**(1)**	63
			420				420

Question	Answer	Marks
3(c)		**2**

Error Number	Error type	
Error 4	Omission	**(1)**
Error 5	Complete reversal	**(1)**

Question	Answer	Marks
3(d)		**5**

Error Number	Effect on profit		
	decrease	increase	no effect
Error 1			✓**(1)**
Error 2	✓**(1)**		
Error 3	✓**(1)**		
Error 4	✓ **(1)**		
Error 5			✓**(1)**

Question	Answer	Marks
4(a)	<table><tr><td></td><td>$</td><td>$</td><td></td></tr><tr><td>Cost of vehicles at start</td><td>440 000</td><td></td><td></td></tr><tr><td>Add Cost of new vehicles</td><td>70 000</td><td>510 000</td><td></td></tr><tr><td>Less Cost of vehicle sold</td><td></td><td>28 000</td><td></td></tr><tr><td>Cost of vehicles held at year end</td><td></td><td>482 000</td><td>**(1)**</td></tr></table>Depreciation for the year = 482 000 × 20% = 96 400 **(1)OF**	**2**

Question	Answer	Marks
4(b)	Delivery vehicles account	**10**

Delivery vehicles account

Date	Details		$	Date	Details		$
2023				2023			
Jan 1	Balance b/d		440 000	Nov 30	Disposal	**(1)**	28 000
Apr 1	L Autos	**(1)**	70 000	Dec 31	Balance c/d		482 000
			510 000				510 000
2024							
Jan 1	Balance b/d	*****OF**	482 000				

Provision for depreciation of delivery vehicles account

Date	Details		$	Date	Details		$
2023				2023			
Nov 30	Disposal	**(1)**	16 800	Jan 1	Balance b/d		270 000
Dec 31	Balance c/d		349 600	Dec 31	Income statement	**(1)OF**	96 400
			366 400				366 400
				2024			
				Jan 1	Balance b/d	*****(1)OF boths**	349 600

Disposal of delivery vehicle account

Date	Details		$	Date	Details		$
2023				2023			
Nov 30	Delivery vehicles	**(1)**	28 000	Nov 30	Prov. for depreciation	**(1)**	16 800
					Bank	**(1)**	10 500
				Dec 31	Income statement	**(1)OF**	700
			28 000				28 000

(1) dates

Question	Answer	Marks
4(c)	**Advantages** Application of the matching principle Vehicles would be valued at a more realistic/accurate figure May reflect the estimate of loss in value for vehicles more accurately/ depreciation may be more accurate Appropriate for vehicles as they lose more value/greater benefits are gained in the early years Total depreciation/annual depreciation charge will be lower **Accept other valid points** **Max 2** **Disadvantages** More difficult to calculate depreciation /need to recalculate depreciation each year The depreciation charge is higher in the early years Changing methods is against the consistency principle Changing methods makes comparisons between years more difficult Non-current asset may be overvalued **Accept other valid points** **Max 2** **Recommendation (1)**	**5**
4(d)	(see table below)	**3**

Non-current asset	Straight line	Revaluation	No depreciation
Land			✓ **(1)**
Fixtures & fittings	✓**(1)**		
Loose tools		✓ **(1)**	

Question	Answer					Marks
5(a)	G Limited Manufacturing account for the year ended 31 March 2024					**10**
		$		$		
	Cost of materials consumed					
	Opening inventory of raw materials			18 200		
	Purchases of raw materials			68 000		
				86 200		
	Less Closing inventory of raw materials			19 280		
				66 920	**(1)**	
	Direct wages			183 700	**(1)**	
	Royalties			3 240	**(1)**	
	Prime cost			253 860	**(1)OF**	
	Factory overheads					
	Wages of factory supervisor	47 200	**}(1)**			
	Factory general expenses	20 250	**}**			
	Factory rates and insurance					
	(7 100 + 620) × 60%	4 632	**(1)**			
	Depreciation of factory machinery					
	(247 000 – 51 500) × 15%	29 325	**(1)**	101 407		
				355 267	**(1)OF**	
	Add Opening work in progress			23 400	*	
				378 667		
	Less Closing work in progress			22 650	*** (1) both W in P**	
	Cost of production			356 017	**(1)OF**	

<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th></tr>
<tr><td>5(b)</td><td>G Limited
Income Statement (Trading section) for the year ended 31 March 2024
<table>
<tr><td></td><td>$</td><td></td><td>$</td><td></td><td>$</td><td></td></tr>
<tr><td>Revenue</td><td></td><td></td><td></td><td></td><td>523 908</td><td>(1)OF</td></tr>
<tr><td>Less Cost of sales</td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Opening inventory finished goods</td><td></td><td></td><td>6 820</td><td></td><td></td><td></td></tr>
<tr><td>Cost of production</td><td></td><td></td><td>356 017</td><td>(1)OF</td><td></td><td></td></tr>
<tr><td>Purchases of finished goods</td><td>32 413</td><td>} (1)</td><td></td><td></td><td></td><td></td></tr>
<tr><td>Carriage inwards on finished goods</td><td>2 180</td><td>}</td><td>34 593</td><td></td><td></td><td></td></tr>
<tr><td></td><td></td><td></td><td>397 430</td><td></td><td></td><td></td></tr>
<tr><td>Less Closing inventory of finished goods</td><td></td><td></td><td>9 350</td><td></td><td>388 080</td><td>(1)OF</td></tr>
<tr><td>Gross Profit</td><td></td><td></td><td></td><td></td><td>135 828</td><td>(1)OF</td></tr>
</table></td><td>5</td></tr>
<tr><td>5(c)</td><td>Advantages
Better trained staff
Improved debt collection period/reduce trade receivables turnover/money received from credit customers more quickly/improved cash flow
Improved credit control
Risk of irrecoverable debts reduced
Only have to pay fee once but benefits should continue
Accept other valid points
Max 2

Disadvantages
Fee charged by consultant/cannot afford the fee
May damage relationship with customers
May be reduction in sales
New procedures are not guaranteed to generate improvements
No time to train staff
Additional costs may be incurred
Accept other valid points
Max 2

Recommendation (1)</td><td>5</td></tr>
</table>