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Mark Scheme (Results)

January 2020

Pearson Edexcel International GCSE
In Accounting 4AC1 Paper 01

Introduction to Bookkeeping and Accounting

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SECTION A

Question number	Answer	Mark
	Award 1 mark as indicated each question.	
1	**A** Payables ledger	**(1)**
2	**A** Bank statement	**(1)**
3	**D** Returned cheque	**(1)**
4	**D** Prudence	**(1)**
5	**B** Credit discounts received	**(1)**
6	**C** Materiality	**(1)**
7	**B** Incorrect addition of the total column of the sales day book	**(1)**
8	**C** $25	**(1)**
9	**C** Debit Drawings; Credit Bank	**(1)**
10	**A** Non-current assets overstated; Profit for the year overstated	**(1)**

TOTAL FOR QUESTIONS 1-10 = 10 MARKS

Question number	Answer	Mark
11	**Award 1 mark for each correct figure as indicated.**	

Invoice **XS Supplies** **Water Street** **Birmingham** **B18 3WY**			
Lee Trading 16 Outwood Road Leeds LS11 2AB		Invoice No 3240 Date 27 November 2019	
Quantity	Description	Unit cost $	Total cost $
150	CD cases	1.20	180.00 **(1)**
400	CD label sheets	0.40	160.00**(1)**
Sub total			340.00 **(1of)**
Trade discount 20%			68.00 **(1of)**
Total			272.00 **(1of)**

(5)

TOTAL FOR QUESTION 11 = 5 MARKS

Question number	Answer	Mark
12	**Award marks as indicated.**	

Transaction	**Capital expenditure**	**Revenue expenditure**
Delivery costs of a new motor vehicle	✓**(1)**	
Motor vehicle insurance		✓**(1)**
Installation costs of new machinery	✓**(1)**	
Legal costs on purchase of business premises	✓**(1)**	
Bank interest on loan to purchase business premises		✓**(1)**

(5)

TOTAL FOR QUESTION 12 = 5 MARKS

Question number	Answer	Mark
13 (a)	**Award marks as indicated.** $938 **(2) W** **W** $\quad$ $ Trade receivables 23 620 Irrecoverable debt (170) 23 450 **(1)** x 4% = $938 **(1of)**	**(2)**

Question number	Answer	Mark
13 (b)	**Award marks for each correct date, detail and amount in combination on the correct side.**	**(3)**

Irrecoverable Debts Account

Date	Details	$	Date	Details	$
2019 Oct 31	Income statement	27 **(1of)**	2018 Nov 1	Balance b/d	965 **(1)**
31	Balance c/d	938			
		965			965
			2019 Nov 1	Balance b/d	938 **(1of)**

TOTAL FOR QUESTION 13 = 5 MARKS

TOTAL MARKS FOR SECTION A = 25 MARKS

SECTION B

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

Transaction	Business document	Book of original entry
Purchased a new motor vehicle on credit, $5 000	Invoice **(1)**	Journal **(1)**
Purchased postage stamps, $3	Petty cash voucher **(1)**	Petty cash book **(1)**
Sold goods for cash, $910	Cash receipt **(1)**	Cash book **(1)**

(6)

Question number	Answer	Mark
14(b)	**Award 1 mark for each correct figure as indicated plus 1 mark for correct dates and details.**	

Shania Account

Date 2019	Details	$	Date 2019	Details	$
Dec 1	Balance b/d	480 **(1)**	Dec 14	Sales returns book	35 **(1)**
9	Sales book	195**(1)**	27	Cash book	456 **(1)**
			27	Cash book /Discount allowed	24**(1of)**
			31	Balance c/d	160
		<u>675</u>			<u>675</u>
2020 Jan 1	Balance b/d	160 **(1of)**			

(7)

Question number	Answer	Mark
14(c)(i)	**Award 1 mark as indicated.** To inform the customer of the outstanding balance on their account **(1).**	**(1)**

Question number	Answer	Mark
14(c)(ii)	**Award 1 mark as indicated.** To inform the supplier of the transactions being settled **(1).**	**(1)**

TOTAL FOR QUESTION 14 = 15 MARKS

Question number	Answer	Mark
15(a)	**Award marks as indicated.** The main purpose of a trial balance is to check the **arithmetica**l **(1) accuracy (1)** of the double entry.	**(2)**

Question number	Answer	Mark
15(b)	**Award marks as indicated.**	**(3)**

Error	Type of error
A payment for motor expenses had been posted to the motor vehicle account.	Principle **(1)**
A payment for general expenses had not been recorded.	Omission **(1)**
A payment for general expenses had been posted to the motor expenses account.	Commission **(1)**

Question number	Answer	Mark
15(c)	**Award 1 mark for each pair of correct entries.** **Award 1of mark for suspense account.** **Award 1of mark for matching totals.**	

Trial Balance at 31 December 2019

Account	**Trial balance** **Debit** **$**	 **Credit** **$**
Bank overdraft		770
Carriage inwards	880	
Discount allowed	340	
Drawings	4 500	
Equity		9 090
General expenses	15 110	
Inventory	12 260	
Irrecoverable debts	700	
Motor expenses	2 400	
Motor vehicle – cost	9 800	
Motor vehicle - accumulated depreciation		2 440
Purchases	48 000	
Returns outwards		940
Revenue		86 910
Trade payables		3 620
Trade receivables	10 050	
Suspense		270
Total	104 040	104 040

(10)

TOTAL FOR QUESTION 15 = 15 MARKS

Question number	Answer	Mark
16(a)	**Award 1 mark for each correct figure as indicated plus 1 mark for correct dates and details.** **Trade Payables Ledger Control Account**	(10)

Date 2019	Details	$	Date 2019	Details	$
Nov 1	Balance b/d	290 **(1)**	Nov 1	Balance b/d	46 935
30	Cash book	32 418 **(1)**	30	Journal / interest charged	266 **(1)**
	Cash book (Discount received)	612 **(1)**		Purchases day book	36 940 **(1)**
	Journal (Contra)	220 **(1)**		Balance c/d	135
	Purchase returns day book	358 **(1)**			
	Balance c/d	50 378			
		84 276			84 276
Dec 1	Balance b/d	135 **(1)**	Dec 1	Balance b/d	50 378 **(1of)**

Question number	Answer	Mark
16(b)	**Award mark as indicated.** Omar may have overpaid a credit supplier **(1).** **Accept any other appropriate responses.**	**(1)**

Question number	Answer	Mark
16(c)	**Award 1 mark for each purpose and 1 mark for each development.** **Sample answer** Provides the total figures for trade payables **(1)**, which can be used to prepare the financial statements **(1).** Helps to prevent fraud **(1)** as the control accounts are normally produced by a different person to those who produced the subsidiary ledger accounts **(1)**. **Accept any other appropriate responses.**	**(4)**

TOTAL FOR QUESTION 16 = 15 MARKS

Question number	Answer	Mark
17	**Award marks for correct date, details and amounts in combination.**	

Cash Book

Date 2019	Details	Discount allowed $	Cash $	Bank $	Date 2019	Details	Discount received $	Cash $	Bank $
Dec 1	Balance b/d		70 **(1)**		Dec 1	Balance b/d			340 **(1)**
4	Patel			125 **(1)**	12	Bank		1 300 **(1)**	
5	Cash sales		2 350 **(1)**		13	Patel			125 **(1)**
12	Cash			1 300 **(1)**	19	Westgas (SO)			85 **(1)**
23	Sumner	60 **(1)**		1 140 **(1)**	28	Wages		840 **(1)**	
					29	Linston	142 **(1)**		1 278 **(1)**
					31	Balances c/d		280	737
		60	2 420	2 565			142	2 420	2 565
2020 Jan 1	Balances b/d		280 **(1of)**	737 **(1of)**					

(15)

TOTAL FOR QUESTION 17 = 15 MARKS

Question number	Answer	Mark
18(a)	**Award 1 mark for each correct figure as indicated plus 1 mark for correct dates and details.**	(5)

Provision for Depreciation - Motor Vehicles Account

Date 2019	Details	$	Date 2019	Details	$
Sep 30	Disposal	4 100 **(1)**	Jan 1	Balance b/d	16 000 **(1)**
Dec 31	Balance c/d	16 825	Dec 31	Income statement	4 925 **(1of)**
		20 925			20 925
			2020 Jan 1	Balance b/d	16 825 **(1of)**

Question number	Answer	Mark
18(b)	**Award 1 mark for each correct figure as indicated plus 1 mark for correct dates and details.**	; (5)

Disposal Account

Date 2019	Details	$	Date 2019	Details	$
Sep 30	Motor vehicles	16 400 **(1)**	Sep 30	Provision for depreciation – (Motor vehicles)	4 100 **(1of)**
Dec 31	Income statement	950 **(1of)**		Cash book	13 250 **(1)**
		17 350			17 350

Question number	Answer	Mark
18(c)	**Award marks as indicated.** **Award 1 mark for each identification and 1 mark for each development and 1 mark for conclusion.** **Sample answer** It will improve accuracy **(1)** as all calculations will be done automatically **(1).** It will improve the speed of processing financial data **(1)** as Nyat will only have to make one entry and the other entry will be automatically processed **(1).** As a result, Nyat's business should benefit from this purchase **(1).**	**(5)**

TOTAL FOR QUESTION 18 = 15 MARKS

TOTAL MARKS FOR SECTION B = 75 MARKS

TOTAL MARKS FOR PAPER = 100 MARKS