Pearson
Edexcel

Mark Scheme (Results)

Summer 2022

Pearson Edexcel International GCSE
In Accounting (4AC1)
Paper 01 Introduction to Bookkeeping and Accounting

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Summer 2022
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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.
- 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 for each question.	
1	**D Trade payables**	**(1)**
2	**B Journal**	**(1)**
3	**B Purchases returns day book**	**(1)**
4	**C Original entry**	**(1)**
5	**D The closing balance agrees with the total of individual balances**	**(1)**
6	**D To spread the cost of the asset over its useful life**	**(1)**
7	**C Money measurement**	**(1)**
8	**C Profit for the year overstated**	**(1)**
9	**C Objectivity**	**(1)**
10	**A** <u>**Account to be debited**</u> **Drawings**; <u>**Account to be credited**</u> **Purchases**	**(1)**

TOTAL FOR QUESTIONS 1-10 = 10 MARKS

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

Transaction	Source document
Returned goods to a credit supplier	Credit note / Debit note **(1)**
Purchased refreshments for the office	Petty cash voucher / Receipt **(1)**
Received bank interest	Bank statement **(1)**
Purchased a non-current asset on credit	Invoice **(1)**
Received a cheque from a credit customer	Paying in slip / remittance advice / Cheque **(1)**

(5)

TOTAL FOR QUESTION 11 = 5 MARKS

Question number	Answer	Mark
12 (a)	**Award marks as indicated.** The objective of private sector organisations is to generate a profit **(1)** whereas the objective of public sector organisations is to provide a service to the general public **(1).** **Accept any other appropriate responses.**	**(2)**

Question number	Answer	Mark
12 (b)	**Award marks as indicated (maximum 3 marks).** • Suppliers / Trade payables • Customers / Trade receivables • Providers of finance / Banks • Government • Employees • Owners **Accept any other appropriate responses.**	**(3)**

TOTAL FOR QUESTION 12 = 5 MARKS

Question number	Answer	Mark
13 (a)	**Award mark as indicated.** Prudence / accruals / matching **(1).**	**(1)**

Question number	Answer	Mark
13 (b)	**Award marks as indicated.** An irrecoverable debt is an amount owing to a business that will not be paid by a credit customer **(1)** whereas a provision for irrecoverable debts is an estimate of the amount which a business will lose in a financial year due to irrecoverable debts **(1).** **Accept any other appropriate responses.**	**(2)**

<table>
<tr><th>Question number</th><th>Answer</th><th>Mark</th></tr>
<tr><td>13 (c)</td><td>Award marks as indicated.
<table>
<tr><th rowspan="2"></th><th colspan="2">Income statement</th><th colspan="2">Statement of financial position</th></tr>
<tr><th>Income</th><th>Expenses</th><th>Current assets</th><th>Current liabilities</th></tr>
<tr><td>Decrease in provision for irrecoverable debts</td><td>✓ (1)</td><td></td><td></td><td></td></tr>
<tr><td>Balance of provision for irrecoverable debts account</td><td></td><td></td><td>✓ (1)</td><td></td></tr>
</table>
</td><td>(2)</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 1 mark for each pair of correct entries.** **Award (1CF) mark for suspense account balance and totals.**	

Trial Balance at 31 March 2022

	Debit $	Credit $
Bank loan		1 300
Bank overdraft		810
Carriage inwards	630	
Drawings	12 810	
Equity		12 380
General expenses	9 250	
Inventory at 1 April 2021	21 250	
Irrecoverable debts	390	
Motor vehicles - Cost	14 900	
Motor vehicles - Provision for depreciation		8 940
Purchases	69 220	
Sales		112 100
Trade payables ledger control		8 230
Trade receivables ledger control	15 420	
Suspense		110
Totals	143 870	143 870

(8)

<table>
<tr><th>Question number</th><th>Answer</th><th>Mark</th></tr>
<tr><td>14(b)</td><td>

Award marks for correct details and amounts for three separate identifiable journal entries, as indicated.

Journal

Date 2022	Details	Debit $	Credit $
Mar 31	Suspense	200 **(1)**	
	Sales		200 **(1)**
	Johann	90 **(1)**	
	Suspense		90 **(1)**
	Bank	260 **(1)**	
	C Green		130 **(1)**
	V Green		130 **(1)**

</td><td>(7)</td></tr>
</table>

TOTAL FOR QUESTION 14 = 15 MARKS

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

April 2022	Book of original entry
12	Purchases day book (journal) **(1)**
19	Purchases returns day book (journal) / Returns outwards day book (journal) **(1)**
29	Cash book **(1)**

(3)

Question number	Answer	Mark
15(b)(i)	**Award marks for correct dates, details and amounts as indicated.**	

Rafa Account

Date 2022	**Details**	**$**	**Date 2022**	**Details**	**$**
Apr 19	Purchases returns day book	80 **(1)**	Apr 1	Balance b/d	640 **(1)**
29	Cash book/bank	608 **(1)**	12	Purchases day book	680 **(1)**
	Discount (received)	32 **(1)**			
30	Balance c/d	600			
		1 320			1 320
			May 1	Balance b/d	600 **(1of)**

(6)

Question number	Answer	Mark
15(b)(ii)	**Award mark as indicated.** Current liabilities **(1of).**	**(1)**

Question number	Answer	Mark
15(c)	**Award 1 mark for identification, 1 mark for development of an advantage and a disadvantage and 1 mark for overall conclusion.** **Sample answer** Offering credit terms may introduce new customers to the business **(1)** which will increase her turnover and profits **(1)** Will lead to the possibility of irrecoverable debts **(1)**, which will decrease profits **(1)**. Martina should proceed with this proposal **(1)** **Accept any other appropriate responses.**	**(5)**

TOTAL FOR QUESTION 15 = 15 MARKS

Question number	Answer	Mark
16(a)	**Award marks as indicated** To check for errors in the cash book entries / made by the bank **(1)** Assists in discovering / preventing fraud **(1)** Identifies uncredited lodgements **(1)** Identifies unpresented cheques **(1)** Identifies out-of-date cheques **(1)** **Accept any other appropriate responses.**	**(2)**

<table>
<tr><th>Question number</th><th>Answer</th><th>Mark</th></tr>
<tr><td>16(b)(i)</td><td>

Award marks for correct dates, details and amounts as indicated.

Cash Book – Bank Column

<table>
<tr><th>Date 2022</th><th>Details</th><th>$</th><th>Date 2022</th><th>Details</th><th>$</th></tr>
<tr><td>Feb 28</td><td>BX Trading</td><td>475 (1)</td><td>Feb 28</td><td>Balance b/d</td><td>180</td></tr>
<tr><td></td><td>Cash (banked)</td><td>295 (1)</td><td></td><td>Telephone</td><td>42 (1)</td></tr>
<tr><td></td><td>Balance c/d</td><td>240</td><td></td><td>Barjey Ltd</td><td>668 (1)</td></tr>
<tr><td></td><td></td><td></td><td></td><td>Cash (withdrawn)</td><td>120 (1)</td></tr>
<tr><td></td><td></td><td>1 010</td><td></td><td></td><td>1 010</td></tr>
<tr><td></td><td></td><td></td><td>Mar 1</td><td>Balance b/d</td><td>240 (1of)</td></tr>
</table>

</td><td>(6)</td></tr>
</table>

<table>
<tr><th>Question number</th><th>Answer</th><th>Mark</th></tr>
<tr><td>16(b)(ii)</td><td>

Award marks as indicated.

Bank reconciliation statement at 28 February 2022

	$	
Revised balance per cash book **(1)**	(240)	**(1of)**
Unpresented cheques	562	**(1)**
Outstanding lodgements	(187)	**(1)**
Balance per bank statement **(1)**	135	**(1)**

Alternative presentation

	$	
Balance per bank statement **(1)**	135	**(1)**
Unpresented cheques	(562)	**(1)**
Outstanding lodgements	187	**(1)**
Revised balance per cash book **(1)**	(240)	**(1of)**

</td><td>(6)</td></tr>
</table>

Question number	Answer	Mark
16(c)	**Award 1 mark as indicated.** Current liabilities **(1of)**	**(1)**

TOTAL FOR QUESTION 16= 15 MARKS

Question number	Answer	Mark
17(a)	**Award marks as indicated** Wear and tear **(1)** Obsolescence **(1)** Usage **(1)** Technological change **(1)** Depletion **(1)** Time factor**(1)** Economic factors **(1)** **Max 2 marks**	**(2)**

Question number	Answer	Mark
17(b)	**Award marks as indicated** Capital expenditure is charged to the statement of financial position **(1)** whereas revenue expenditure is charged to the income statement **(1)** Capital expenditure is expenditure on acquiring or improving non-current assets **(1)** whereas revenue expenditure is payment of day-to-day expenses **(1).** **Accept any other appropriate response**	**(2)**

Question number	Answer	Mark
17(c)	**Award marks as indicated.**	(2)

	Capital expenditure	Revenue expenditure
Delivery cost	✓ **(1)**	
Motor insurance		✓ **(1)**

Question number	Answer	Mark
17(d)	**Award 1 mark as indicated.** $15 360 **(1)**	**(1)**

Question number	Answer	Mark
17(e)	**Award marks for correct dates, details and amounts as indicated.**	**(4)**

Provision for Depreciation – Motor Vehicles Account

Date	Details	$	Date	Details	$
2020 June 30	Disposal	14 640 **(1of)**	2021 Apr 1	Balance b/d	18 240 **(1)**
Mar 31	Balance c/d	10 480	Mar 31	Income statement	6 880 **(1)**
		25 120			25 120
			Apr 1	Balance b/d	10 480 **(1of)**

<table>
<tr><th>Question number</th><th>Answer</th><th>Mark</th></tr>
<tr><td>17(f)</td><td>

Award marks for correct dates, details and amounts as indicated.

Asset Disposal Account

Date	Details	$	Date	Details	$
2021 Jun 30	Motor vehicle – cost	30 000 **(1)**	2021 Jun 30	Motor vehicle – provision for depreciation	14 640 **(1of)**
2022 Mar 31	Income statement	1 040 **(1of)**	Jun 30	Cash book / bank	16 400 **(1)**
		31 040			31 040

</td><td>**(4)**</td></tr>
</table>

Total for Question 17 = 15 marks

Question number	Answer	Mark
18(a)	**Award marks for correct figures as indicated.** **Award 1 mark for all correct dates and details.**	(8)

Trade Receivables Ledger Control Account

Date 2022	Details	$	Date 2022	Details	$
Mar 1	Balance b/d	48 220	Mar 31	Bank / Cash book	38 590
31	Sales day book	41 480 **(1)**		Cash book / Discount allowed	410 **(1fb)**
	Bank / Cash book	360 **(1)**		Journal / Contra / set-off	270 **(1)**
				Journal / Irrecoverable debts	1 930 **(1)**
				Sales returns day book	1 030 **(1)**
				Balance c/d	47 830
		90 060			90 060
Apr 1	Balance b/d	47 830 **(1)**			

Question number	Answer	Mark
18(b)	**Award marks as indicated (maximum 2 marks).** Insufficient funds in the drawer's account **(1)** Words and figures disagree **(1)** Cheque is unsigned **(1)** Cheque is out-of-date **(1)** **Accept any other appropriate responses.**	(2)

Question number	Answer	Mark
18(c)	**Award up to 2 marks for advantages, up to 2 marks for disadvantages, and 1 mark for an overall conclusion.** **Sample answer** Changing to a computerised system will help eliminate mistakes **(1)** which will create a more professional image to customers **(1).** However, Lucas may not have the necessary skills to operate a computerised system **(1)** which will result in lower profits by incurring additional wages costs **(1).** Overall, changing to a computerised system will be of benefit to Lucas **(1).** **Accept any other appropriate responses.**	(5)

Total for Question 18 = 15 marks

TOTAL MARKS FOR SECTION B = 75 MARKS

TOTAL MARKS FOR PAPER = 100 MARKS

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