Mark Scheme (Results)

November 2024

Pearson Edexcel International GCSE
In Accounting (4AC1) Paper 02

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November 2024
Question Paper Log Number P75942A
Publications Code 4AC1_02_2411_MS

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.
- When examiners are in doubt regarding the application of the mark scheme to a candidate’s response, the team leader must be consulted.
- Crossed out work should be marked UNLESS the candidate has replaced it with an alternative response.

Question Number	Answer	Mark
1(a)(i)	**Award marks as indicated.** $67 350 **(4)W** **W** $48 200 **+** $235 000 **(1) –** $850 **(1) –** $215 000 **(1)** = $67 350 **(1)** **<u>Alternative presentation</u>**	

	$		$
Balance b/d	48 200	Irrecoverable debt	850 **(1)**
Sales	235 000 **(1)**	Receipts	215 000 **(1)**
		Balance c/d	<u>67 350</u>
	<u>283 200</u>		<u>283 200</u>
Balance b/d	<u>67 350</u> **<u>(1)</u>**		

(4)

Question Number	Answer	Mark
(ii)	**Award marks as indicated.** $42 250 **(3) W** **W** $37 500 + $139 875 **(1) – $**135 125 **(1)** = $42 250 **(1)** **<u>Alternative presentation</u>**	

	$		$
Payments	135 125 **(1)**	Balance b/d	37 500
Balance c/d	<u>42 250</u>	Purchases	139 875 **(1)**
	<u>177 375</u>		<u>177 375</u>
		Balance b/d	42 250 **(1)**

(3)

Question Number	Answer	Mark
(iii)	**Award marks as indicated.**	(13)

Romala
Statement of Financial Position at 31 August 2024

	$	$
Assets		
Non-current assets		
Motor vehicles		22 500 **(1)**
Current assets		
Inventory	32 600 **(1)**	
Trade receivables	67 350	
Other receivables	950 **(1)**	
Cash at bank **W1**	43 950 **(3)**	
		144 850
Total assets		167 350 **(1)**
Equity and liabilities		
Equity		
At 1 September 2023 **W2**	100 000 **(3)**	
Profit for the year	47 000 **(1)**	
Drawings	(21 900) **(1)**	
Total equity		125 100
Current liabilities		
Trade payables		42 250
Total equity and liabilities		167 350 **(1)**

Workings

W1
$21 550 + $215 000 **(1)** – $192 600 **(1)** = $43 950 **(1)**

W2
$139 250 **(1)** - $39 250 **(1)** = $100 000 **(1)**

Question Number	Answer	Mark
1(b)	**Award up to 2 marks for a discussion of each concept.** **Award 1 mark for conclusion.** **Sample answer** By creating a provision for irrecoverable debts Romala will be complying with the prudence concept **(1)** as she will not be overstating either her profit for the year or the value of her trade receivables/current assets **(1)** She will also be complying with the matching concept **(1)** as the possible loss of income from irrecoverable debts will be matched with the revenue earned in that period **(1)** I would advise Romala to proceed with her proposal in order to have a more accurate set of financial statements **(1)** **Accept any other appropriate responses**	**(5)**

TOTAL FOR QUESTION 1 = 25 MARKS

Question Number	Answer	Mark
2(a)	**Award one mark for each correct reason.** Able to provide cover for holidays / sharing workload **(1)** Additional skills/experience **(1)** Sharing risks /losses **(1)** **Accept any other appropriate responses**	**(2)**

Question Number	Answer	Mark
2 (b)(i)	**Award marks as indicated.**	**(13)**

Haitai and Ming

Manufacturing account for the year ended 30 June 2024

	$	$	
Opening inventory of raw materials	68 000		
Purchases	550 000		
Carriage inwards	42 500		**(1)**
Closing inventory of raw materials	(72 000)		
Cost of raw materials consumed		588 500	**(1of)**
Direct expenses		26 950	**(1)**
Direct wages		127 500	**(1)**
Prime cost		742 950	**(1of)**
Depreciation	8 000		**(1)**
Overheads	138 000		**(1)**
Supervisor’s salary	45 000		**(1)**
Insurance	35 325		**(1)**
Rent and rates	187 500		**(1)**
		413 825	**(1)**
		1 156 775	
Opening work in progress	85 278		
Closing work in progress	(96 750)		
		(11 472)	**(1)**
Production cost		1 145 303	**(1of)**

<table>
<tr><th>Question Number</th><th>Answer</th><th>Mark</th></tr>
<tr><td>2(b)(ii)</td><td>
Award marks as indicated.

$1 086 913 (5) W

Working

$1 145 303 – $7 065 (1) – $37 500 (1) – $3 200 (1) – $10 625 (1)
= $1 086 913 (1)

<table>
<tr><th></th><th>$</th><th>$</th></tr>
<tr><td>Draft production cost</td><td></td><td>1 145 303</td></tr>
<tr><td>Insurance</td><td>(7 065) (1)</td><td></td></tr>
<tr><td>Rent and rates</td><td>(37 500) (1)</td><td></td></tr>
<tr><td>Depreciation</td><td>(3 200) (1)</td><td></td></tr>
<tr><td>Carriage</td><td>(10 625) (1)</td><td></td></tr>
<tr><td></td><td></td><td>(58 390)</td></tr>
<tr><td>Corrected production cost</td><td></td><td>1 086 913 (1)</td></tr>
</table>
</td><td>(5)</td></tr>
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Question Number	Answer	Mark
2(c)	**Award up to four marks for explaining the purpose of a partnership agreement.** **Award one mark for a decision.** **Sample answers** The partnership agreement will allow partners to know their rights and responsibilities **(1)** which can be referred to in the event of any disputes **(1).** The partnership agreement will avoid any disputes between the partners **(1**) which can slow down the decision-making process of the business **(1)** If the partnership does not have an agreement, then the provisions of the Partnership Act 1890 would apply **(1)** which provides for each partner to receive an equal share of profits and losses**. (1)** I believe the partners should draw up a formal partnership agreement **(1)** **Accept any other appropriate responses**	**(5)**

(Total for Question 2 = 25 marks)

TOTAL FOR PAPER = 50 MARKS

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