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# Mark Scheme Results

## November 2021

### Pearson Edexcel International GCSE in Accounting 4AC1

### Paper 01: Introduction to Bookkeeping and Accounting

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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.
- 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.

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## SECTION A

| Question number | Answer | Mark |
|---|---|---|
| | **Award 1 mark as indicated for each question.** | |
| **1** | **D Sales returns day book** | **(1)** |
| **2** | **D Trade receivables ledger** | **(1)** |
| **3** | **B Purchases Invoices** | **(1)** |
| **4** | **D Interest charged on late payment** | **(1)** |
| **5** | **C Debit discounts allowed** | **(1)** |
| **6** | **A Credit note** | **(1)** |
| **7** | **D Returns outwards** | **(1)** |
| **8** | **B Journal** | **(1)** |
| **9** | **C $35** | **(1)** |
| **10** | **A** **Debit** **Credit**<br>**Rent paid $20** **Suspense account $40**<br>**Rent received $20** | **(1)** |

**TOTAL FOR QUESTIONS 1-10 = 10 MARKS**

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

**Invoice**
**DH Trading**
**25 Swallow Lane**
**Birmingham**
**B27 3MH**

| | | | |
|---|---|---|---|
| Myhill Co<br>Westwood Road<br>Beverley<br>HU17 7AB | | Invoice No 1503<br>Date 14 July 2020 | |
| Quantity | Description | Unit cost $ | Total cost $ |
| 150 | Packing cases | 6.80 | 1 020 **(1)** |
| 48 | Tape | 2.50 | 120 **(1)** |
| Subtotal | | | 1 140 **(1of)** |
| Trade discount 25% | | | 285 **(1of)** |
| Total | | | 855 **(1of)** |

**(5)**

**TOTAL FOR QUESTION 11 = 5 MARKS**

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<table>
<tr><th>Question number</th><th>Answer</th><th>Mark</th></tr>
<tr><td>12(a)</td><td>Award marks as indicated for correct account and amount in combination.
<table>
<tr><th>Date</th><th>Account</th><th>Debit<br>$</th><th>Credit<br>$</th></tr>
<tr><td>30/09/20</td><td>Irrecoverable debts</td><td>730<br>(1)</td><td></td></tr>
<tr><td></td><td>Trade receivables ledger control</td><td></td><td>730<br>(1)</td></tr>
</table></td><td>(2)</td></tr>
</table>

| Question number | Answer | Mark |
|---|---|---|
| **12(b)** | **Award marks as indicated.**<br>$311 **(2) W**<br>**W**<br>$1 946 **(1)** – $1 635 = $311 **(1of)** | **(2)** |

| Question number | Answer | Mark |
|---|---|---|
| **12(c)** | **Award mark as indicated.**<br>Current assets **(1)** | **(1)** |

**TOTAL FOR QUESTION 12 = 5 MARKS**

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| Question number | Answer | Mark |
|---|---|---|
| 13(a) | **Award marks as indicated. Max 2 marks**<br><br>• Identifies errors in the cash book **(1)**<br>• Identifies missing entries in the cash book **(1)**<br>• Acts as a deterrent to fraud **(1)**<br>• Identifies errors made by the bank **(1)**<br><br>**Accept any other appropriate responses.** | **(2)** |

| Question number | Answer | Mark |
|---|---|---|
| 13(b) | **Award marks as indicated.**<br><br>**Accept any other appropriate responses.** | **(3)** |

| Term | Definition |
|---|---|
| Unpresented cheques | Cheques entered in the cash book, not yet presented for payment to the bank. **(1)** |
| Uncredited lodgements | Receipts entered in the cash book and banked that have not yet been processed by the bank **(1)** |
| Dishonoured cheque | A cheque received or paid that the bank has refused to pay **(1)** |

**TOTAL FOR QUESTION 13 = 5 MARKS**

**TOTAL MARKS FOR SECTION A = 25 MARKS**

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**SECTION B**

| Question number | Answer | Mark |
|---|---|---|
| 14(a) | **Award marks as indicated.**<br>**Advantage**<br>Checks the arithmetical accuracy of the bookkeeping **(1)**<br>**Disadvantage**<br>Does not identify all errors **(1)**<br>**Accept any other appropriate responses.** | **(2)** |

| Question number | Answer | Mark |
|---|---|---|
| 14(b) | **Award marks as indicated.** | **(10)** |

**Trial Balance**

| | Debit | Credit |
|---|---|---|
| Bank overdraft | | ✓ **(1)** |
| Carriage inwards | ✓ **(1)** | |
| Discount received | | ✓ **(1)** |
| Drawings | ✓ **(1)** | |
| Equity | | ✓ **(1)** |
| Machinery – provision for depreciation | | ✓ **(1)** |
| Provision for irrecoverable debts | | ✓ **(1)** |
| Rent received | | ✓ **(1)** |
| Returns inwards | ✓ **(1)** | |
| Trade receivables | ✓ **(1)** | |

| Question number | Answer | Mark |
|---|---|---|
| 14 (c) | **Award marks as indicated.** | **(3)** |

| Error | Type of error |
|---|---|
| A payment for general expenses had been posted to the drawings account. | Principle **(1)** |
| A payment for stationery had been posted to the rent paid account**.** | Commission **(1)** |
| An invoice for $320 had been recorded in the purchases day book as $230. | Original entry **(1)** |

**TOTAL FOR QUESTION 14 = 15 MARKS**

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| Question number | Answer |
|---|---|
| 15 | **Award marks for correct details and amounts in combination.** |

**Cash Book**

| Date 2020 | Details | Discount $ | Cash $ | Bank $ | Date 2020 | Details | Discount $ | Cash $ | Bank $ |
|---|---|---|---|---|---|---|---|---|---|
| Aug 1 | Balance b/d | | 45 **(1)** | | Aug 1 | Balance b/d | | | 248 **(1)** |
| 8 | Cash sales | | 1 420 **(1)** | | 3 | Mobilecom (DD) | | | 115 **(1)** |
| 9 | Cash | | | 800 **(1)** | 9 | Bank | | 800 **(1)** | |
| 23 | Folan | | | 225 **(1)** | 16 | Sophia | 25 **(1)** | | 475 **(1)** |
| 30 | Chan | 44 **(1)** | | 836 **(1)** | 28 | Wages | | 540 **(1)** | |
| | | | | | 29 | Folan | | | 225 **(1)** |
| | | | | | 31 | Balances c/d | | 125 | 798 |
| | | 44 | 1 465 | 1 861 | | | 25 | 1 465 | 1 861 |
| Sep 1 | Balances b/d | | 125 **(1of)** | 798 **(1of)** | | | | | |

**TOTAL FOR QUESTION 15 = 15 MARKS**

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| Question number | Answer | Mark |
|---|---|---|
| 16(a) | **Award 1 mark for each correct figure plus 1 mark for correct dates and details.** | **(10)** |

**Trade Receivables Ledger Control Account**

| Date 2020 | Details | $ | Date 2020 | Details | $ |
|---|---|---|---|---|---|
| Aug 1 | Balance b/d | 46 220 | Aug 31 | Cash book / Discount allowed | 984 **(1)** |
| 31 | Sales day book | 29 535 **(1)** | | Journal/irrecoverable debts | 597 **(1)** |
| | Cash book | 160 **(1)** | | Cash book | 36 250 **(1)** |
| | Journal / Interest charged | 119 **(1)** | | Sales returns day book | 380 **(1)** |
| | Balance c/d | 240 | | Journal / Contra / set-off | 665 **(1)** |
| | | | | Balance c/d | 37 398 |
| | | 76 274 | | | 76 274 |
| Sep 1 | Balance b/d | 37 398 **(1)** | Sep 1 | Balance b/d | 240 |

| Question number | Answer | Mark |
|---|---|---|
| 16(b) | **Award up to 2 marks for an advantage, up to 2 marks for a disadvantage and 1 mark for a decision.**<br><br>**Sample answer**<br><br>Cash would be received faster **(1),** resulting in improved cash flow/liquidity **(1).**<br><br>Some customers may not wish to make cash purchases **(1)** resulting in lost turnover/lower profits **(1).**<br><br>Eldin should continue making credit sales to retain customers/maintain profitability **(1).**<br><br>**Accept any other appropriate responses.** | **(5)** |

**TOTAL FOR QUESTION 16 = 15 MARKS**

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| Question number | Answer | Mark |
|---|---|---|
| 17 (a) | **Award marks as indicated for correct amounts. Award 1 mark for all correct dates and labels.** | **(5)** |

**Rent Payable Account**

| Date | Details | $ | Date | Details | $ |
|---|---|---|---|---|---|
| 2019 Nov 1 | Bank | 1 200 | 2019 Oct 1 | Balance b/d | 300 **(1)** |
| 2020 Jan 1 | Bank **(1 for all)** | 1 800 | 2020 Sep 30 | Income statement | 3 600 **(1of)** |
| Jul 1 | Bank | 1 800 | | Balance c/d | 900 |
| | | 4 800 | | | 4 800 |
| Oct 1 | Balance b/d | 900 **(1of)** | | | |

| Question number | Answer | Mark |
|---|---|---|
| 17(b) (i) | **Award marks as indicated.**<br>Current liabilities/Other payables. **(1)**<br>One month's rent was owing at 30 September 2019. **(1)**<br>**Accept any other appropriate responses.** | **(2)** |

| Question number | Answer | Mark |
|---|---|---|
| 17(b) (ii) | **Award marks as indicated.**<br>Current assets/Other receivables. **(1)**<br>Three months' rent was paid in advance at 30 September 2020. **(1)**<br>**Accept any other appropriate responses.** | **(2)** |

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<table>
<tr><th>Question number</th><th>Answer</th><th>Mark</th></tr>
<tr><td>17(c)</td><td>
Award one mark for each correct accounting concept up to a maximum of 3 marks and one mark for each correct description up to a maximum of 3 marks
<table>
<tr><th>Accounting concepts</th><th>Description</th></tr>
<tr><td>Accruals (1)</td><td>Costs and revenues are matched to the same accounting period. (1)</td></tr>
<tr><td>Business entity (1)</td><td>The expenditure incurred by the business is separate to that of the business owner. (1)</td></tr>
<tr><td>Consistency (1)</td><td>A business should continue to use the same accounting procedures every year. (1)</td></tr>
<tr><td>Materiality (1)</td><td>Items of very low value are not recorded separately. (1)</td></tr>
<tr><td>Money measurement (1)</td><td>A business only records transaction that have a monetary value. (1)</td></tr>
<tr><td>Prudence (1)</td><td>A business should not overstate its profits or the value of its assets. (1)</td></tr>
</table>
Accept any other appropriate responses
</td><td>(6)</td></tr>
</table>

**TOTAL FOR QUESTION 17 = 15 MARKS**

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| Question number | Answer | Mark |
|---|---|---|
| 18(a) | **Award marks as indicated**<br><br>Machine delivery – Capital expenditure ✓ **(1)**<br>Machine installation – Capital expenditure ✓ **(1)**<br>Machine operatives' wages – Revenue expenditure ✓ **(1)** | **(3)** |

| Question number | Answer | Mark |
|---|---|---|
| 18(b) | **Award up to 4 marks for explanation and 1 mark for conclusion.**<br><br>**Sample answer**<br><br>Revenue expenditure is day to day expenses **(1)** and is written off against profit in the year incurred **(1)**.<br><br>Capital expenditure is expenditure on non-current assets **(1)** and appears in the statement of financial position **(1)**.<br><br>It is important to distinguish between capital expenditure and revenue expenditure as failure to do so would result in incorrect profits being declared **(1)**<br><br>**Accept any other appropriate responses.** | **(5)** |

| number | Answer | Mark |
|---|---|---|
| 18(c) | **Award mark as indicated.**<br><br>$4 200 **(1)** | **(1)** |

| Question number | Answer | Mark |
|---|---|---|
| 18(d) | **Award marks as indicated.**<br>$5400 **(2) W**<br><br>**W**<br>$23 400 **(1)** - $18 000 = $5 400 **(1of)** | **(2)** |

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<table>
<tr><th>Question number</th><th>Answer</th><th>Mark</th></tr>
<tr><td>18(e)</td><td>Award marks for correct date, details and amounts in combination.<br><br>Machinery – Provision for Depreciation Account
<table>
<tr><th>Date</th><th>Details</th><th>$</th><th>Date</th><th>Details</th><th>$</th></tr>
<tr><td>2020<br>Jan 1</td><td>Disposal account</td><td>2 600<br>(1)</td><td>2019<br>Apr 1</td><td>Balance b/d</td><td>4 200<br>(1of)</td></tr>
<tr><td>Mar 31</td><td>Balance c/d</td><td>3 040</td><td>2020<br>Mar 31</td><td>Income statement</td><td>1 440<br>(1)</td></tr>
<tr><td></td><td></td><td>5 640</td><td></td><td></td><td>5 640</td></tr>
<tr><td></td><td></td><td></td><td>Apr 1</td><td>Balance b/d</td><td>3 040<br>(1of)</td></tr>
</table></td><td>(4)</td></tr>
</table>

**TOTAL FOR QUESTION 18 = 15 MARKS**

**TOTAL MARKS FOR SECTION B = 75 MARKS**

**TOTAL MARKS FOR PAPER = 100 MARKS**