



Pearson
Edexcel

Examiners' Report
Principal Examiner Feedback

Summer 2022

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

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Publications Code 4AC1_01R_2206_ER

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General

Given the continued difficulties caused worldwide by the pandemic, centres are to be congratulated on their preparation of students for the June 2022 IGCSE accounting examination. Well prepared students were able to again demonstrate a good understanding of bookkeeping and accounting.

As has been noted previously, there continues to be issues around the inclusion of incorrect dates and narratives in ledger accounts and once again, the evaluation of business scenarios still proves challenging for centres and students.

Reports on individual questions

Section A

Question 1-10

The multiple-choice questions included questions across the range of the syllabus. It is important that students carefully read the whole question before selecting their response, though it was pleasing to note that a number of candidates were gaining up to 80% correct answers.

Question 11

Candidates were required to complete the detail of a sales invoice. Most were able to gain good marks for this task with a large number of totally correct responses.

Question 12

Candidates were required to complete a table identifying the book of original entry for five transactions. Almost one third of candidates were able to gain all five available marks for totally correct responses.

Question 13

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Section B

Question 14

The question concentrated on aspects of the trial balance and errors.

(a) Candidates were required to state two purposes of preparing a trial balance. Most candidates were able to gain one mark for identifying being able to check the arithmetical accuracy of the double entry and many went on to reference the preparation of the financial statements for the second mark.

(b)(i) required candidates to state one difference between an error of commission and an error of principle. Several candidates were able to state the difference for one mark.
(b)(ii) required candidates to state one difference between an error of original entry and an error of omission. Most candidates were clearly aware of the difference though many found describing the error of original entry difficult.

(c) Presented with four entries from a trial balance, candidates were asked to complete a tick box as to whether they would be shown as a debit or a credit. Most candidates were able to gain all four available marks, though some confused returns inwards with returns outwards.

(d) Candidates were required to state which principle of professional ethics was being described by two statements. Results were very mixed.

(e) required candidates to identify the accounting concept described by three scenarios. Most candidates gained two marks and many correctly identified all three.

Question 15

The question concentrated on aspects of petty cash.

(a) Candidates were required to state two reasons why a business maintains a petty cash book. The question was well answered with most candidates opting for avoiding overcrowding of the main cash book and recording small transactions.

(b)(i) required preparation of a petty cash book. Whilst there were only very few totally correct responses, most candidates were able to gain good marks. The main weakness was the balancing off of the petty cash book at the end of the month.

(c) Told that petty cash was \$10 less than the balance in the petty cash book, candidates were required to state two reasons why the shortage may have occurred. Whilst many offered two valid reasons, other responses were too vague to be rewarded.

Question 16

The question focussed on control accounts.

(a) Candidates were asked to prepare a trade payables ledger control account from a given data set. As is often the case with questions of this nature, answers were generally

very good. Many candidates correctly placed items on the correct side of the control account though the details column was often less well done.

(b) Candidates were asked to discuss the advantages of preparing a trade payables ledger control account. There were a number of excellent responses to this question with most discussing the issue of fraud prevention and total trade payables being available for the preparation of the financial statements. Candidates must remember that identified points should always be developed in order to gain full marks.

Question 17

The question focussed on non-current assets, capital and revenue expenditure.

(a) required candidates to state one difference between capital and revenue expenditure and most candidates were able to gain the two available marks.

(b) Asked to complete a tick box to identify whether each of three items would be treated as capital expenditure or revenue expenditure produced many fully correct answers.

(c) Given data relating to the purchase and disposal of motor vans, candidates were required to prepare the motor vans cost account and the asset disposal account. Only a very small number of candidates gained full marks for the question and once again, the most disappointing aspect was lack of correct narratives in the accounts.

Question 18

The final question focussed on the cash book and a bank reconciliation.

(a) Candidates were asked to complete the bank column of a cash book to include three missing transactions. Only few candidates gained full marks for the task, mainly due to a failure to enter the correct dates and/or details for each transaction.

(b) Having completed the updated cash book, candidates were required to prepare a bank reconciliation statement. Whilst well-prepared candidates were able to gain good marks, many others appeared to be total unprepared for the question and failed to gain any marks at all.

(c) The final task required candidates to discuss the advantages of preparing a bank reconciliation statement. There were many good responses with most candidates discussing the deterrent to fraud and the accuracy of the financial statements, though once again, several failed to develop the initial identified points.

Points for future sessions

I repeat several important points from previous reports for future guidance

- Read each question carefully, particularly the multiple-choice questions where students have to make a choice of responses.
- When preparing books of original entry or ledger accounts it is important to include correct dates and narratives in order to gain the marks available. This was a particular weakness in this examination.
- When responding to questions which require prose responses students should ensure that they have read the scenario given and always provide development to support any points made.
- When dealing with evaluation and discuss questions students should always provide a conclusion which sums up and supports their findings.

Grade Boundaries

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