



Pearson
Edexcel

Examiners' Report
Principal Examiner Feedback

January 2023

Pearson Edexcel International GCSE
in Accounting (4AC1/01)

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General

There were several excellent responses from candidates for this examination. Well-prepared students were able to again demonstrate a good understanding of the numerical aspects 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.

Report on individual questions

Section A

Questions 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 identify the book of original entry for five separate transactions. There were a full range of marks for this task with well-prepared candidates being rewarded with all five marks. Some candidates appeared to misunderstand the question and listed business documents rather than the books of original entry.

Question 13

Candidates were required to complete the account of a credit supplier in the payables ledger from data provided. Candidates who started the account with the opening balance on the correct side were usually able to provide an arithmetically correct account. However, many candidates failed to gain the final mark allocated to totally correct dates and details.

Section B

Question 14

The question concentrated on control accounts.

(a) Candidates were required to prepare a trade receivables control account from given data. Pleasingly, over 50% of candidates achieved 80% of the available marks and over 8% of the candidates produced a totally correct account to gain 10 marks. The most disappointing aspect of the question was that very few candidates gained the one additional mark for totally correct dates and details throughout the account.

(b) required candidates to explain to the business owner the benefits of maintaining a trade receivables ledger control account. Several candidates did not attempt the question and those who did often produced very vague responses. Having identified a benefit, most did not sufficiently develop their answer to gain a further mark.

Question 15

The question concentrated on the extended trial balance.

(a) Given a draft unbalanced trial balance, candidates were required to reposition figures into the correct debit or credit columns and balance the trial balance. A very good response to the question with almost one half of all candidates producing a correct balanced trial balance.

(b) Asked to explain what is indicated if both totals of a trial balance are the same was not well answered. Most simply stated that there were no errors which is not strictly true. Better candidates recognised that certain errors may still be present.

(c)(i) required candidates to state one difference between an error of commission and an error of principle. Whilst most candidates attempted to identify a difference, it should be noted that stating an example of each type of errors does not answer the question.

(c)(ii) Asked to state one other type of error that does not affect the balancing of the trial balance was much more successful, with most candidates selecting original entry or omission.

Question 16

The question focussed on completion of a petty cash book.

(a) Candidates were required to state two benefits of maintaining a petty cash book and although some responses were rather vague, most candidates were rewarded for at least one of their answers.

(b) Candidates were provided with data covering a short time period and were required to complete and balance the petty cash book. Although most candidates were able to correctly analyse the payments, many candidates were clearly unsure of how to correctly balance the petty cash book at the end of the period. Candidates should also note that when completing a cash book or a petty cash book, correct dates and details are an essential part and they will be penalised for omissions or errors.

(c)(i) required candidates to state which side of the main cash book the imprest amount restored would be shown. Less than one half of candidates selected the correct side.

(c)(ii) required candidates to state in which section of the statement of financial position the closing balance of petty cash would be shown. As with the previous task, only just over one half of candidates were able to make the correct choice.

(c)(iii) asked candidates to state one reason why the balance in the petty cash book may be different to the amount in the petty cash box. Most candidates correctly suggested that money may have been stolen as one alternative.

Question 17

The question focussed initially on non-current assets and depreciation.

(a) Candidates were required to prepare the computer equipment - provision for depreciation account and the disposal account. Candidates found this task very challenging; only a 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.

(b) required candidates to define the terms capital expenditure and revenue expenditure. The question was well answered with one half of candidates awarded all four available marks.

(c) Candidates were asked to state two ways in which security of computerised data could be maintained and the majority of candidates offered two valid solutions.

Question 18

The final question focussed on bank reconciliations and the benefits of maintaining a full set of accounting records.

(a) Candidates were asked to calculate the updated bank balance in the owner's cash book after accounting for errors and omissions. Overall, the task was not well answered. Most failed to undertake the task in a systematic way, thus hindering the ability to gain any marks.

(b) Preparation of the bank reconciliation statement produced a complete range of marks. Once again labelling of the various items proved troublesome and it was clear that this part of the syllabus had possibly not been covered by some centres.

(c) Asked to state two features of a direct debit also resulted in poor answers. As previously commented, stating examples does not describe features.

(d) The final task was to evaluate two benefits of maintaining a full set of accounting records. Evaluation is a skill that requires greater depth to an answer than was apparent in many responses. Only a small minority of candidates were awarded full marks on the question, principally due to a lack of development of benefits identified.

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 again 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 evaluative questions students should always provide a conclusion which sums up and supports their findings.

Grade Boundaries

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