

Paper Reference 4AC1/02
Pearson Edexcel
International GCSE

Total Marks

Accounting
Level 1/2
Paper 2: Financial Statements

Tuesday 14 May 2019 – Morning

Time: 1 hour 15 minutes plus your additional time allowance.

In the boxes below, write your name, centre number and candidate number.

Surname					
Other names					
Centre Number					
Candidate Number					

You do not need any other materials.

YOU WILL BE GIVEN

Data Book

INSTRUCTIONS

Answer ALL questions.

Answer the questions in the spaces provided in this Question Paper or on the separate data sheets – there may be more space than you need.

Calculators may be used.

INFORMATION

The total mark for this paper is 50

The marks for EACH question are shown in brackets – use this as a guide as to how much time to spend on each question.

There may be spare copies of some data sheets.

Turn over

ADVICE

Read each question carefully before you start to answer it.

Try to answer every question.

Check your answers if you have time at the end.

Answer ALL questions.

Write your answers in the spaces provided.

1. Look at the information for Question 1 in the Data Book.

Yu Win provided the information shown.

- (a) Prepare the Income Statement for the year ended **31 May 2018**
(20 marks)

Answer lines continue on the next two pages.

There is space for your workings on pages 8–10

Yu Win

**Income Statement for the year ended
31 May 2018**

1. (a) continued.

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Turn over

1. (a) continued.

(continued on the next page)

1. (a) continued.

Workings

1. (a) Workings continued.

[illegible]

Turn over

1. (a) Workings continued.

(continued on the next page)

1. continued.

- (b) Prepare the Statement of Financial Position at
31 May 2018 showing the
non-current assets section only.
(5 marks)

Answer lines continue on the next two pages.

Yu Win

**Statement of Financial Position at
31 May 2018**

Turn over

1. (b) continued.

[illegible]

Turn over

1. (b) continued.

(Total for Question 1 = 25 marks)

- 2. (a) Look at the table for Question 2(a) in the Data Book.**

State which accounting concept applies in EACH scenario.

(3 marks)

(continued on the next page)

2. continued.

(b) Define the terms:

(i) profitability

(1 mark)

(ii) liquidity.

(1 mark)

(continued on the next page)

Turn over

2. continued.

Look at the table for Question 2(c) in the Data Book.

A business provided the information shown.

(c) Evaluate the performance of the business over the two years.

(5 marks)

Answer lines continue on the next page.

Turn over

2. (c) continued.

(continued on the next page)

2. continued.

(d) Look at the table for Question 2(d) in the Data Book.

Identify, indicating with a tick (✓), which statements are true or false in the absence of a partnership agreement according to section 24 of the Partnership Act 1890

The first one has been completed as an example.

There are four more to complete.

(4 marks)

(continued on the next page)

2. continued.

(e) Discuss the need for a partnership to prepare different accounts from those prepared by a sole trader.

(6 marks)

Answer lines continue on the next page.

2. (e) continued.

(continued on the next page)

Turn over

2. continued.

(f) Evaluate whether a sole trader should form a partnership.

(5 marks)

Answer lines continue on the next page.

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2. (f) continued.

(Total for Question 2 = 25 marks)

TOTAL FOR PAPER = 50 MARKS

END OF PAPER
