



Examiners' Report Principal Examiner Feedback

June 2023

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

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General

Given the continued worldwide difficulties, centres are to be congratulated on their preparation of students for the June 2023 IGCSE accounting examination. Well prepared students were able to again demonstrate a good understanding of bookkeeping and accounting.

There continues to be issues around the inclusion of incorrect dates and narratives in ledger accounts, a very important area of bookkeeping and accounting. Centres are advised to concentrate on this when preparing students for examination.

Questions requiring a discursive response continued to show signs of improvement but students need to be aware of the significance of these questions if they are to access higher grades.

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 once again, a number of candidates were gaining up to 80% correct answers.

Question 11

From the source document provided, candidates were required to either identify or calculate five items. Most candidates answered the task very well, with over 60% gaining all five available marks.

Question 12

(a) Candidates were required to identify with a tick whether three characteristics referred to a private sector or a public sector organisation. The question was generally well-answered by most candidates.

(b) required candidates to state two advantages of trading as a partnership and the majority of candidates were able to offer valid advantages.

Question 13

Required candidates to prepare a bank reconciliation statement to account for given un-presented cheques and outstanding lodgements. The major weaknesses were an inability by many candidates to provide correct labels for the statement and a failure to correctly calculate the updated cash book balance, resulting in a full range of marks from zero to five.

Section B

Question 14

(a) Candidates were required to complete two books of original entry, the sales day book and the sales returns day book. Only a small minority of candidates entered a date and label for the totals of each book. Other than that, the most common error was that less well-prepared candidates entered cash sales into the sales day book.

(b) Following on from preparation of the books of original entry, candidates were required to prepare the sales account for the year. As is often the case with preparing double entry accounts, many candidates failed to enter correct details for amounts and thus penalised themselves.

(c) Asked to evaluate whether the trader should introduce computerised accounting software produced several excellent responses. Most candidates addressed both advantages and disadvantages as required and completed their response with a decision.

Question 15

(a) required candidates to prepare a trade payables ledger control account from a given list of data. This was well answered by all well-prepared candidates with most gaining at least seven or eight of the available marks. Only very few candidates gained the additional mark allocated for totally correct labels.

(b) Asked to state one other item that may appear in a trade payables ledger control account produced mixed responses with approximately a 50% success rate.

(c) Asked to state which in which section of the statement of financial position the balance of the control account would appear produced general good responses.

(d)(i) required candidates to explain two benefits of maintaining a trade payables ledger control account. This was well answered by the well prepared candidates with several very detailed valid responses.

Question 16

- (a) Candidates were required to prepare a trial balance from a list of balances provided. Pleasingly, 75% of candidates prepared a totally correct trial balance though less well-prepared candidates clearly had not learned the basics of double entry bookkeeping.
- (b) Provided with a list of five different errors, candidates were required to state the type of error in each case. Virtually all candidates recognised the error of omission though the remaining four errors received a variety of frequently incorrect responses by many candidates.
- (c) required completion of a tick box to identify the double entry for processing discount allowed and discount received. The question was well answered by the majority of candidates.

Question 17

- (a) The question required completion of a three-column cash book to account for six transactions. As I have previously reported, the most common weakness was for candidates to again enter incorrect details in the cash book. As an example, the detail for the dishonoured must be the name of the customer, which is where the entry will be posted, not dishonoured cheque. The full range of marks from zero to nine were seen with only small minority gaining full marks. It was however pleasing to note that the balancing off of the cash book was much better.
- (b) required candidates to identify the accounting concept being applied in each of three small scenarios. The question was well answered by most candidates.
- (c) Candidates were required to state in which financial statement both irrecoverable debt written off and the balance of the provision for irrecoverable debts would appear. Responses were varied with some confusing the income statement with the statement of financial position.

Question 18

The final question focussed on non-current assets.

- (a) Candidates were required to complete a tick box to identify whether four transactions referred to either capital expenditure or revenue expenditure and the majority of candidates answered the question very well.

(b) Candidates were required to state in which financial statement both capital expenditure and revenue expenditure would appear. Responses were again varied with some confusing the income statement with the statement of financial position.

(c) Provided with data relating to transactions for machinery over a two-year period, candidates were required to calculate the depreciation charge for each of the two years. This was well answered with 70% of candidates completing four correct calculations.

(d) required candidates to calculate the profit or loss on the disposal of one of the machines and this was again well answered by most candidates.

(e) Candidates were required to prepare the provision for depreciation of machinery account. Whilst several found the task challenging, well-prepared candidates were able to gain full marks though others demonstrated poor double-entry skills and once again, poor labelling of transactions.

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

Grade Boundaries

Grade boundaries for this, and all other papers, can be found on the website on this link: <http://www.edexcel.com/iwantto/Pages/grade-boundaries.aspx>