Pearson Edexcel

Examiners' Report
Principal Examiner Feedback

Summer 2025

Pearson Edexcel International GCSE
In Accounting (4AC1) Paper 01R

PAPER 1: Introduction to Bookkeeping and Accounting

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General

I saw several excellent candidate scripts and well-prepared students were able to again demonstrate a good understanding of bookkeeping and accounting.

However, as will be seen from my detailed comments below, there continues to be issues around the inclusion of incorrect dates and details 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 importance of developing identified points when asked to explain an issue.

Report on individual questions

Section A

Questions 1 – 10

The multiple-choice questions included questions across the full 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

Candidates were required to complete an invoice for the sale of two items. They were then required to calculate the trade discount of 20% and several candidates were able to gain all five available marks for the question.

Question 12

Candidates were required to complete a table to state whether five costs were capital expenditure or revenue expenditure. Many candidates were rewarded for either four or five correct responses.

Question 13

(a) The majority of candidates correctly identified two methods of calculating depreciation.

(b) Most candidates correctly identified two reasons why non-current assets depreciate.

(c) Virtually all candidates correctly identified an accounting concept which applies when depreciating non-current assets.

Section B

Question 14

The question focussed on an opening journal entry and petty cash.

(a) Provided with details of the opening balances of a trader's new business, candidates were required to prepare the opening journal entry. The question resulted in mixed responses with very few totally correct answers. Many candidates produced a list of multiple individual journal entries rather than one complete entry covering all aspects.

(b) Candidates were provided with details of petty cash transactions for the month and were required to prepare the petty cash book. Most candidates correctly entered and analysed the expenses but many lost marks for incorrectly closing off the book for the month.

Question 15

The question focussed on errors and omissions..

Candidates were provided with a list of five errors/omissions and required to complete a table to identify the type of error in each case and prepare journal entries to correct the errors. The question was well answered by many candidates by initially correctly identifying the type of error. Well-prepared candidates generally gained at least twelve of the available fifteen marks though there was evidence of a lack of basic double entry knowledge by others.

Question 16

The question focussed on cash book entries.

(a) Required candidates to identify whether eight accounts would be a debit or credit entry in a cash book. There were many totally correct responses though a minority of candidates completely reversed each entry presumably as a result of not reading the question carefully and answering from the perspective of a trial balance.

(b) Candidates were provided with summarised data from a trader's cash book and were required to prepare a bank reconciliation statement. There were several very good responses to the question though some candidates either failed to complete details (for example for the unpresented cheques) or alternatively entered incorrect details.

(c) Asked to state two reasons why a bank may refuse to pay a cheque received was well answered by the majority of candidates.

Question 17

The question focussed on customer and supplier accounts and the uses of spreadsheets.

(a) Required candidates to explain how the preparation of a trade receivables control account can help to prevent fraud. Candidates who recognised that the key was segregation of duties were generally awarded both of the available marks though development was occasionally very vague.

(b) Data was provided of purchases and sales transactions between the trader and the same customer / supplier. Whilst the amounts involved were usually correctly recorded in the accounts, the details column was often incorrect. As I have recorded previously, correct dates and details are essential to be awarded marks. Candidates must remember that the details refers to the corresponding part of the double entry. Refer candidates to the published mark scheme to view allowable terminology.

(c) Candidates were required to advise the trader whether he should start using spreadsheets to manage his receivables and payables. Candidates were awarded up to four marks for valid points in favour or against. There were several good points raised by candidates and most concluded with the required advice for the fifth mark.

Question 18

The final question focussed on irrecoverable debts.

(a) Asked to state the accounting concept applied when creating a provision for irrecoverable debts resulted in the majority of candidates correctly identifying prudence.

(a) Candidates were required to explain two ways the trader could encourage his trade receivables to pay on time. Most candidates gained the two marks for identification though development was once again rather vague. The two most common responses were applying a cash discount or charging interest on overdue accounts.

(b) Preparation of the provision for irrecoverable debts accounts was well answered by a large number of candidates – an improvement over similar questions in previous sittings.

(c) Asked to explain the effect on the profit for the year was again well answered by many candidates who correctly answered with an increase though again much of the development was rather vague.

(e) The final question required candidates to advise the trader whether he should proceed with his proposal to sell goods on cash only. It was pleasing to note that the majority of candidates considered both the advantages and disadvantages prior to reaching their decision.

Points for future sessions

I repeat again 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 once 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 or advise questions students should always provide a conclusion which sums up and supports their findings.
- When dealing with explain questions, candidates must always offer development of an identified point in order to gain all of the available marks.

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

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