Examiners' Report
Principal Examiner Feedback

Summer 2025

Pearson Edexcel International GCSE
In Accounting (4WAC1) Paper 01R
Unit 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, several 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..

(a) 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 well-prepared candidates by initially correctly identifying the type of error. These candidates generally gained at least twelve of the available fifteen marks. However, there was evidence of a lack of basic double entry knowledge by many others and a surprisingly large number of candidates were clearly unaware of the different classes of error.

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 several 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 a significant number of poor responses to the question. Some candidates either failed to complete details (for example for the unpresented cheques) or alternatively entered incorrect details. There were also a number of no attempts for this question which is a popular question in this examination.

(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 a trade payables ledger control account and the uses of computerised accounting packages.

(a) Required candidates to reconcile the total of the payables ledger balances to the total balance of the trade payables ledger control account taking account of six errors in processing that account. The question provided good differentiation with, once again, some candidates demonstrating poor double entry skills and as a result deducting amounts that should have been added and vice versa. Consequently, the mean mark for this question was low.

(b) Required candidates to explain how the preparation of a trade payables control account can help prepare a statement of financial position. Whilst most candidates recognised that it provides the total amount of trade payables, few offered valid development to gain the second mark.

(c) Candidates were required to advise the trader whether he should purchase a computerised accounting package. Up to two marks were awarded for points in favour and a further two marks for points against. This question was well answered by many candidates though once again; development of identified points was often insufficient to be awarded. Most candidates did offer advice as a conclusion to their response for the final mark.

Question 18

The final question focussed on entries in a nominal ledger account and on the proposal to form a partnership..

(a) Asked to state the accounting concept applied when accounting for other payables and other receivables. Most candidates correctly identified the accruals / matching concept.

(b) Candidates were required to prepare the commission received account from data provided. Many candidates found the question challenging due to the previously mentioned lack of good basic double entry knowledge. As I have recorded previously, correct dates and details are essential to be awarded marks. Candidates must remember that the details refer to the corresponding part of the double entry and must not refer to old terminology; for example, 'bad debts' must be irrecoverable debts, cash received must be referred to as bank or cash book. Refer candidates to the published mark scheme to view allowable terminology.

(c) Asked to identify the effect on gross profit, profit for the year and on equity. Results were very mixed, but well-prepared candidates were rewarded with all three available marks.

(d) The final question required candidates to advise the trader whether he should proceed with his proposal to form a partnership with another trader in order to expand his business. It was pleasing to note that the majority of candidates considered both the advantages and disadvantages of forming a partnership prior to reaching their decision and the overall standard of answers to this question was good.

Points for future sessions

I repeat several important points from previous examination 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 details 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

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