

**MARK SCHEME for the October/November 2009 question paper  
for the guidance of teachers**

<b>0452/02</b>	<b>0452 ACCOUNTING</b> Paper 2, maximum raw mark 100
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This mark scheme is published as an aid to teachers and candidates, to indicate the requirements of the examination. It shows the basis on which Examiners were instructed to award marks. It does not indicate the details of the discussions that took place at an Examiners' meeting before marking began, which would have considered the acceptability of alternative answers.

Mark schemes must be read in conjunction with the question papers and the report on the examination.

- CIE will not enter into discussions or correspondence in connection with these mark schemes.

CIE is publishing the mark schemes for the October/November 2009 question papers for most IGCSE, GCE Advanced Level and Advanced Subsidiary Level syllabuses and some Ordinary Level syllabuses.

- 1 (a) Trading account (*accept manufacturing account*)  
Profit and loss account (*accept income and expenditure account*)  
Profit and loss appropriation account  
Balance sheet (any two, one mark each)  
(*Accept abbreviations if the meaning is clear*) [2]

(b)

		Income	Expense
(i)	Discount received	√ (1)	
(ii)	Carriage outwards		√ (1)
(iii)	Bank charges		√ (1)

[3]

- (c) Standing orders, credit transfers  
Direct debits  
Bank charges  
Dishonoured cheque (or similar acceptable item)  
(*Not un-presented cheques, uncleared deposits*) [1]

(d)

	Dr	Cr
Bad debts	250 (1)	
Petrus ( <i>or Debtor</i> )		250 (1)

*One mark for both items on each line, in either order* [2]

- (e) (i) Purchases (creditors) (ledger) (1)  
(ii) Nominal (general) (ledger) (1) [2]

(f) Saleem – Rent account

2009	2009					
1 October	Bank	960 (1)		31 October	P/L account	320 (1)
				31 October	Balance c/d	<u>640 (1)</u>
		<u>960</u>			( <i>accept prepayment</i> )	
1 November	Balance b/d	640 (1) OF				
	( <i>accept prepayment</i> )					

**Note:** mark is for correct narrative and correct or OF amount, not date. [4]

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(g) (i) Partnership agreement (*accept deed, contract*) or Profit and loss appropriation account  
(*Not partnership document, statement*) [1]

(ii) Capital to be contributed, drawings  
Profit sharing ratio  
Interest on capital  
Interest on drawings  
Partners' salaries (or other acceptable item) [1]

[Total: 16]

2 (a) (i) Invoice } (not receipt, cash book or other books of account) [1]  
(ii) Invoice, statement of account } [1]

(b) **Note:** in following accounts, 1 mark for date and narrative, 1 mark for amount.

Sales account	
2009	16 October Total sales 550 (2) ( <i>accept 30/31</i> ) ( <i>accept debtors, sales journal</i> )

If separate entries for Artelis and Brook are shown, award mark only if total 550 is shown.

Artelis account	
2009	12 October Sales (journal) 250 (2)

Brook account	
2009	14 October Sales (journal) 300 (2)

[6]

(c)

	Dr \$	Cr \$
Sales ( <b>NOT Suspense</b> )	20 (1)	
Artelis		20 (1)

	Dr \$	Cr \$
Chadri	55 (1)	
Sales ( <b>NOT Suspense</b> )		55 (1)

[4]

(d)

	Dr \$	Cr \$
Sales* (550 (1) + 55 (1) – 20 (1))		585* (3)
Artelis (250 – 20)	230 (1)	
Brook	300 (1)	
Chadri	55 (1)	

(No marks for complete reversal)

[6]

\*award 3 marks for correct figure with or without workings, 1 mark for 550 with or without workings, for other figures (e.g. 605, 530 or 515) award marks only for correct items if workings shown.

[Total: 18]

3 (a) (i) Current ratio = 17 700 (1) / 9 400 (1)

$$= 1.88 (: 1) (1) \text{OF} \quad (\text{accept } 1.89 \text{ but not } 1.9 \text{ or } 1.90) \\ (\text{do not accept } 1 : 1.88)$$

[3]

(ii) Quick ratio = 15 300 (2) / 9 400 (1)

**Note:** mark for 15,300 is 2 or 0, correct figure only

$$= 1.63 (: 1) (1) \text{OF} \quad (\text{accept } 1.62 \text{ but not } 1.6 \text{ or } 1.60) \\ (\text{do not accept } 1 : 1.63)$$

[4]

(iii) Working capital = 17 700 (1) – 9 400 (1)

$$= 8 300 (1)$$

**Correct figures only**

For each of these, award marks for correct answer with or without workings but for other answers award marks only for correct items if workings shown. [3]

(b)

	Working capital		
	Increase	Decrease	No effect
Increase capital	√ (2)		
Reduce debtors			√ (2)
Repay bank loan		√ (2)	
Reduce drawings	√ (2)		

**Note:** 2 marks for each item

[8]

[Total: 18]

4 (a)

	Tangible fixed assets	Intangible fixed assets	Current assets
Goodwill		√ (1)	
Motor van	√ (1)		
Warehouse	√ (1)		
Stock			√ (1)

**Note:** 1 mark for each item

[4]

(b) Depreciation on straight line over three years

$$= (2\ 100 - 300) (1) / 3 (1)$$

$$= 600 (1) \text{OF} - \text{for OF mark must be spread over period of years}$$

Same amount for 2010: \$600 (1)OF (Not \$1200)

**Note:** award OF mark if same amount is shown for each year

[4]

(c)

Provision for depreciation

2009		2009	
Balance c/d	600	Profit & Loss account (Depreciation account)	600 (1)OF
	<u>600</u>		<u>600</u>
		Balance b/d	600 (1)OF
2010		2010	
Balance c/d	<u>1200</u>	Profit & Loss account	<u>600</u> (1)OF
	<u>1200</u>		<u>1200</u>
		Balance b/d	<u>1200</u> (1)OF

Mark is for correct year, not exact date, narrative and amount.

If date is shown with correct year, award mark.

[4]

(d)

Cleo

Balance Sheet at 30 September 2010 (extract)

	Cost \$	Provision for depreciation \$	Net book value \$
Fixed assets			
Plant and equipment	2 100 (1)	1 200 (1)OF	900 (1)OF
<i>(Description and amount for mark)</i>			
<i>(Accept photocopier, office equipment, office machines or similar)</i>			

[3]

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- (e) The accumulated depreciation to date  
The amount of cost used up over the life of the machine  
The amount charged to P/L account to date

Any one similar comment – 2 marks

Not net book value, or any comment relating to disposal or profit or loss on sale. [2]

[Total: 17]

5	(a)	Fees earned = cash receipts	12 000	(1)	
		less: opening debtors	<u>2 600</u>	(1)	
			9 400		
		add: closing debtors	<u>4 100</u>	(1)	
			<u>13 500</u>	(2) or (1)OF	[5]

Award 2 marks for correct answer with or without workings but for other answers award marks only for items correctly added or subtracted if workings shown: do not award any total mark(s) if any alien items are in calculation e.g. commissions figure.

(b)

Khalid  
Profit and Loss Account for the year ended 31 October 2009

	\$	\$	
Fees receivable (accept gross profit etc)		13 500	(1)(OF)
Commissions received		<u>32 000</u>	(1)
		45 500	
<i>(award 2 marks if just correct total figure 45 500 is shown)</i>			
Expenses			
Rent	9 600		(1)
Staff wages	8 800		(1)
Office expenses	6 400		(1)
Motor expenses	<u>3 600</u>		(1)
		<u>28 400</u>	
Net profit (or loss, if loss has been calculated)		<u>17 100</u>	(1)(OF)

Award OF fees mark if the total from (a) is used;

Award the commissions mark if shown whether or not it has been included in the total from (a);

Award the net profit/loss mark only if no alien items in account e.g. drawings. [7]

(c)

Khalid – Capital account

		Balance b/d	3 000	(1)
Drawings	25 000	Net profit	17 100	(1)OF
		Balance c/d	<u>4 900</u>	
	<u>25 000</u>		<u>25 000</u>	
Balance b/d	4 900			(2)OF

Award balance OF mark only if no alien items in account.

Dates not required. Vertical layout acceptable.

[5]

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- (d) Contribute further capital – but not by taking (bank) loan  
Obtain capital by taking partner  
Reduce drawings  
Increase net profit (*reduce loss if shown in (b)*)  
(*e.g. by increasing fees/commissions, reducing expenses (or any one specific expense) but only one example, so 2 marks for only any one method of increasing net profit*)  
Any two (2) each [4]

**[Total: 21]**