



Pearson  
Edexcel

Examiners' Report  
Principal Examiner Feedback

November 2021

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

## **Edexcel and BTEC Qualifications**

Edexcel and BTEC qualifications are awarded by Pearson, the UK's largest awarding body. We provide a wide range of qualifications including academic, vocational, occupational and specific programmes for employers. For further information visit our qualifications websites at [www.edexcel.com](http://www.edexcel.com) or [www.btec.co.uk](http://www.btec.co.uk). Alternatively, you can get in touch with us using the details on our contact us page at [www.edexcel.com/contactus](http://www.edexcel.com/contactus).

## **Pearson: helping people progress, everywhere**

Pearson aspires to be the world's leading learning company. Our aim is to help everyone progress in their lives through education. We believe in every kind of learning, for all kinds of people, wherever they are in the world. We've been involved in education for over 150 years, and by working across 70 countries, in 100 languages, we have built an international reputation for our commitment to high standards and raising achievement through innovation in education. Find out more about how we can help you and your students at: [www.pearson.com/uk](http://www.pearson.com/uk)

November 2021

Publications Code 4AC1\_01\_2111\_ER

All the material in this publication is copyright

© Pearson Education Ltd 2021

## **General**

Given the continued difficulties caused worldwide by the pandemic, centres are to be congratulated on their preparation of students for the November 2021 IGCSE accounting examination. Well prepared students were able to again demonstrate a good understanding of bookkeeping and accounting.

As has been noted previously, there continues to be issues around the inclusion of incorrect dates and narratives in ledger accounts and once again, the evaluation of business scenarios still proves challenging for centres and students.

## **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 a number of candidates were gaining up to 80% correct answers.

#### **Question 11**

Candidates were required to complete the detail of a sales invoice. Most were able to gain good marks for this task with a large number of totally correct responses.

#### **Question 12**

The question focussed on various aspects of irrecoverable debts.

(a) required candidates to prepare a journal entry to write off an irrecoverable debt. Whilst many candidates gained both available marks, several were unsure of the correct credit entry.

(b) required calculation of the increase or decrease in the provision for irrecoverable debts. The task proved troublesome for a number of candidates who failed to make adjustment for the irrecoverable debts written off.

(c) required candidates to state in which section of the statement of financial position the provision would appear. It should be noted that the section is current assets, not trade and other receivables.

### **Question 13**

(a) Candidates were required state two benefits of preparing a bank reconciliation statement and responses were often too vague to be rewarded.

(b) required candidates to define three terms, unpresented cheques, outstanding lodgements and dishonoured cheque. Responses were disappointing with many responses again being too vague to be rewarded.

### **Section B**

#### **Question 14**

(a) Most candidates were able to correctly identify one advantage and one disadvantage of preparing a trial balance.

(b) Candidates were required to complete a table to identify in which column of the trial balance ten items would be entered. Pleasingly, there were a number of totally correct answers to this question though less well-prepared candidates clearly had not learned the basics of double entry bookkeeping.

(c) required the identification of three types of error described. Whilst some candidates confused the error of principle with the error of commission, most candidates scored good marks on the task.

#### **Question 15**

Candidates were required to prepare a three-column cash book from data provided. The question proved troublesome to less well-prepared students with only a very small number gaining full marks. Whilst some candidates demonstrated only very basic knowledge of double entry principles, the main issue was a failure to enter correct details. For example, when recording the entry for direct debits, the detail must reflect the name of the payee, not simply 'direct debit'.

### **Question 16**

- (a) Candidates were required to prepare a trade receivables ledger control account. Whilst the question was generally well answered, details were again the weak link in many answers.
- (b) required candidates to explain one advantage and one disadvantage of a proposal to offer cash sales only to customers rather than credit sales. Well prepared candidates gained good marks for this task but some candidates failed to develop identified points and thus limited their available marks.

### **Question 17**

- (a) Preparation of a rent payable account from given data was not well answered. Many students failed to correctly calculate the opening balance and closing balance on the account and the transfer to the income statement was often omitted.
- (b) Based on their own figures, most candidates were able to state where the balances on the rent payable account would appear in the statement of financial position.
- (c) Candidates were required to state three accounting concepts and give a brief description of each. Whilst most were able to correctly state three concepts, their description was often very vague and imprecise.

### **Question 18**

- (a) Identification of items of capital expenditure and revenue expenditure was generally well answered.
- (b) Asked to explain what distinguishes revenue expenditure from capital expenditure produced several very good responses, though once again, some answers lacked sufficient precision to be awarded full marks.
- (c) Calculation of the balance of the provision for depreciation account proved difficult for some candidates due to the asset having been held for two years.
- (d) Calculation of the profit or loss on the disposal of machinery produced very mixed responses.

(e) The final task to prepare the provision for depreciation account again showed evidence of a lack of double entry principles by some candidates though others produced very good accounts for full marks.

### **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.
- 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>