



# Mark Scheme Results

November 2021

Pearson Edexcel International GCSE in  
Accounting 4AC1

Paper 01: Introduction to Bookkeeping  
and Accounting

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Question Paper Log number P66468

Publications Code 4AC1\_01\_2111

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## General Marking Guidance

- All candidates must receive the same treatment. Examiners must mark the first candidate in exactly the same way as they mark the last.
- Mark schemes should be applied positively. Candidates must be rewarded for what they have shown they can do rather than penalised for omissions.
- Examiners should mark according to the mark scheme not according to their perception of where the grade boundaries may lie.
- There is no ceiling on achievement. All marks on the mark scheme should be used appropriately.
- All the marks on the mark scheme are designed to be awarded. Examiners should always award full marks if deserved, i.e. if the answer matches the mark scheme. Examiners should also be prepared to award zero marks if the candidate's response is not worthy of credit according to the mark scheme.
- Where some judgement is required, mark schemes will provide the principles by which marks will be awarded and exemplification may be limited.
- When examiners are in doubt regarding the application of the mark scheme to a candidate's response, the team leader must be consulted.
- Crossed out work should be marked UNLESS the candidate has replaced it with an alternative response.

## SECTION A

Question number	Answer	Mark									
	<b>Award 1 mark as indicated for each question.</b>										
<b>1</b>	<b>D Sales returns day book</b>	<b>(1)</b>									
<b>2</b>	<b>D Trade receivables ledger</b>	<b>(1)</b>									
<b>3</b>	<b>B Purchases Invoices</b>	<b>(1)</b>									
<b>4</b>	<b>D Interest charged on late payment</b>	<b>(1)</b>									
<b>5</b>	<b>C Debit discounts allowed</b>	<b>(1)</b>									
<b>6</b>	<b>A Credit note</b>	<b>(1)</b>									
<b>7</b>	<b>D Returns outwards</b>	<b>(1)</b>									
<b>8</b>	<b>B Journal</b>	<b>(1)</b>									
<b>9</b>	<b>C \$35</b>	<b>(1)</b>									
<b>10</b>	<table style="width: 100%; border: none;"> <tr> <td style="width: 5%;"><b>A</b></td> <td style="width: 45%;"><b><u>Debit</u></b></td> <td style="width: 45%;"><b><u>Credit</u></b></td> </tr> <tr> <td></td> <td>Rent paid \$20</td> <td>Suspense account \$40</td> </tr> <tr> <td></td> <td>Rent received \$20</td> <td></td> </tr> </table>	<b>A</b>	<b><u>Debit</u></b>	<b><u>Credit</u></b>		Rent paid \$20	Suspense account \$40		Rent received \$20		<b>(1)</b>
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	Rent paid \$20	Suspense account \$40									
	Rent received \$20										

**TOTAL FOR QUESTIONS 1-10 = 10 MARKS**

Question number	Answer	Mark																																				
11	<p data-bbox="368 210 1134 241"><b>Award 1 mark for each correct figure as indicated.</b></p> <table border="1" data-bbox="429 271 1316 965"> <tr> <td colspan="4" data-bbox="432 275 1313 436" style="text-align: center;"> <b>Invoice DH Trading 25 Swallow Lane Birmingham B27 3MH</b> </td> </tr> <tr> <td colspan="2" data-bbox="432 436 933 566">Myhill Co Westwood Road Beverley HU17 7AB</td> <td colspan="2" data-bbox="933 436 1313 472">Invoice No 1503</td> </tr> <tr> <td colspan="2" data-bbox="432 472 933 566"></td> <td colspan="2" data-bbox="933 472 1313 566">Date 14 July 2020</td> </tr> <tr> <td data-bbox="432 566 600 633">Quantity</td> <td data-bbox="600 566 933 633">Description</td> <td data-bbox="933 566 1101 633">Unit cost \$</td> <td data-bbox="1101 566 1313 633">Total cost \$</td> </tr> <tr> <td data-bbox="432 633 600 701">150</td> <td data-bbox="600 633 933 701">Packing cases</td> <td data-bbox="933 633 1101 701">6.80</td> <td data-bbox="1101 633 1313 701">1 020 <b>(1)</b></td> </tr> <tr> <td data-bbox="432 701 600 768">48</td> <td data-bbox="600 701 933 768">Tape</td> <td data-bbox="933 701 1101 768">2.50</td> <td data-bbox="1101 701 1313 768">120 <b>(1)</b></td> </tr> <tr> <td colspan="3" data-bbox="432 768 1101 835">Subtotal</td> <td data-bbox="1101 768 1313 835">1 140 <b>(1of)</b></td> </tr> <tr> <td colspan="3" data-bbox="432 835 1101 902">Trade discount 25%</td> <td data-bbox="1101 835 1313 902">285 <b>(1of)</b></td> </tr> <tr> <td colspan="3" data-bbox="432 902 1101 965">Total</td> <td data-bbox="1101 902 1313 965">855 <b>(1of)</b></td> </tr> </table>	<b>Invoice DH Trading 25 Swallow Lane Birmingham B27 3MH</b>				Myhill Co Westwood Road Beverley HU17 7AB		Invoice No 1503				Date 14 July 2020		Quantity	Description	Unit cost \$	Total cost \$	150	Packing cases	6.80	1 020 <b>(1)</b>	48	Tape	2.50	120 <b>(1)</b>	Subtotal			1 140 <b>(1of)</b>	Trade discount 25%			285 <b>(1of)</b>	Total			855 <b>(1of)</b>	<b>(5)</b>
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**TOTAL FOR QUESTION 11 = 5 MARKS**

Question number	Answer	Mark												
12(a)	<b>Award marks as indicated for correct account and amount in combination.</b>	<b>(2)</b>												
	<table border="1"> <thead> <tr> <th>Date</th> <th>Account</th> <th>Debit \$</th> <th>Credit \$</th> </tr> </thead> <tbody> <tr> <td>30/09/20</td> <td>Irrecoverable debts</td> <td>730 <b>(1)</b></td> <td></td> </tr> <tr> <td></td> <td>Trade receivables ledger control</td> <td></td> <td>730 <b>(1)</b></td> </tr> </tbody> </table>		Date	Account	Debit \$	Credit \$	30/09/20	Irrecoverable debts	730 <b>(1)</b>			Trade receivables ledger control		730 <b>(1)</b>
	Date		Account	Debit \$	Credit \$									
	30/09/20		Irrecoverable debts	730 <b>(1)</b>										
	Trade receivables ledger control		730 <b>(1)</b>											

Question number	Answer	Mark
12(b)	<b>Award marks as indicated.</b>  \$311 <b>(2) W</b>  <b>W</b>  $\$1\,946 \text{ (1)} - \$1\,635 = \$311 \text{ (1of)}$	<b>(2)</b>

Question number	Answer	Mark
12(c)	<b>Award mark as indicated.</b>  Current assets <b>(1)</b>	<b>(1)</b>

**TOTAL FOR QUESTION 12 = 5 MARKS**

Question number	Answer	Mark
13(a)	<p><b>Award marks as indicated. Max 2 marks</b></p> <ul style="list-style-type: none"> <li>• Identifies errors in the cash book <b>(1)</b></li> <li>• Identifies missing entries in the cash book <b>(1)</b></li> <li>• Acts as a deterrent to fraud <b>(1)</b></li> <li>• Identifies errors made by the bank <b>(1)</b></li> </ul> <p><b>Accept any other appropriate responses.</b></p>	<b>(2)</b>

Question number	Answer	Mark								
13(b)	<p><b>Award marks as indicated.</b></p> <table border="1"> <thead> <tr> <th>Term</th> <th>Definition</th> </tr> </thead> <tbody> <tr> <td>Unpresented cheques</td> <td>Cheques entered in the cash book, not yet presented for payment to the bank. <b>(1)</b></td> </tr> <tr> <td>Uncredited lodgements</td> <td>Receipts entered in the cash book and banked that have not yet been processed by the bank <b>(1)</b></td> </tr> <tr> <td>Dishonoured cheque</td> <td>A cheque received or paid that the bank has refused to pay <b>(1)</b></td> </tr> </tbody> </table> <p><b>Accept any other appropriate responses.</b></p>	Term	Definition	Unpresented cheques	Cheques entered in the cash book, not yet presented for payment to the bank. <b>(1)</b>	Uncredited lodgements	Receipts entered in the cash book and banked that have not yet been processed by the bank <b>(1)</b>	Dishonoured cheque	A cheque received or paid that the bank has refused to pay <b>(1)</b>	<b>(3)</b>
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**TOTAL FOR QUESTION 13 = 5 MARKS**

**TOTAL MARKS FOR SECTION A = 25 MARKS**

**SECTION B**

Question number	Answer	Mark
<b>14(a)</b>	<p><b>Award marks as indicated.</b></p> <p><b>Advantage</b> Checks the arithmetical accuracy of the bookkeeping <b>(1)</b></p> <p><b>Disadvantage</b> Does not identify all errors <b>(1)</b></p> <p><b>Accept any other appropriate responses.</b></p>	<b>(2)</b>

Question number	Answer	Mark																																	
<b>14(b)</b>	<p><b>Award marks as indicated.</b></p> <p style="text-align: center;"><b>Trial Balance</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 70%;"></th> <th style="width: 15%; text-align: center;">Debit</th> <th style="width: 15%; text-align: center;">Credit</th> </tr> </thead> <tbody> <tr> <td>Bank overdraft</td> <td></td> <td style="text-align: center;">✓ <b>(1)</b></td> </tr> <tr> <td>Carriage inwards</td> <td style="text-align: center;">✓ <b>(1)</b></td> <td></td> </tr> <tr> <td>Discount received</td> <td></td> <td style="text-align: center;">✓ <b>(1)</b></td> </tr> <tr> <td>Drawings</td> <td style="text-align: center;">✓ <b>(1)</b></td> <td></td> </tr> <tr> <td>Equity</td> <td></td> <td style="text-align: center;">✓ <b>(1)</b></td> </tr> <tr> <td>Machinery – provision for depreciation</td> <td></td> <td style="text-align: center;">✓ <b>(1)</b></td> </tr> <tr> <td>Provision for irrecoverable debts</td> <td></td> <td style="text-align: center;">✓ <b>(1)</b></td> </tr> <tr> <td>Rent received</td> <td></td> <td style="text-align: center;">✓ <b>(1)</b></td> </tr> <tr> <td>Returns inwards</td> <td style="text-align: center;">✓ <b>(1)</b></td> <td></td> </tr> <tr> <td>Trade receivables</td> <td style="text-align: center;">✓ <b>(1)</b></td> <td></td> </tr> </tbody> </table>		Debit	Credit	Bank overdraft		✓ <b>(1)</b>	Carriage inwards	✓ <b>(1)</b>		Discount received		✓ <b>(1)</b>	Drawings	✓ <b>(1)</b>		Equity		✓ <b>(1)</b>	Machinery – provision for depreciation		✓ <b>(1)</b>	Provision for irrecoverable debts		✓ <b>(1)</b>	Rent received		✓ <b>(1)</b>	Returns inwards	✓ <b>(1)</b>		Trade receivables	✓ <b>(1)</b>		<b>(10)</b>
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Question number	Answer	Mark								
<b>14 (c)</b>	<p><b>Award marks as indicated.</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%; text-align: center;">Error</th> <th style="width: 40%; text-align: center;">Type of error</th> </tr> </thead> <tbody> <tr> <td>A payment for general expenses had been posted to the drawings account.</td> <td style="text-align: center;">Principle <b>(1)</b></td> </tr> <tr> <td>A payment for stationery had been posted to the rent paid account.</td> <td style="text-align: center;">Commission <b>(1)</b></td> </tr> <tr> <td>An invoice for \$320 had been recorded in the purchases day book as \$230.</td> <td style="text-align: center;">Original entry <b>(1)</b></td> </tr> </tbody> </table>	Error	Type of error	A payment for general expenses had been posted to the drawings account.	Principle <b>(1)</b>	A payment for stationery had been posted to the rent paid account.	Commission <b>(1)</b>	An invoice for \$320 had been recorded in the purchases day book as \$230.	Original entry <b>(1)</b>	<b>(3)</b>
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**TOTAL FOR QUESTION 14 = 15 MARKS**



Question number	Answer																																																																																																				
15	<p><b>Award marks for correct details and amounts in combination.</b></p> <p style="text-align: center;"><b>Cash Book</b></p> <table border="1"> <thead> <tr> <th>Date 2020</th> <th>Details</th> <th>Discount \$</th> <th>Cash \$</th> <th>Bank \$</th> <th>Date 2020</th> <th>Details</th> <th>Discount \$</th> <th>Cash \$</th> <th>Bank \$</th> </tr> </thead> <tbody> <tr> <td>Aug 1</td> <td>Balance b/d</td> <td></td> <td>45 <b>(1)</b></td> <td></td> <td>Aug 1</td> <td>Balance b/d</td> <td></td> <td></td> <td>248 <b>(1)</b></td> </tr> <tr> <td>8</td> <td>Cash sales</td> <td></td> <td>1 420 <b>(1)</b></td> <td></td> <td>3</td> <td>Mobilecom (DD)</td> <td></td> <td></td> <td>115 <b>(1)</b></td> </tr> <tr> <td>9</td> <td>Cash</td> <td></td> <td></td> <td>800 <b>(1)</b></td> <td>9</td> <td>Bank</td> <td></td> <td>800 <b>(1)</b></td> <td></td> </tr> <tr> <td>23</td> <td>Folan</td> <td></td> <td></td> <td>225 <b>(1)</b></td> <td>16</td> <td>Sophia</td> <td>25 <b>(1)</b></td> <td></td> <td>475 <b>(1)</b></td> </tr> <tr> <td>30</td> <td>Chan</td> <td>44 <b>(1)</b></td> <td></td> <td>836 <b>(1)</b></td> <td>28</td> <td>Wages</td> <td></td> <td>540 <b>(1)</b></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td>29</td> <td>Folan</td> <td></td> <td></td> <td>225 <b>(1)</b></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td>31</td> <td>Balances c/d</td> <td></td> <td>125</td> <td>798</td> </tr> <tr> <td></td> <td></td> <td>44</td> <td>1 465</td> <td>1 861</td> <td></td> <td></td> <td>25</td> <td>1 465</td> <td>1 861</td> </tr> <tr> <td>Sep 1</td> <td>Balances b/d</td> <td></td> <td>125 <b>(1of)</b></td> <td>798 <b>(1of)</b></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Date 2020	Details	Discount \$	Cash \$	Bank \$	Date 2020	Details	Discount \$	Cash \$	Bank \$	Aug 1	Balance b/d		45 <b>(1)</b>		Aug 1	Balance b/d			248 <b>(1)</b>	8	Cash sales		1 420 <b>(1)</b>		3	Mobilecom (DD)			115 <b>(1)</b>	9	Cash			800 <b>(1)</b>	9	Bank		800 <b>(1)</b>		23	Folan			225 <b>(1)</b>	16	Sophia	25 <b>(1)</b>		475 <b>(1)</b>	30	Chan	44 <b>(1)</b>		836 <b>(1)</b>	28	Wages		540 <b>(1)</b>							29	Folan			225 <b>(1)</b>						31	Balances c/d		125	798			44	1 465	1 861			25	1 465	1 861	Sep 1	Balances b/d		125 <b>(1of)</b>	798 <b>(1of)</b>					
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**TOTAL FOR QUESTION 15 = 15 MARKS**

Question number	Answer	Mark																																																						
16(a)	<p><b>Award 1 mark for each correct figure plus 1 mark for correct dates and details.</b></p> <p style="text-align: center;"><b>Trade Receivables Ledger Control Account</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Date 2020</th> <th>Details</th> <th>\$</th> <th>Date 2020</th> <th>Details</th> <th>\$</th> </tr> </thead> <tbody> <tr> <td>Aug 1</td> <td>Balance b/d</td> <td>46 220</td> <td>Aug 31</td> <td>Cash book / Discount allowed</td> <td>984 <b>(1)</b></td> </tr> <tr> <td>31</td> <td>Sales day book</td> <td>29 535 <b>(1)</b></td> <td></td> <td>Journal/irrecoverable debts</td> <td>597 <b>(1)</b></td> </tr> <tr> <td></td> <td>Cash book</td> <td>160 <b>(1)</b></td> <td></td> <td>Cash book</td> <td>36 250 <b>(1)</b></td> </tr> <tr> <td></td> <td>Journal / Interest charged</td> <td>119 <b>(1)</b></td> <td></td> <td>Sales returns day book</td> <td>380 <b>(1)</b></td> </tr> <tr> <td></td> <td>Balance c/d</td> <td>240</td> <td></td> <td>Journal / Contra / set-off</td> <td>665 <b>(1)</b></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>Balance c/d</td> <td>37 398</td> </tr> <tr> <td></td> <td></td> <td style="border-top: 1px solid black;">76 274</td> <td></td> <td></td> <td style="border-top: 1px solid black;">76 274</td> </tr> <tr> <td>Sep 1</td> <td>Balance b/d</td> <td>37 398 <b>(1)</b></td> <td>Sep 1</td> <td>Balance b/d</td> <td>240</td> </tr> </tbody> </table>	Date 2020	Details	\$	Date 2020	Details	\$	Aug 1	Balance b/d	46 220	Aug 31	Cash book / Discount allowed	984 <b>(1)</b>	31	Sales day book	29 535 <b>(1)</b>		Journal/irrecoverable debts	597 <b>(1)</b>		Cash book	160 <b>(1)</b>		Cash book	36 250 <b>(1)</b>		Journal / Interest charged	119 <b>(1)</b>		Sales returns day book	380 <b>(1)</b>		Balance c/d	240		Journal / Contra / set-off	665 <b>(1)</b>					Balance c/d	37 398			76 274			76 274	Sep 1	Balance b/d	37 398 <b>(1)</b>	Sep 1	Balance b/d	240	<b>(10)</b>
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Question number	Answer	Mark
16(b)	<p><b>Award up to 2 marks for an advantage, up to 2 marks for a disadvantage and 1 mark for a decision.</b></p> <p><b>Sample answer</b></p> <p>Cash would be received faster <b>(1)</b>, resulting in improved cash flow/liquidity <b>(1)</b>.</p> <p>Some customers may not wish to make cash purchases <b>(1)</b> resulting in lost turnover/lower profits <b>(1)</b>.</p> <p>Eldin should continue making credit sales to retain customers/maintain profitability <b>(1)</b>.</p> <p><b>Accept any other appropriate responses.</b></p>	<b>(5)</b>

**TOTAL FOR QUESTION 16 = 15 MARKS**

Question number	Answer	Mark																																				
17 (a)	<p><b>Award marks as indicated for correct amounts. Award 1 mark for all correct dates and labels.</b></p> <p style="text-align: center;"><b>Rent Payable Account</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Date</th> <th>Details</th> <th>\$</th> <th>Date</th> <th>Details</th> <th>\$</th> </tr> </thead> <tbody> <tr> <td>2019 Nov 1</td> <td>Bank</td> <td>1 200</td> <td>2019 Oct 1</td> <td>Balance b/d</td> <td>300 <b>(1)</b></td> </tr> <tr> <td>2020 Jan 1</td> <td>Bank <b>(1 for all)</b></td> <td>1 800</td> <td>2020 Sep 30</td> <td>Income statement</td> <td>3 600 <b>(1of)</b></td> </tr> <tr> <td>Jul 1</td> <td>Bank</td> <td>1 800</td> <td></td> <td>Balance c/d</td> <td>900</td> </tr> <tr> <td></td> <td></td> <td style="border-top: 1px solid black;">4 800</td> <td></td> <td></td> <td style="border-top: 1px solid black;">4 800</td> </tr> <tr> <td>Oct 1</td> <td>Balance b/d</td> <td>900 <b>(1of)</b></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Date	Details	\$	Date	Details	\$	2019 Nov 1	Bank	1 200	2019 Oct 1	Balance b/d	300 <b>(1)</b>	2020 Jan 1	Bank <b>(1 for all)</b>	1 800	2020 Sep 30	Income statement	3 600 <b>(1of)</b>	Jul 1	Bank	1 800		Balance c/d	900			4 800			4 800	Oct 1	Balance b/d	900 <b>(1of)</b>				<b>(5)</b>
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Question number	Answer	Mark
17(b) (i)	<p><b>Award marks as indicated.</b></p> <p>Current liabilities/Other payables. <b>(1)</b></p> <p>One month's rent was owing at 30 September 2019. <b>(1)</b></p> <p><b>Accept any other appropriate responses.</b></p>	<b>(2)</b>

Question number	Answer	Mark
17(b) (ii)	<p><b>Award marks as indicated.</b></p> <p>Current assets/Other receivables. <b>(1)</b></p> <p>Three months' rent was paid in advance at 30 September 2020. <b>(1)</b></p> <p><b>Accept any other appropriate responses.</b></p>	<b>(2)</b>

Question number	Answer	Mark														
17(c)	<p><b>Award one mark for each correct accounting concept up to a maximum of 3 marks and one mark for each correct description up to a maximum of 3 marks</b></p> <table border="1" data-bbox="296 331 1374 1144"> <thead> <tr> <th data-bbox="296 331 694 412">Accounting concepts</th> <th data-bbox="700 331 1374 412">Description</th> </tr> </thead> <tbody> <tr> <td data-bbox="296 421 694 533">Accruals <b>(1)</b></td> <td data-bbox="700 421 1374 533">Costs and revenues are matched to the same accounting period. <b>(1)</b></td> </tr> <tr> <td data-bbox="296 542 694 654">Business entity <b>(1)</b></td> <td data-bbox="700 542 1374 654">The expenditure incurred by the business is separate to that of the business owner. <b>(1)</b></td> </tr> <tr> <td data-bbox="296 663 694 775">Consistency <b>(1)</b></td> <td data-bbox="700 663 1374 775">A business should continue to use the same accounting procedures every year. <b>(1)</b></td> </tr> <tr> <td data-bbox="296 784 694 896">Materiality <b>(1)</b></td> <td data-bbox="700 784 1374 896">Items of very low value are not recorded separately. <b>(1)</b></td> </tr> <tr> <td data-bbox="296 904 694 1016">Money measurement <b>(1)</b></td> <td data-bbox="700 904 1374 1016">A business only records transaction that have a monetary value. <b>(1)</b></td> </tr> <tr> <td data-bbox="296 1025 694 1144">Prudence <b>(1)</b></td> <td data-bbox="700 1025 1374 1144">A business should not overstate its profits or the value of its assets. <b>(1)</b></td> </tr> </tbody> </table> <p><b>Accept any other appropriate responses</b></p>	Accounting concepts	Description	Accruals <b>(1)</b>	Costs and revenues are matched to the same accounting period. <b>(1)</b>	Business entity <b>(1)</b>	The expenditure incurred by the business is separate to that of the business owner. <b>(1)</b>	Consistency <b>(1)</b>	A business should continue to use the same accounting procedures every year. <b>(1)</b>	Materiality <b>(1)</b>	Items of very low value are not recorded separately. <b>(1)</b>	Money measurement <b>(1)</b>	A business only records transaction that have a monetary value. <b>(1)</b>	Prudence <b>(1)</b>	A business should not overstate its profits or the value of its assets. <b>(1)</b>	<b>(6)</b>
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**TOTAL FOR QUESTION 17 = 15 MARKS**

Question number	Answer	Mark												
18(a)	<p><b>Award marks as indicated</b></p> <table border="1"> <thead> <tr> <th></th> <th>Revenue expenditure</th> <th>Capital expenditure</th> </tr> </thead> <tbody> <tr> <td>Machine delivery</td> <td></td> <td>✓ (1)</td> </tr> <tr> <td>Machine installation</td> <td></td> <td>✓ (1)</td> </tr> <tr> <td>Machine operatives' wages</td> <td>✓ (1)</td> <td></td> </tr> </tbody> </table>		Revenue expenditure	Capital expenditure	Machine delivery		✓ (1)	Machine installation		✓ (1)	Machine operatives' wages	✓ (1)		(3)
	Revenue expenditure	Capital expenditure												
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Question number	Answer	Mark
18(b)	<p><b>Award up to 4 marks for explanation and 1 mark for conclusion.</b></p> <p><b>Sample answer</b></p> <p>Revenue expenditure is day to day expenses (1) and is written off against profit in the year incurred (1).</p> <p>Capital expenditure is expenditure on non-current assets (1) and appears in the statement of financial position (1).</p> <p>It is important to distinguish between capital expenditure and revenue expenditure as failure to do so would result in incorrect profits being declared (1)</p> <p><b>Accept any other appropriate responses.</b></p>	(5)

number	Answer	Mark
18(c)	<p><b>Award mark as indicated.</b></p> <p>\$4 200 (1)</p>	(1)

Question number	Answer	Mark
18(d)	<p><b>Award marks as indicated.</b></p> <p>\$5400 (2) <b>W</b></p> <p><b>W</b></p> <p>\$23 400 (1) - \$18 000 = \$5 400 (1of)</p>	(2)

Question number	Answer	Mark																														
<b>18(e)</b>	<p><b>Award marks for correct date, details and amounts in combination.</b></p> <p style="text-align: center;"><b>Machinery – Provision for Depreciation Account</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Date</th> <th style="width: 25%;">Details</th> <th style="width: 15%;">\$</th> <th style="width: 15%;">Date</th> <th style="width: 20%;">Details</th> <th style="width: 10%;">\$</th> </tr> </thead> <tbody> <tr> <td>2020 Jan 1</td> <td>Disposal account</td> <td style="text-align: right;">2 600 <b>(1)</b></td> <td>2019 Apr 1</td> <td>Balance b/d</td> <td style="text-align: right;">4 200 <b>(1of)</b></td> </tr> <tr> <td>Mar 31</td> <td>Balance c/d</td> <td style="text-align: right;">3 040</td> <td>2020 Mar 31</td> <td>Income statement</td> <td style="text-align: right;">1 440 <b>(1)</b></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right; border-top: 1px solid black;">5 640</td> <td></td> <td></td> <td style="text-align: right; border-top: 1px solid black;">5 640</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Apr 1</td> <td>Balance b/d</td> <td style="text-align: right;">3 040 <b>(1of)</b></td> </tr> </tbody> </table>	Date	Details	\$	Date	Details	\$	2020 Jan 1	Disposal account	2 600 <b>(1)</b>	2019 Apr 1	Balance b/d	4 200 <b>(1of)</b>	Mar 31	Balance c/d	3 040	2020 Mar 31	Income statement	1 440 <b>(1)</b>			5 640			5 640				Apr 1	Balance b/d	3 040 <b>(1of)</b>	<b>(4)</b>
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**TOTAL FOR QUESTION 18 = 15 MARKS**

**TOTAL MARKS FOR SECTION B = 75 MARKS**

**TOTAL MARKS FOR PAPER = 100 MARKS**

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