



Cambridge IGCSE™

ACCOUNTING

0452/23

Paper 2

October/November 2021

MARK SCHEME

Maximum Mark: 100

Published

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 should be read in conjunction with the question paper and the Principal Examiner Report for Teachers.

Cambridge International will not enter into discussions about these mark schemes.

Cambridge International is publishing the mark schemes for the October/November 2021 series for most Cambridge IGCSE™, Cambridge International A and AS Level components and some Cambridge O Level components.

This document consists of **17** printed pages.

PUBLISHED**Generic Marking Principles**

These general marking principles must be applied by all examiners when marking candidate answers. They should be applied alongside the specific content of the mark scheme or generic level descriptors for a question. Each question paper and mark scheme will also comply with these marking principles.

GENERIC MARKING PRINCIPLE 1:

Marks must be awarded in line with:

- the specific content of the mark scheme or the generic level descriptors for the question
- the specific skills defined in the mark scheme or in the generic level descriptors for the question
- the standard of response required by a candidate as exemplified by the standardisation scripts.

GENERIC MARKING PRINCIPLE 2:

Marks awarded are always **whole marks** (not half marks, or other fractions).

GENERIC MARKING PRINCIPLE 3:

Marks must be awarded **positively**:

- marks are awarded for correct/valid answers, as defined in the mark scheme. However, credit is given for valid answers which go beyond the scope of the syllabus and mark scheme, referring to your Team Leader as appropriate
- marks are awarded when candidates clearly demonstrate what they know and can do
- marks are not deducted for errors
- marks are not deducted for omissions
- answers should only be judged on the quality of spelling, punctuation and grammar when these features are specifically assessed by the question as indicated by the mark scheme. The meaning, however, should be unambiguous.

GENERIC MARKING PRINCIPLE 4:

Rules must be applied consistently, e.g. in situations where candidates have not followed instructions or in the application of generic level descriptors.

GENERIC MARKING PRINCIPLE 5:

Marks should be awarded using the full range of marks defined in the mark scheme for the question (however; the use of the full mark range may be limited according to the quality of the candidate responses seen).

GENERIC MARKING PRINCIPLE 6:

Marks awarded are based solely on the requirements as defined in the mark scheme. Marks should not be awarded with grade thresholds or grade descriptors in mind.

PUBLISHED**Social Science-Specific Marking Principles
(for point-based marking)****1 Components using point-based marking:**

- Point marking is often used to reward knowledge, understanding and application of skills. We give credit where the candidate's answer shows relevant knowledge, understanding and application of skills in answering the question. We do not give credit where the answer shows confusion.

From this it follows that we:

- a** DO credit answers which are worded differently from the mark scheme if they clearly convey the same meaning (unless the mark scheme requires a specific term)
- b** DO credit alternative answers/examples which are not written in the mark scheme if they are correct
- c** DO credit answers where candidates give more than one correct answer in one prompt/numbered/scaffolded space where extended writing is required rather than list-type answers. For example, questions that require *n* reasons (e.g. State two reasons ...).
- d** DO NOT credit answers simply for using a 'key term' unless that is all that is required. (Check for evidence it is understood and not used wrongly.)
- e** DO NOT credit answers which are obviously self-contradicting or trying to cover all possibilities
- f** DO NOT give further credit for what is effectively repetition of a correct point already credited unless the language itself is being tested. This applies equally to 'mirror statements' (i.e. polluted/not polluted).
- g** DO NOT require spellings to be correct, unless this is part of the test. However spellings of syllabus terms must allow for clear and unambiguous separation from other syllabus terms with which they may be confused (e.g. Corrasion/Corrosion)

2 Presentation of mark scheme:

- Slashes (/) or the word 'or' separate alternative ways of making the same point.
- Semi colons (;) bullet points (•) or figures in brackets (1) separate different points.
- Content in the answer column in brackets is for examiner information/context to clarify the marking but is not required to earn the mark (except Accounting syllabuses where they indicate negative numbers).

3 Calculation questions:

- The mark scheme will show the steps in the most likely correct method(s), the mark for each step, the correct answer(s) and the mark for each answer
- If working/explanation is considered essential for full credit, this will be indicated in the question paper and in the mark scheme. In all other instances, the correct answer to a calculation should be given full credit, even if no supporting working is shown.
- Where the candidate uses a valid method which is not covered by the mark scheme, award equivalent marks for reaching equivalent stages.
- Where an answer makes use of a candidate's own incorrect figure from previous working, the 'own figure rule' applies: full marks will be given if a correct and complete method is used. Further guidance will be included in the mark scheme where necessary and any exceptions to this general principle will be noted.

4 Annotation:

- For point marking, ticks can be used to indicate correct answers and crosses can be used to indicate wrong answers. There is no direct relationship between ticks and marks. Ticks have no defined meaning for levels of response marking.
- For levels of response marking, the level awarded should be annotated on the script.
- Other annotations will be used by examiners as agreed during standardisation, and the meaning will be understood by all examiners who marked that paper.

Question	Answer	Marks																																																
1(a)	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;"></td> <td style="text-align: center; width: 10%;">\$</td> <td style="width: 60%;"></td> </tr> <tr> <td>Payments to trade payables</td> <td style="text-align: right;">257 700</td> <td></td> </tr> <tr> <td>Less Opening trade payables</td> <td style="text-align: right;"><u>32 600 (1)</u></td> <td></td> </tr> <tr> <td></td> <td style="text-align: right;">225 100</td> <td></td> </tr> <tr> <td>Add Closing trade payables</td> <td style="text-align: right;"><u>29 600 (1)</u></td> <td></td> </tr> <tr> <td>Purchases</td> <td style="text-align: right;"><u>254 700 (1)</u></td> <td></td> </tr> </table> <p>Accept alternative forms of presentation</p>		\$		Payments to trade payables	257 700		Less Opening trade payables	<u>32 600 (1)</u>			225 100		Add Closing trade payables	<u>29 600 (1)</u>		Purchases	<u>254 700 (1)</u>		3																														
	\$																																																	
Payments to trade payables	257 700																																																	
Less Opening trade payables	<u>32 600 (1)</u>																																																	
	225 100																																																	
Add Closing trade payables	<u>29 600 (1)</u>																																																	
Purchases	<u>254 700 (1)</u>																																																	
1(b)	<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="3" style="text-align: center;">Shiv</td> </tr> <tr> <td colspan="3" style="text-align: center;">Income Statement for the year ended 31 August 2021</td> </tr> <tr> <td></td> <td style="text-align: center; width: 10%;">\$</td> <td style="text-align: center; width: 10%;">\$</td> </tr> <tr> <td>Revenue</td> <td></td> <td style="text-align: right;">320 000 (1)</td> </tr> <tr> <td>Cost of sales</td> <td></td> <td></td> </tr> <tr> <td>Opening inventory</td> <td style="text-align: right;">23 500</td> <td></td> </tr> <tr> <td>Purchases</td> <td style="text-align: right;"><u>254 700 (1) OF</u></td> <td></td> </tr> <tr> <td></td> <td style="text-align: right;">278 200</td> <td></td> </tr> <tr> <td>Closing inventory</td> <td style="text-align: right;"><u>22 200 (2) CF/(1) OF</u></td> <td></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><u>256 000 (1) OF</u></td> </tr> <tr> <td>Gross profit</td> <td></td> <td style="text-align: right;">64 000 (1)</td> </tr> <tr> <td>Expenses (34 000 + 400 (1) – 900 (1))</td> <td style="text-align: right;">33 500</td> <td></td> </tr> <tr> <td>Provision for doubtful debts</td> <td style="text-align: right;">777 (1)</td> <td></td> </tr> <tr> <td>Depreciation of equipment (16 000 – 12 800)</td> <td style="text-align: right;"><u>3 200 (1)</u></td> <td></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><u>37 477</u></td> </tr> <tr> <td>Profit for the year</td> <td></td> <td style="text-align: right;"><u>26 523 (1) OF</u></td> </tr> </table>	Shiv			Income Statement for the year ended 31 August 2021				\$	\$	Revenue		320 000 (1)	Cost of sales			Opening inventory	23 500		Purchases	<u>254 700 (1) OF</u>			278 200		Closing inventory	<u>22 200 (2) CF/(1) OF</u>				<u>256 000 (1) OF</u>	Gross profit		64 000 (1)	Expenses (34 000 + 400 (1) – 900 (1))	33 500		Provision for doubtful debts	777 (1)		Depreciation of equipment (16 000 – 12 800)	<u>3 200 (1)</u>				<u>37 477</u>	Profit for the year		<u>26 523 (1) OF</u>	11
Shiv																																																		
Income Statement for the year ended 31 August 2021																																																		
	\$	\$																																																
Revenue		320 000 (1)																																																
Cost of sales																																																		
Opening inventory	23 500																																																	
Purchases	<u>254 700 (1) OF</u>																																																	
	278 200																																																	
Closing inventory	<u>22 200 (2) CF/(1) OF</u>																																																	
		<u>256 000 (1) OF</u>																																																
Gross profit		64 000 (1)																																																
Expenses (34 000 + 400 (1) – 900 (1))	33 500																																																	
Provision for doubtful debts	777 (1)																																																	
Depreciation of equipment (16 000 – 12 800)	<u>3 200 (1)</u>																																																	
		<u>37 477</u>																																																
Profit for the year		<u>26 523 (1) OF</u>																																																
1(c)	Business entity (1)	1																																																

Question	Answer	Marks
1(d)	Inventory should be valued at the lower of cost and net realisable value (1) Cost of sales would be understated (1) The profit will be overstated/profit will not be shown at a realistic level (1) The current assets/inventory will be overstated (1) Prudence principle is not being observed (1) Consistency principle is not being observed (1) Comparison with previous years/competitors would not be accurate (1) Accounting records must present a realistic view of the business (1) Accept other valid points Max (5)	5

Question	Answer			Marks																		
2(a)	<table border="1" data-bbox="338 727 1449 1153"> <thead> <tr> <th data-bbox="338 727 1014 826"></th> <th data-bbox="1014 727 1240 826">Capital expenditure</th> <th data-bbox="1240 727 1449 826">Revenue expenditure</th> </tr> </thead> <tbody> <tr> <td data-bbox="338 826 1014 893">Building new extension to warehouse</td> <td data-bbox="1014 826 1240 893">✓</td> <td data-bbox="1240 826 1449 893"></td> </tr> <tr> <td data-bbox="338 893 1014 960">Rates on new extension</td> <td data-bbox="1014 893 1240 960"></td> <td data-bbox="1240 893 1449 960">✓ (1)</td> </tr> <tr> <td data-bbox="338 960 1014 1027">Carriage costs for roof tiles for new extension</td> <td data-bbox="1014 960 1240 1027">✓ (1)</td> <td data-bbox="1240 960 1449 1027"></td> </tr> <tr> <td data-bbox="338 1027 1014 1094">Legal costs for new extension</td> <td data-bbox="1014 1027 1240 1094">✓ (1)</td> <td data-bbox="1240 1027 1449 1094"></td> </tr> <tr> <td data-bbox="338 1094 1014 1153">Repairs to office roof</td> <td data-bbox="1014 1094 1240 1153"></td> <td data-bbox="1240 1094 1449 1153">✓ (1)</td> </tr> </tbody> </table>				Capital expenditure	Revenue expenditure	Building new extension to warehouse	✓		Rates on new extension		✓ (1)	Carriage costs for roof tiles for new extension	✓ (1)		Legal costs for new extension	✓ (1)		Repairs to office roof		✓ (1)	4
	Capital expenditure	Revenue expenditure																				
Building new extension to warehouse	✓																					
Rates on new extension		✓ (1)																				
Carriage costs for roof tiles for new extension	✓ (1)																					
Legal costs for new extension	✓ (1)																					
Repairs to office roof		✓ (1)																				

Question	Answer			Marks	
2(b)	Rent warehouse	Purchase warehouse		5	
	No initial outlay	OR Has to raise an additional \$200 000 in order to purchase	(1)		
	Little or no maintenance/repair cost	OR Will be maintenance/repair costs/depreciation	(1)		
	The non-current asset is not owned	OR Will own an additional non-current asset/gets fixed asset/owns a warehouse	(1)		
		Loan must be repaid	(1)		
		Will have to pay loan interest	(1)		
		Warehouse may not be required if trade decreases in future	(1)		
	Premises may not be available on a long term basis		(1)		
	Rent may increase after 6 months		(1)		
	Can vacate the premises after 6 months (is flexible)				
Max (2)	Max (2)				
Accept other valid points					
Recommendation (1)					

Question	Answer						Marks																																															
2(c)	Jas Fixtures account						8																																															
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Date</th> <th style="width: 20%;">Details</th> <th style="width: 10%;">\$</th> <th style="width: 10%;">Date</th> <th style="width: 20%;">Details</th> <th style="width: 10%;">\$</th> </tr> </thead> <tbody> <tr> <td>2020 Jan 1</td> <td>Balance b/d</td> <td style="text-align: right;">115 000</td> <td>2020 Jun 30</td> <td>Fixtures disposal (1)</td> <td style="text-align: right;">20 000</td> </tr> <tr> <td></td> <td>Bank (1)</td> <td style="text-align: right;"><u>30 000</u></td> <td>31</td> <td>Balance c/d</td> <td style="text-align: right;"><u>125 000</u></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><u>145 000</u></td> <td></td> <td></td> <td style="text-align: right;"><u>145 000</u></td> </tr> <tr> <td>2021 Jan 1</td> <td>Balance b/d (1)</td> <td style="text-align: right;">125 000</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>							Date	Details	\$	Date	Details	\$	2020 Jan 1	Balance b/d	115 000	2020 Jun 30	Fixtures disposal (1)	20 000		Bank (1)	<u>30 000</u>	31	Balance c/d	<u>125 000</u>			<u>145 000</u>			<u>145 000</u>	2021 Jan 1	Balance b/d (1)	125 000																					
Date	Details	\$	Date	Details	\$																																																	
2020 Jan 1	Balance b/d	115 000	2020 Jun 30	Fixtures disposal (1)	20 000																																																	
	Bank (1)	<u>30 000</u>	31	Balance c/d	<u>125 000</u>																																																	
		<u>145 000</u>			<u>145 000</u>																																																	
2021 Jan 1	Balance b/d (1)	125 000																																																				
Provision for depreciation of fixtures account																																																						
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Date</th> <th style="width: 20%;">Details</th> <th style="width: 10%;">\$</th> <th style="width: 10%;">Date</th> <th style="width: 20%;">Details</th> <th style="width: 10%;">\$</th> </tr> </thead> <tbody> <tr> <td>2020 Jun 30</td> <td>Fixtures disposal (1)</td> <td style="text-align: right;">11 250</td> <td>2020 Jan 1</td> <td>Balance b/d</td> <td style="text-align: right;">77 625</td> </tr> <tr> <td>Dec 31</td> <td>Balance c/d</td> <td style="text-align: right;">96 750</td> <td>Dec 31</td> <td>Income statement</td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td style="text-align: right;">21 375 (1)</td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td style="text-align: right;">2 250 (1)</td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td style="text-align: right;"><u>6 750 (1)</u></td> <td style="text-align: right;"><u>30 375</u></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><u>108 000</u></td> <td></td> <td></td> <td style="text-align: right;"><u>108 000</u></td> </tr> <tr> <td></td> <td></td> <td></td> <td>2021 Jan 1</td> <td>Balance b/d (1)OF</td> <td style="text-align: right;">96 750</td> </tr> </tbody> </table>							Date	Details	\$	Date	Details	\$	2020 Jun 30	Fixtures disposal (1)	11 250	2020 Jan 1	Balance b/d	77 625	Dec 31	Balance c/d	96 750	Dec 31	Income statement						21 375 (1)						2 250 (1)						<u>6 750 (1)</u>	<u>30 375</u>			<u>108 000</u>			<u>108 000</u>				2021 Jan 1	Balance b/d (1)OF	96 750
Date	Details	\$	Date	Details	\$																																																	
2020 Jun 30	Fixtures disposal (1)	11 250	2020 Jan 1	Balance b/d	77 625																																																	
Dec 31	Balance c/d	96 750	Dec 31	Income statement																																																		
				21 375 (1)																																																		
				2 250 (1)																																																		
				<u>6 750 (1)</u>	<u>30 375</u>																																																	
		<u>108 000</u>			<u>108 000</u>																																																	
			2021 Jan 1	Balance b/d (1)OF	96 750																																																	

Question	Answer						Marks																																			
2(d)	Jas Fixtures disposal account						3																																			
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Date</th> <th style="width: 20%;">Details</th> <th style="width: 10%;">\$</th> <th style="width: 10%;">Date</th> <th style="width: 20%;">Details</th> <th style="width: 10%;">\$</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td></td> <td></td> <td>2020</td> <td></td> <td></td> </tr> <tr> <td>Jun 30</td> <td>Fixtures</td> <td style="text-align: right;">20 000</td> <td>Jun 30</td> <td>Prov. for Dep. (1)OF</td> <td style="text-align: right;">11 250</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>Bank (1)</td> <td style="text-align: right;">6 000</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Dec 31</td> <td>Income statement (1)OF</td> <td style="text-align: right;"><u>2 750</u></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><u>20 000</u></td> <td></td> <td></td> <td style="text-align: right;"><u>20 000</u></td> </tr> </tbody> </table>							Date	Details	\$	Date	Details	\$	2020			2020			Jun 30	Fixtures	20 000	Jun 30	Prov. for Dep. (1)OF	11 250					Bank (1)	6 000				Dec 31	Income statement (1)OF	<u>2 750</u>			<u>20 000</u>			<u>20 000</u>
Date	Details	\$	Date	Details	\$																																					
2020			2020																																							
Jun 30	Fixtures	20 000	Jun 30	Prov. for Dep. (1)OF	11 250																																					
				Bank (1)	6 000																																					
			Dec 31	Income statement (1)OF	<u>2 750</u>																																					
		<u>20 000</u>			<u>20 000</u>																																					

Question	Answer				Marks	
3(a)	Anil Journal				12	
	Error	Details	Debit \$	Credit \$		
	1	Suspense Sales	7100	7100		(1) (1)
	2	Sales returns Purchases Suspense	520 520	1040		(1) (1) (2)
		OR Sales returns Suspense	520	520		(1) (1)
		Purchases Suspense	520	520		(1) (1)
		3	Bank charges Suspense	320		320
4	Bank Suspense Insurance	1200	600 600	(2) (1) (1)		
	OR Bank Suspense	1200	1200	(1) (1)		
	Suspense Insurance	600	600	(1) (1)		
				(1)		

Question	Answer						Marks																																									
3(b)	Anil Suspense account						6																																									
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Date</th> <th style="width: 20%;">Details</th> <th style="width: 10%;">\$</th> <th style="width: 10%;">Date</th> <th style="width: 20%;">Details</th> <th style="width: 10%;">\$</th> </tr> </thead> <tbody> <tr> <td></td> <td style="text-align: right;">Sales (1)</td> <td style="text-align: right;">7100</td> <td></td> <td style="text-align: right;"><i>Difference on trial balance</i></td> <td style="text-align: right;">5140</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td style="text-align: right;">Sales returns (1)</td> <td style="text-align: right;">520</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td style="text-align: right;">Purchases (1)</td> <td style="text-align: right;">520</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td style="text-align: right;">Bank charges (1)</td> <td style="text-align: right;">320</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td style="text-align: right;">Bank (1)</td> <td style="text-align: right;"><u>600</u></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><u>7100</u></td> <td></td> <td></td> <td style="text-align: right;"><u>7100</u></td> </tr> </tbody> </table>							Date	Details	\$	Date	Details	\$		Sales (1)	7100		<i>Difference on trial balance</i>	5140					Sales returns (1)	520					Purchases (1)	520					Bank charges (1)	320					Bank (1)	<u>600</u>			<u>7100</u>			<u>7100</u>
Date	Details	\$	Date	Details	\$																																											
	Sales (1)	7100		<i>Difference on trial balance</i>	5140																																											
				Sales returns (1)	520																																											
				Purchases (1)	520																																											
				Bank charges (1)	320																																											
				Bank (1)	<u>600</u>																																											
		<u>7100</u>			<u>7100</u>																																											
<p>+(1) for matching totals OR for an own figure balance brought down</p>																																																
<p>Alternative presentation if used alternative journal entry for error 4 in 3(a)</p>																																																
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Date</th> <th style="width: 20%;">Details</th> <th style="width: 10%;">\$</th> <th style="width: 10%;">Date</th> <th style="width: 20%;">Details</th> <th style="width: 10%;">\$</th> </tr> </thead> <tbody> <tr> <td></td> <td style="text-align: right;">Sales (1)</td> <td style="text-align: right;">7100</td> <td></td> <td style="text-align: right;"><i>Difference on trial balance</i></td> <td style="text-align: right;">5140</td> </tr> <tr> <td></td> <td style="text-align: right;">Insurance (1)</td> <td style="text-align: right;">600</td> <td></td> <td style="text-align: right;">Sales returns (1)</td> <td style="text-align: right;">520</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td style="text-align: right;">Purchases (1)</td> <td style="text-align: right;">520</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td style="text-align: right;">Bank charges (1)</td> <td style="text-align: right;">320</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td style="text-align: right;">Bank (1)</td> <td style="text-align: right;"><u>1200</u></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><u>7700</u></td> <td></td> <td></td> <td style="text-align: right;"><u>7700</u></td> </tr> </tbody> </table>							Date	Details	\$	Date	Details	\$		Sales (1)	7100		<i>Difference on trial balance</i>	5140		Insurance (1)	600		Sales returns (1)	520					Purchases (1)	520					Bank charges (1)	320					Bank (1)	<u>1200</u>			<u>7700</u>			<u>7700</u>
Date	Details	\$	Date	Details	\$																																											
	Sales (1)	7100		<i>Difference on trial balance</i>	5140																																											
	Insurance (1)	600		Sales returns (1)	520																																											
				Purchases (1)	520																																											
				Bank charges (1)	320																																											
				Bank (1)	<u>1200</u>																																											
		<u>7700</u>			<u>7700</u>																																											
3(c)	Commission, compensating, complete reversal, omission, original entry, principle Any 2 × 1 mark						2																																									

Question	Answer						Marks																																																											
4(a)	Karishma Insurance account						10																																																											
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Date</th> <th style="width: 20%;">Details</th> <th style="width: 10%;">\$</th> <th style="width: 15%;">Date</th> <th style="width: 20%;">Details</th> <th style="width: 10%;">\$</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td></td> <td></td> <td>2021</td> <td></td> <td></td> </tr> <tr> <td>Oct 1</td> <td>Balance b/d (1)</td> <td style="text-align: right;">1700</td> <td>Feb 28</td> <td>Bank (1)</td> <td style="text-align: right;">300</td> </tr> <tr> <td>2021</td> <td></td> <td></td> <td>Sep 30</td> <td>Income statement (1)OF</td> <td style="text-align: right;">6200</td> </tr> <tr> <td>Feb 7</td> <td>Bank }</td> <td style="text-align: right;">3400</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Aug 13</td> <td>Bank } (1)</td> <td style="text-align: right;"><u>3500</u></td> <td></td> <td>Balance c/d</td> <td style="text-align: right;"><u>2100</u></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><u>8600</u></td> <td></td> <td></td> <td style="text-align: right;"><u>8600</u></td> </tr> <tr> <td>2021</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Oct 1</td> <td>Balance b/d (1)</td> <td style="text-align: right;">2100</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>							Date	Details	\$	Date	Details	\$	2020			2021			Oct 1	Balance b/d (1)	1700	Feb 28	Bank (1)	300	2021			Sep 30	Income statement (1)OF	6200	Feb 7	Bank }	3400				Aug 13	Bank } (1)	<u>3500</u>		Balance c/d	<u>2100</u>			<u>8600</u>			<u>8600</u>	2021						Oct 1	Balance b/d (1)	2100									
Date	Details	\$	Date	Details	\$																																																													
2020			2021																																																															
Oct 1	Balance b/d (1)	1700	Feb 28	Bank (1)	300																																																													
2021			Sep 30	Income statement (1)OF	6200																																																													
Feb 7	Bank }	3400																																																																
Aug 13	Bank } (1)	<u>3500</u>		Balance c/d	<u>2100</u>																																																													
		<u>8600</u>			<u>8600</u>																																																													
2021																																																																		
Oct 1	Balance b/d (1)	2100																																																																
Electricity account																																																																		
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Date</th> <th style="width: 20%;">Details</th> <th style="width: 10%;">\$</th> <th style="width: 15%;">Date</th> <th style="width: 20%;">Details</th> <th style="width: 10%;">\$</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td></td> <td></td> <td>2020</td> <td></td> <td></td> </tr> <tr> <td>Oct 14</td> <td>Bank }</td> <td style="text-align: right;">1800</td> <td>Oct 1</td> <td>Balance b/d (1)</td> <td style="text-align: right;">1800</td> </tr> <tr> <td>2021</td> <td></td> <td></td> <td>2021</td> <td></td> <td></td> </tr> <tr> <td>Jan 24</td> <td>Bank } (1)</td> <td style="text-align: right;">1800</td> <td>Sep 30</td> <td>Income statement (1)OF</td> <td style="text-align: right;">5600</td> </tr> <tr> <td>May 26</td> <td>Bank }</td> <td style="text-align: right;">1800</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Sep 30</td> <td>Balance c/d</td> <td style="text-align: right;"><u>2000</u></td> <td></td> <td></td> <td style="text-align: right;"><u>7400</u></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><u>7400</u></td> <td></td> <td></td> <td style="text-align: right;"><u>7400</u></td> </tr> <tr> <td></td> <td></td> <td></td> <td>2021</td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td>Oct 1</td> <td>Balance b/d (1)</td> <td style="text-align: right;">2000</td> </tr> </tbody> </table>							Date	Details	\$	Date	Details	\$	2020			2020			Oct 14	Bank }	1800	Oct 1	Balance b/d (1)	1800	2021			2021			Jan 24	Bank } (1)	1800	Sep 30	Income statement (1)OF	5600	May 26	Bank }	1800				Sep 30	Balance c/d	<u>2000</u>			<u>7400</u>			<u>7400</u>			<u>7400</u>				2021						Oct 1	Balance b/d (1)	2000
Date	Details	\$	Date	Details	\$																																																													
2020			2020																																																															
Oct 14	Bank }	1800	Oct 1	Balance b/d (1)	1800																																																													
2021			2021																																																															
Jan 24	Bank } (1)	1800	Sep 30	Income statement (1)OF	5600																																																													
May 26	Bank }	1800																																																																
Sep 30	Balance c/d	<u>2000</u>			<u>7400</u>																																																													
		<u>7400</u>			<u>7400</u>																																																													
			2021																																																															
			Oct 1	Balance b/d (1)	2000																																																													
Dates (1)																																																																		

Question	Answer	Marks
4(b)	<p>Advantages Fixed monthly payment (1) Payments would be made automatically (1) More difficult to fall behind with payments (1) Cheaper than existing contract (1) Helps with planning expenditure (1) Accept other valid points</p> <p>Max (2)</p> <p>Disadvantages Would lose control of her payment schedule/ would not be able to pick and choose when to make the payments (1) Bank charges might increase (1) Tied to two-year contract (1) Need to consider reliability of new supplier (1) Possible price increase after two years (1) Accept other valid points</p> <p>Max (2)</p> <p>Recommendation (1)</p>	5

Question	Answer						Marks																																										
4(c)	<p style="text-align: center;">Karishma Rent receivable account</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Date</th> <th style="width: 20%;">Details</th> <th style="width: 10%;">\$</th> <th style="width: 15%;">Date</th> <th style="width: 20%;">Details</th> <th style="width: 10%;">\$</th> </tr> </thead> <tbody> <tr> <td>2021 Sep 30</td> <td>Income statement (1)OF Balance c/d</td> <td style="text-align: right;">1965 510 <hr style="width: 50px; margin: 0 auto;"/><u>2475</u></td> <td>2020 Oct 1</td> <td>Bank }</td> <td style="text-align: right;">800</td> </tr> <tr> <td></td> <td></td> <td></td> <td>2021</td> <td>Bank }</td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td>Mar 2</td> <td>Bank }(1)</td> <td style="text-align: right;">825</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Aug 8</td> <td>Bank }</td> <td style="text-align: right;"><u>850</u></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td style="text-align: right;"><u>2475</u></td> </tr> <tr> <td></td> <td></td> <td></td> <td>2021 Oct 1</td> <td>Balance b/d (1)</td> <td style="text-align: right;">510</td> </tr> </tbody> </table> <p>Dates (1)</p>						Date	Details	\$	Date	Details	\$	2021 Sep 30	Income statement (1)OF Balance c/d	1965 510 <hr style="width: 50px; margin: 0 auto;"/> <u>2475</u>	2020 Oct 1	Bank }	800				2021	Bank }					Mar 2	Bank } (1)	825				Aug 8	Bank }	<u>850</u>						<u>2475</u>				2021 Oct 1	Balance b/d (1)	510	4
Date	Details	\$	Date	Details	\$																																												
2021 Sep 30	Income statement (1)OF Balance c/d	1965 510 <hr style="width: 50px; margin: 0 auto;"/> <u>2475</u>	2020 Oct 1	Bank }	800																																												
			2021	Bank }																																													
			Mar 2	Bank } (1)	825																																												
			Aug 8	Bank }	<u>850</u>																																												
					<u>2475</u>																																												
			2021 Oct 1	Balance b/d (1)	510																																												
4(d)	Current liabilities						1																																										

Question	Answer	Marks																																																												
5(a)	VL Sports Club Subscriptions account	8																																																												
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Date</th> <th style="width: 35%;">Details</th> <th style="width: 10%;">\$</th> <th style="width: 15%;">Date</th> <th style="width: 35%;">Details</th> <th style="width: 10%;">\$</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td></td> <td></td> <td>2020</td> <td></td> <td></td> </tr> <tr> <td>Jan 1</td> <td>Balance b/d (1)</td> <td style="text-align: right;">700</td> <td>Jan 1</td> <td>Balance b/d (1)</td> <td style="text-align: right;">1 100</td> </tr> <tr> <td>Dec 31</td> <td>Income and expenditure (1)OF</td> <td style="text-align: right;">19 080</td> <td>Dec 31</td> <td>Bank (1)</td> <td style="text-align: right;">19 200</td> </tr> <tr> <td></td> <td>Balance c/d</td> <td style="text-align: right;"><u>900</u></td> <td></td> <td>Irrecoverable debts(1)</td> <td style="text-align: right;">80</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><u>20 680</u></td> <td></td> <td>Balance c/d</td> <td style="text-align: right;"><u>300</u></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td style="text-align: right;"><u>20 680</u></td> </tr> <tr> <td>2021</td> <td></td> <td></td> <td>2021</td> <td></td> <td></td> </tr> <tr> <td>Jan 1</td> <td>Balance b/d (1)</td> <td style="text-align: right;">300</td> <td>Jan 1</td> <td>Balance b/d (1)</td> <td style="text-align: right;">900</td> </tr> </tbody> </table>	Date	Details	\$	Date	Details	\$	2020			2020			Jan 1	Balance b/d (1)	700	Jan 1	Balance b/d (1)	1 100	Dec 31	Income and expenditure (1)OF	19 080	Dec 31	Bank (1)	19 200		Balance c/d	<u>900</u>		Irrecoverable debts(1)	80			<u>20 680</u>		Balance c/d	<u>300</u>						<u>20 680</u>	2021			2021			Jan 1	Balance b/d (1)	300	Jan 1	Balance b/d (1)	900							
Date	Details	\$	Date	Details	\$																																																									
2020			2020																																																											
Jan 1	Balance b/d (1)	700	Jan 1	Balance b/d (1)	1 100																																																									
Dec 31	Income and expenditure (1)OF	19 080	Dec 31	Bank (1)	19 200																																																									
	Balance c/d	<u>900</u>		Irrecoverable debts(1)	80																																																									
		<u>20 680</u>		Balance c/d	<u>300</u>																																																									
					<u>20 680</u>																																																									
2021			2021																																																											
Jan 1	Balance b/d (1)	300	Jan 1	Balance b/d (1)	900																																																									
	Dates (1)																																																													
5(b)	VL Sports Club Income and Expenditure Account for the year ended 31 December 2020	9																																																												
	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;"></th> <th style="width: 10%; text-align: center;">\$</th> <th style="width: 50%;"></th> <th style="width: 10%; text-align: center;">\$</th> </tr> </thead> <tbody> <tr> <td>Income</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Subscriptions</td> <td></td> <td></td> <td style="text-align: right;">19 080 (1)OF</td> </tr> <tr> <td>Competition receipts</td> <td style="text-align: right;">7 300</td> <td></td> <td></td> </tr> <tr> <td> cost of prizes</td> <td style="text-align: right;"><u>4 100</u></td> <td></td> <td style="text-align: right;">3 200 (1)</td> </tr> <tr> <td>Dinner dance ticket sales</td> <td style="text-align: right;">6 500</td> <td></td> <td></td> </tr> <tr> <td> costs</td> <td style="text-align: right;"><u>6 200</u></td> <td></td> <td style="text-align: right;"><u>300 (1)</u></td> </tr> <tr> <td></td> <td></td> <td></td> <td style="text-align: right;">22 580</td> </tr> <tr> <td>Expenditure</td> <td></td> <td></td> <td></td> </tr> <tr> <td>General expenses</td> <td></td> <td></td> <td></td> </tr> <tr> <td> (11 500 – 400(1) + 500(1))</td> <td style="text-align: right;">11 600</td> <td></td> <td></td> </tr> <tr> <td>Irrecoverable debt</td> <td style="text-align: right;">80 (1)</td> <td></td> <td></td> </tr> <tr> <td>Depreciation of equipment</td> <td></td> <td></td> <td></td> </tr> <tr> <td> (23 000 + 12 000 – 30 000)</td> <td style="text-align: right;"><u>5 000 (1)</u></td> <td></td> <td style="text-align: right;"><u>16 680</u></td> </tr> <tr> <td>Surplus for the year</td> <td></td> <td></td> <td style="text-align: right;"><u>5 900 (2)CF/(1)OF</u></td> </tr> </tbody> </table>		\$		\$	Income				Subscriptions			19 080 (1)OF	Competition receipts	7 300			cost of prizes	<u>4 100</u>		3 200 (1)	Dinner dance ticket sales	6 500			costs	<u>6 200</u>		<u>300 (1)</u>				22 580	Expenditure				General expenses				(11 500 – 400(1) + 500(1))	11 600			Irrecoverable debt	80 (1)			Depreciation of equipment				(23 000 + 12 000 – 30 000)	<u>5 000 (1)</u>		<u>16 680</u>	Surplus for the year			<u>5 900 (2)CF/(1)OF</u>	
	\$		\$																																																											
Income																																																														
Subscriptions			19 080 (1)OF																																																											
Competition receipts	7 300																																																													
cost of prizes	<u>4 100</u>		3 200 (1)																																																											
Dinner dance ticket sales	6 500																																																													
costs	<u>6 200</u>		<u>300 (1)</u>																																																											
			22 580																																																											
Expenditure																																																														
General expenses																																																														
(11 500 – 400(1) + 500(1))	11 600																																																													
Irrecoverable debt	80 (1)																																																													
Depreciation of equipment																																																														
(23 000 + 12 000 – 30 000)	<u>5 000 (1)</u>		<u>16 680</u>																																																											
Surplus for the year			<u>5 900 (2)CF/(1)OF</u>																																																											

Question	Answer	Marks
5(c)	<p>Advantages Cash received earlier (1) Reduced risk of irrecoverable subscriptions/reduced risk of subscriptions in arrears (1) Reduction in administration costs (1) May encourage new members to join (1) Accept other valid points Max (1)</p> <p>Disadvantages Less cash received (1) Possible reduction in membership (1) Difficulty of monitoring varying subscription rates (1) Reduces the surplus for the year (1) Accept other valid points Max (1)</p> <p>Recommendation (1)</p>	3