

**UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS**  
International General Certificate of Secondary Education

**MARK SCHEME for the October/November 2007 question paper**

<p><b>0452/02</b></p>	<p><b>0452 ACCOUNTING</b> Paper 2, maximum raw mark 90</p>
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All Examiners are instructed that alternative correct answers and unexpected approaches in candidates' scripts must be given marks that fairly reflect the relevant knowledge and skills demonstrated.

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Page 2	Mark Scheme	Syllabus
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- 1 (a) Money measurement
- (b) Stock, debtors, prepayments, cash, bank (any two)
- (c) Capital [1]
- (d) Trading (and profit and loss) account  
(not just profit and loss account) [1]
- (e) Omission, commission, principle, compensating, original entry, complete reversal (any two) [2]
- (f) A debt which the debtor is unable or does not intend to pay [1]

(g)

	Capital	Revenue
Rent paid for use of workshop		✓ (1)
Purchase of machine for workshop	✓ (1)	
Purchase of materials for use in machine		✓ (1)
Repairs to roof of workshop		✓ (1)

[4]

- (h) Current assets (\$11 800)(1) – Stock (\$6 200)(1)/Creditors (\$3 200)(1)  
= 1.75:1 (1)OF (accept 1.75 but *not* %, times etc. or any negative figures)

or Debtors (\$4 000)(1) + Bank (\$1 600)(1)/Creditors (\$3 200)(1)  
= 1.75:1 (1)OF

[4]

[Total: 16]

Page 3	Mark Scheme	Syllabus
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2 (a) The balance on Abdullah’s cash book at 1 September 2007 is not the same as the balance on the bank statement at that date because there was an unrepresented cheque (1) of \$900 (2)  
 Note: answer must relate to the question, and not be general

(b)

Abdullah  
 Cash book (bank columns)

2007		\$	2007		\$
September			September		
1	Balance b/d	12 300 (1)	8	Tarvik	1 900 (1)
		<i>(accept Bal, b/d, balance)</i>			
2	Homer	3 600 (1)	20	Electricity	800 (1)
		<i>(name and amount for each entry)</i>			
14	Parma	4 600 (1)	24	Insurance	240 (1)
			28	Rent	1 000 (1)
			30	Bank charges	75 (1)
			30	Balance c/d	16 485 (1)
		<u>20 500</u>			<u>20 500</u>
1 Oct	Balance b/d	16 485 (1)OF			

(+1 for dates)(allow 1 wrong date) [11]

(c)

Abdullah  
 Bank reconciliation statement at 30 September 2007

Balance at bank on 30 September	\$	17 485 (1)	<i>(correct figure only)</i>
Less: unrepresented cheque (073)		<u>1 000 (1)</u>	
Balance per cash book at 30 September		<u>16 485 (2)</u>	
		(1)OF	[4]

Note – accept answers beginning with cash book balance.

[Total: 18]

Page 4	Mark Scheme	Syllabus	er
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- 3 (a) (i) Net book value (*accept NBV, written down value, WDV*) (1)
- (ii) \$300 (1)
- (iii) \$8 600 (1)
- (iv) Net current assets or Working capital (1)
- (v) \$14 100 (1)
- (vi) (Net) Profit (*not* Gross profit) (1)
- (vii) \$5 600 (*based on (viii)*) (1)OF
- (viii) \$14 100 (*must agree with (v)*) (1)OF [8]
- (b) (i) current ratio
- = Stock + debtors + cash/bank/Creditors  
= 5 200 + 8 600 + 1 100 = 14 900 (2)/3 800 (1)  
= 3.92:1 (1)OF [4]
- (ii) return on opening capital employed
- = Net profit/opening capital employed × 100  
= 6 700 (1)/13 000 (1) = 51.54% (2)OF [4]
- (c) Different type of business  
Different products  
Capital/labour intensive business  
Business with higher net profit  
Business with lower capital  
– other reasonable answers (2 each) [4]

[Total: 20]

Page 5	Mark Scheme	Syllabus
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- 4 (a) Customer's name, address, date, total sales, sales returns, invoice numbers, amount of discount, net total, cash/cheques received, terms of business, due date (any four, (1))
- (b) Sasha (*not Invoice*) (1)  
 1 August 2007 (1)  
 170 (1)  
 \$0.85 (1)  
 \$144.50 (1) [5]
- (c)
- Zak  
Cash book (Dr.)
- | 2007          | Detail    | Discount<br>\$ | Bank<br>\$   |     |
|---------------|-----------|----------------|--------------|-----|
| 12 August (1) | Sasha (1) | 3.61 (1)OF     | 140.89 (1)OF | [4] |
- (d)  $[250 \times \$0.85] = \$212.50$  (1)  $\times 5\%$  (1) =  $\$10.62$  (1)OF (*but only if 5% used*) [3]
- (e)  $\$212.50$  (1)OF  $- \$10.62$  (1)OF =  $\$201.88$  (1)OF [3]
- (f)  $\$201.88$  (1)OF  $\times 2.5\%$  (1) =  $\$5.05$  (1)OF [3]
- [Total: 22]**

Page 6	Mark Scheme	Syllabus
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5 (a)

Hedda and Marie  
Journal

Bank	Dr	3 400	(1)		
<i>(accept two separate entries of 2 400 and 1 000 for (1) mark)</i>					
Hedda – capital				1 800	(1)
Marie – capital				600	(1)
<i>(if no names only (1) for capital of 2 400 or 1 800 + 600)</i>					
Mish – loan				1 000	(1)
 Shop Fittings	 Dr	 850	 (1)		
Cash register	Dr	400	(1)		
Purchases/Stock	Dr	1 600	(1)		
Bank		2 850	(1)		[8]
		<u>6 250</u>		<u>6 250</u>	

(b) (i)  $\$1\,000 (1) \times 1\% (1) = \$10 (1)$  **OF** [3]

(ii)  $[\$590 - \$10] = \$580 (1)$  **OF**  $\times \frac{3}{4} (1) = \$435 (1)$  **OF** [3]

**[Total: 14]**