



Mark Scheme (Results)

January 2026

Pearson Edexcel in International A Level in Accounting
WAC11/01

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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.

1 (a) A01:(12) A02(22):A03(9)

A01: Twelve marks for recording given balances

A02: Twenty-two marks for apportioning expenses to the three departments

A03: Nine marks for calculating account balance and then apportioning to the three departments

Nice n' Green
Departmental Statement of Profit or Loss and Other Comprehensive Income
for the year ended the 31 December 2025

	Showroom sales	Repairs workshop	On-line sales
	£	£	£
Revenue	150 000	250 000	350 000 (1) A01
Less Sales returns	<u>(12 800)</u>	<u>(0)</u>	<u>(65 000) (1) A01</u>
	137 200	250 000	285 000
Less Cost of sales	<u>(85 000)</u>	<u>(72 400)</u>	<u>(155 000) (1) A01</u>
Gross profit	52 200	177 600	130 000 (1) A01
Less			
Computer maintenance	450 (1) A02	900 (1) A02	3 150 (1) A02
Delivery vehicle running costs	3 800 (1) A02	5 700(1) A02	0
General expenses	1 950 (1) A03	3 250 (1) A03	4 550 (1) A03
Heat and light	3 870 (1) A02	6 020 (1) A02	860 (1) A02
Irrecoverable debts	800 (1) A01	1 500 (1) A01	0
Management salaries	18 000 (1) A02	36 000 (1) A02	27 000 (1) A02
Marketing expenses	3 000 (1) A03	5 000 (1) A03	7 000 (1) A03
Depreciation- Delivery vehicles	3 600 (1) A02	5 400 (1) A02	0
Computers	1 000 (1) A03	2 000 (1) A03	7 000 (1) A03
On-line postal delivery	0	0	8 250 (1) A01
On-line website maintenance	0	0	12 350 (1) A01
Premises maintenance	4 050 (1) A02	6 300 (1) A02	900 (1) A02
Rent of premises	9 000 (1) A02	14 000 (1) A02	2 000 (1) A02
Telephone and broadband	600 (1) A02	400 (1) A02	3 000 (1) A02
Wages	<u>19 500 (1) A01</u>	<u>35 800 (1) A01</u>	<u>28 000 (1) A01</u>
	<u>(69 620)</u>	<u>(122 270)</u>	<u>(104 060)</u>
Departmental profit/(loss)	<u>(17 420)</u>	<u>55 330</u>	<u>25 940 (10F)</u> A01+W

(43)

(b) A01 (1), A02 (1), A03 (5), A04 (5)

Arguments in favour of closing the sales showroom and selling on-line

The sales showroom is currently making a loss. Closure may reduce the loss and improve total profits.

Renting the sales showroom to another retailer will bring in a rental income stream. Fewer departments for management to manage and therefore they can concentrate on repairs and on-line sales.

On-line sales already represent nearly 50% of his business and is a growing trend

Arguments against closing the sales showroom and selling on-line

The apportionments of expenses are only estimates and therefore may be inaccurate. Closure of the sales showroom will mean that the fixed overhead costs will need to be borne by the other two departments.

Loss of customers who prefer shop in person rather than online.

The business will lose the advantage of offering a complementary service. If no local sales the work of the workshop may be reduced.

Sales returns are high with on-line sales, and these levels will further increase if that side of the business is expanded.

Possible social accounting issues: loss to community - services and employment

Decision

Candidates may conclude that it is better to/or not to close the sales showroom.

Candidates' conclusion should be supported by an appropriate rationale.

Level	Mark	Descriptor
	0	A completely incorrect response.
Level 1	1-3	Isolated elements of knowledge and understanding recall based. Weak or no relevant application to the scenario set. Generic assertions may be present.
Level 2	4 - 6	Elements of knowledge and understanding, which are applied to the scenario. Chains of reasoning are present, but may be incomplete or invalid. A generic or superficial assessment is present.
Level 3	7 - 9	Accurate and thorough understanding, supported throughout by relevant application to the scenario. Some analytical perspectives are present, with developed chains of reasoning, showing causes and/or effects. An attempt at an assessment is presented, using financial and non-financial information, in an appropriate format and communicates reasoned explanations
Level 4	10 - 12	Accurate and thorough knowledge and understanding, supported throughout by relevant and effective application to the scenario. A coherent and logical chain of reasoning, showing causes and effects. Assessment is balanced, wide ranging and well contextualised using financial and non-financial information and makes informed recommendations and decisions.

(12)

Q1	Total marks	55
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2 (a) A01(5)

A01: Five marks for naming the type of error

- (1) Omission
- (2) Reversal
- (3) Compensation/Omission

- (4) Principle
 (5) Original entry

(1) A01 x 5

(5)

(b) A01:(9) A02(7):

A01: Nine marks for number and no effect and revised profit balance

A02: Seven marks for calculating number and orientation

Sheila
Revised profit for the year ended 31 December 2025

	£	£	£
Draft profit			16 540
	Increase	Decrease	
(1) Invoice for purchases		900	
(2) Equipment maintenance		1 500	
(3) Discount	No	Effect	
(4) Motor vehicle purchase £8 000 Depreciation 20% -£1 600	6 400		
(5) Purchases transfer		360	
(6) Depreciation of equipment	1 350		
(7) Rates refund	340		
(8) Irrecoverable debt		2 800	
	8 090	5 560	
Revised profit for the year			19 070

1 mark for the number (1) A01 x 7 and 1 mark for the orientation (1) A02 x7
 1 mark for 'No effect' (1) A01 Item 3 & 1 mark for revised profit (1 o/f) A01

(c) A01:(5) A02(17)

A01: Five marks for recording given balances

A02: Seventeen marks for using account balances and final net figure

Sheila
Statement of Financial Position at 31 December 2025

	Cost	Accumulated depreciation	Carrying value
	£	£	£

Non-current assets			
Motor vehicles	25 000 (1) AO2	(5 000) (1) AO2	20 000 (1of) AO1
Equipment	<u>13 000</u>	<u>(9 250) (1) AO2</u>	<u>3 750 (1) AO2</u>
	<u>38 000</u>	<u>(14 250)</u>	23 750 (1of) AO1
Current assets			
Inventory		16 190 (1) AO1	
Trade receivables less Irrecoverable debt	11 400 (4 000)		
	7 400 [1]		
Allowance for irrecoverable debts	(600) [1]		
		6 800 (2) AO2	
Other receivables			
1 400 [1] + 2 000 [1] + 500 [1]		3 900 (3) AO2	
Cash and bank		<u>3 340 (3) AO2</u>	
3 300 - 1 500 [1] + 340 [1] +1 200 [1]			<u>30 230</u>
Total assets			<u>53 980</u>
Capital		25 000	
Profit for the year		19 070(1of) AO1	
		44 070	
Drawings		(11 000)	
			33 070 (1of) AO2
Non-current liabilities			
6% bank loan			10 000 (1) AO1+ both Ws
Current liabilities			
Trade payables 7 500 + 900 [1] +360 [1]		8 760 (2) AO2	
Other payables		<u>2 150 (2) AO2</u>	
300[1] + 1 850[1]			<u>10 910</u>
Capital and liabilities			<u>53 980</u>

(22)

(d) AO1 (1), AO2 (1), AO3 (5), AO4 (5)

Arguments in favour of investing in ICT

The number of errors should be reduced as the computer will always carry out the double entry using the correct accounts.

Speed and accuracy of processing.

There will be other benefits such as the speed with which reconciliations and final accounts can be produced.

Up to date information on client or expense accounts will be available enabling better management to take place.

Greater security of information through restricted access to data and the use of passwords.

Arguments against investing in ICT

Not all errors will be eliminated as errors due to operator errors will still exist. There will need to be considerable retraining of staff which will be time consuming and costly.

Computer hardware will need to be purchased together with an appropriate software package this will be costly to purchase initially and to maintain.

Risks of breakdowns, hacking and downloading malware.

Decision

Candidates may conclude that it is better to/or not to invest in Information Communication Technology (ICT). Candidates' conclusion should be supported by an appropriate rationale.

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	0	A completely incorrect response.
Level 1	1-3	Isolated elements of knowledge and understanding recall based. Weak or no relevant application to the scenario set. Generic assertions may be present.
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Level 4	10 - 12	Accurate and thorough knowledge and understanding, supported throughout by relevant and effective application to the scenario. A coherent and logical chain of reasoning, showing causes and effects. Assessment is balanced, wide ranging and well contextualised using financial and non-financial information and makes informed recommendations and decisions.

(12)

Q2	Total marks	55
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3 (a)(i) A01:(2)

A01: Two marks for explaining the term

All assets and expenses are recorded in the ledger accounts (1) A01 at the actual cost paid at the time of the transaction (1) A01

(2)

(ii) A01:(2)

A01: Two marks for explaining the term

Profit/Revenue is only regarded as being earned/recognised when the legal title of goods or services (1) A01 passes from the seller to the buyer (1) A01.

(2)

(b) A01:(1) A02(7):A03(3)

A01: One mark for recording given balances

A02: Seven marks for correctly posting entry

A03: Three marks for contra, cheque dishonoured and correct closing debit balance

Trade Receivables Ledger Control Account

Date	Details	£	Date	Details	£
2025			2025		
1 Nov	Balance b/d	9 800	1 Nov	Balance b/d	650 (1) A01 Both
	Sales	11 580 (1) A02		Bank	10 100 (1) A02
	Interest - (received/charged)	600 (1) A02		Contra	450 (1) A03
	Bank	210 (1) A02		Discount allowed	300 (1) A02
	Bank	800 (1) A03		Irrecoverable debt	720 (1) A02
				Sales returns	970 (1) A02
30 Nov	Balance c/d	<u>180</u>	30 Nov	Balance c/d	<u>9 980</u>
		<u>23 170</u>			<u>23 170</u>
1 Dec	Balance b/d	9 980 (1of) A03	1 Dec	Balance b/d	180

(11)

(c) A01:(1) A02(3)

A01: One mark for totalling allowance

A02: Three marks for calculating allowance

Age	Debt (£)	%	Allowance (£)
Two months to three months	3 500	3	105 (1) A02
Three months to four months	1 700	15	255 (1) A02
Four months plus	800	40	320 (1) A02
Total			680 (1of) A01

(4)

(d) A01:(3) A02(2)

A01: Two marks for recording given balances

A02: Three marks for using account balances and final net figure

Statement of Financial Position (extract) at 30 November 2025

Current Assets	£
Trade receivables- Debit	9 980 (1of) A01
Credit	(180) (1) A01
	9 800 (1of) A02
Less	
Allowance for irrecoverable debts	(680) (1of) A02
	9 120 (1of) A01

Alternative

Due to variances in texts.

The trade receivables credit entry of £180 if shown clearly under a **Current Liabilities** label will be worth (1) A01

(5)

(e) A02 (1), A03 (2), A04 (3)

Points in favour of preparing control accounts

Can check for accuracy in the ledger.

Can deter fraud due to separation of duties

Can provide totals to aid preparation of financial statements.

Acts as an aid to management decision-making

Points against preparing control accounts

They are time consuming to prepare.

Generally, requires separation of duties and be prepared by a second person.

The accounts may still contain errors.

Decision

Candidates may conclude that control accounts should, or should not, be prepared.

The decision must be supported by an appropriate rationale.

(6)

Level	Mark	Descriptor
	0	A completely incorrect response.
Level 1	1-2	Isolated elements of knowledge and understanding which are recall based. Generic assertions may be present. Weak or no relevant application to the scenario set.
Level 2	3-4	Elements of knowledge and understanding, which are applied to the scenario. Some analysis is present, with developed chains of reasoning, showing causes and/or effects applied to the scenario, although these may be incomplete or invalid. An attempt at an evaluation is presented, using financial and perhaps non-financial information, with a decision.
Level 3	5-6	Accurate and thorough knowledge and understanding. Application to the scenario is relevant and effective. A coherent and logical chain of reasoning, showing causes and effects is present. Evaluation is balanced and wide ranging, using financial and perhaps non-financial information and an appropriate decision is made.

Q3	Total marks	30
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4 (a) A01:(2)

A01: Two marks for explaining the term

The ability to convert assets into sufficient cash (1) A01 to meet everyday commitments. (1) A01

OR

The ability to meet short term debts (1) A01 when they fall due. (1) A01

(2)

(b) A02:(2)

A02: Two marks for using account balances and final net figure

Current assets	$\frac{80\,000 + 35\,000}{60\,000 + 5\,000}$	1.77:1 (1) A02
Current liabilities	(1) A02	

(2)

(c) A01:(5) A02(8):A03(3)

A01: Five marks for recording bank transactions

A02: Eight marks for recording inventory, non-current assets and trade receivables

A03: Three marks for calculating trade payables

	Balance 30 November 2025	Workings	Balance 31 December 2025
	£	£	£
Bank	5 000 Cr	(40 000) [1] (25 000) [1] (45 000) [1] 95 000 [1]	20 000 Cr (5) A01
Inventory	80 000	(50 000) [1] 35 000 [1]	65 000 (3) A02
Non-current assets	70 000	25 000 [1]	95 000 (2) A02
Trade payables	60 000	35 000 [1] (45 000) [1]	50 000 (3) A03
Trade receivables	35 000	90 000 [1] (95 000) [1]	30 000 (3) A02

(16)

(d) A02(2)

A02: Two marks for using category totals to determine ratio

Current assets - inventory	30 000 (1of) A02	0.43:1
Current liabilities	50 000 (of) + 20 000 (of)	(1of)A02

(2)

(e) A01:(2)

A01: Two marks for stating alternative methods

Obtain a long-term loan

Sell underused or obsolete non-current assets

Reduce inventory by reducing purchases or sales promotions/ price reductions

Improve credit control and speed up cash receipts from trade receivables.

Reduce expenses by a tight control on those which are paid.

Offer cash discount to trade receivables

.

(1) A01 x 2

(2)

(f) A02 (1), A03 (2), A04 (3)

Points in favour of payment for non-current assets by cheque

The non-current asset immediately transfers to the ownership of Suranga.
There will be no interest or other additional charges on the purchase.

Points against payment for non-current assets by cheque

The purchase reduces the bank balance and negatively impacts on the liquidity.
Other options could have not impacted on the liquidity straight away e.g hire purchases, credit, leaseback.
As there is an overdraft, interest charges will be incurred.

Decision

Candidates may conclude that payment by cheque should, or should not, be prepared. The decision must be supported by an appropriate rationale.

(6)

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	0	A completely incorrect response.
Level 1	1-2	Isolated elements of knowledge and understanding which are recall based. Generic assertions may be present. Weak or no relevant application to the scenario set.
Level 2	3-4	Elements of knowledge and understanding, which are applied to the scenario. Some analysis is present, with developed chains of reasoning, showing causes and/or effects applied to the scenario, although these may be incomplete or invalid. An attempt at an evaluation is presented, using financial and perhaps non-financial information, with a decision.
Level 3	5-6	Accurate and thorough knowledge and understanding. Application to the scenario is relevant and effective. A coherent and logical chain of reasoning, showing causes and effects is present. Evaluation is balanced and wide ranging, using financial and perhaps non-financial information and an appropriate decision is made.

Q4	Total marks	30
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5(a) (i)AO1:(2)

AO1: Two marks for explaining the term

It is a method of calculating the value of inventory which is issued or still remaining (1) AO1 after each transaction. (1) AO1

(2)

(ii) AO1:(2)

AO1: Two marks for explaining the term

Where goods are transferred from manufacturing containing a profit on manufacture. That profit cannot be realised/recognised (1) AO1 until that inventory is sold to the customer. (1) AO1

(2)

(b) AO1:(1) AO2(6)

AO1: One mark for establishing total

AO2: Six marks for calculating the entry

Week	Receipts	Issues to production		Balance
	(number and unit cost)	Issues (number and unit cost)	Total value (£)	(number and unit cost)
				350 @ £5
1	700 @ £7	250 @ £5	£1 250 (1) AO2	100 @ £5 700 @ £7
2	0	100 @ £5 250 @ £7	£500 (1) AO2 £1 750 (1) AO2	450 @ £7
3	400 @ £8.4	300 @ £7	£2 100 (1) AO2	150 @ £7 400 @ £8.4
4	200 @ £9	150 @ £7 150 @ £8.4	£1 050 (1) AO2 £1 260 (1) AO2	250 @ £8.4 200 @ £9
Cost of raw materials consumed			£7 910 (1of) AO1	

(7)

(c)(i) AO2(1):AO3(1)

AO2: One mark for using data to calculate total hours

AO3: One mark for calculating the total production hours used

Production hours used

1 200 chairs x 1.75 hours = 2 100 (1) AO2 + 200 = 2 300 hours (1) AO3
(2)

(ii) AO2(4):AO3(2)

AO2: Four marks for calculating the bonus and total cost

AO3: Two marks for calculating standard hours and overtime

£

Direct labour cost

Standard hours 1 920 hours (1) AO2 at £6 per hour = 11 520 (1) AO3

Overtime 380 hours (1of) AO2 at £8 per hour = 3 040 (1of) AO3

2 300 hours (of)

Bonus 1 200 x £3 = 3 600 (1) AO2

Total direct 18 160 (1of) AO2

(6)

(d) AO1:(4) AO2(1)

AO1: Four marks for recording previously calculated balances

AO2: One mark for calculating direct expenses

Blagdon Manufacturing
Manufacturing Account (extract) for the year ended 31 December 2025

	£	£
Cost of raw materials consumed		7 910 (1of) AO1
Direct labour		18 160 (1of) AO1
Direct expenses/Other costs		2 030 (1) AO2
PRIME COST (1) AO1		28 100 (1of) AO1

(5)

(e) AO2 (1), AO3 (2), AO4 (3)

Points in favour of retaining bonus payment

Production workers will work harder and apply themselves for longer.
Chairs will be produced quicker. Cost of each garden chair may be lower.
Profit may be higher.

Points against retaining bonus payment

The bonus payment is not linked to quality. Chairs requiring additional work to achieve the quality standard also gain the £3 bonus just the same as chairs that meet the quality standard.

Quality supervision needs introducing and this will be expensive.

Decision

Candidates may conclude that the bonus payment should or should not be retained. The decision must be supported by an appropriate rationale.

(6)

Level	Mark	Descriptor
	0	A completely incorrect response.
Level 1	1-2	Isolated elements of knowledge and understanding which are recall based. Generic assertions may be present. Weak or no relevant application to the scenario set.
Level 2	3-4	Elements of knowledge and understanding, which are applied to the scenario. Some analysis is present, with developed chains of reasoning, showing causes and/or effects applied to the scenario, although these may be incomplete or invalid. An attempt at an evaluation is presented, using financial and perhaps non-financial information, with a decision.
Level 3	5-6	Accurate and thorough knowledge and understanding. Application to the scenario is relevant and effective. A coherent and logical chain of reasoning, showing causes and effects is present. Evaluation is balanced and wide ranging, using financial and perhaps non-financial information and an appropriate decision is made.

Q5	Total marks	30
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6 (a) A01:(2)

A01: Two marks for explaining the opening balance

The credit entry at the end of the year means that some expense had been incurred in the previous year (1) A01 but had not been paid for in that year. (1) A01

(2)

(b)(i) A01:(2)

A01: Two marks for explaining the meaning of going concern

The going concern concept assumes that a business will **continue into the future** (1) A01 and therefore the cost of non-current assets that will last for many years can be assigned to those future years. (1) A01

(2)

(ii) A01:(2)

A01: Two marks for explaining the meaning of consistency

Once a method of depreciation has been chosen (1) A01 it should be applied consistently to future accounting periods (1) A01 unless there is a good reason to change that method.

(2)

(c) A01:(3) A02(10):A03(2)

A01: Three marks for recording given balances and correct descriptions

A02: Ten marks for posting correct entries

A03: Two marks for calculating correct closing balance or income statement transfer

(i)

Delivery Vehicles Account

Date	Details	£	Date	Details	£
2025			2025		
1 Jan	Balance b/d	90 000	30 Mar	Disposal (1) A02	16 000 (1) A02
1 April	Bank	<u>20 000 (1) A02+W</u>	31 Dec	Balance b/d	<u>94 000</u>
		<u>110 000</u>			<u>110 000</u>
2026					
1 Jan	Balance b/d	94 000 (1) A02			

(4)

(ii)

Delivery Vehicles - Provision for Depreciation Account

Date	Details	£	Date	Details	£
2025			2025		
30 Mar	Disposal (1) A02	7 000 (1) A02	1 Jan	Balance b/d	55 000
31 Dec	Balance c/d	<u>59 500</u>	31 Dec	Income statement (1) A01	<u>11 500 (1)</u> A02
		<u>66 500</u>			<u>66 500</u>
2026			2026		
			1 Jan	Balance b/d	59 500 (1) A03

(5)

Working

Depreciation £94 000 - 48 000 (55 000 - 7 000) = 46 000 x 25% = 11 500

(iii)

Delivery Vehicles- maintenance and running expenses Account

Date	Details	£	Date	Details	£
2025			2025		
	Oak Tree Garage	11 975 (1) A02+W	1 Jan	Balance b/d	3 100
	Bank	6 200 (1) A02+W	31 Dec	Income statement (1) A01	<u>22 225 (1)</u> A03
	Super Petroleum	<u>8 850 (1)</u> A02+W		Balance c/d	<u>1 700</u>
		<u>27 025</u>			<u>27 025</u>
2026			2026		
1 Jan	Balance b/d	1 700 (1) A01			

(6)

(d) A02(2):A03(1)

A02: Two marks for using transfers from ledger accounts

A03: One mark for calculating the loss on the sale

**Statement of Profit or Loss and Other Comprehensive Income (Extract)
for the year ended 31 December 2025**

£

Expenses

Loss on sale of delivery lorry/Disposal 1 500 (1) A03
 Delivery vehicles depreciation 11 500 (1of) A02
 Maintenance and running expenses 22 225 (1of) A02

(3)

(e) A02 (1), A03 (2), A04 (3)

Points in favour of reducing balance

Delivery vehicles tend to depreciate faster in the early years of ownership and therefore higher depreciation in the early years would seem appropriate.

The delivery vehicles recorded in the statement of financial position would be closer to the resale/market value of the non-current asset as more depreciation is written off in the early years.

When increasing repair costs are added to decreasing depreciation this will mean that the total cost of ownership will 'level out' to a similar total cost of ownership.

Points against reducing balance

The delivery vehicles will give the same benefit to the business in the early years of ownership as the later years of ownership, but the depreciation charge to the benefit received does vary from year to year.

More difficult to determine the rate (percentage) of depreciation required.

Decision

Candidates may conclude that reducing balance should, or should not, be used.

The decision must be supported by an appropriate rationale.

(6)

Level	Mark	Descriptor
	0	A completely incorrect response.
Level 1	1-2	Isolated elements of knowledge and understanding which are recall based. Generic assertions may be present. Weak or no relevant application to the scenario set.
Level 2	3-4	Elements of knowledge and understanding, which are applied to the scenario. Some analysis is present, with developed chains of reasoning, showing causes and/or effects applied to the scenario, although these may be incomplete or invalid. An attempt at an evaluation is presented, using financial and perhaps non-financial information, with a decision.
Level 3	5-6	Accurate and thorough knowledge and understanding. Application to the scenario is relevant and effective. A coherent and logical chain of reasoning, showing causes and effects is present. Evaluation is balanced and wide ranging, using financial and perhaps non-financial information and an appropriate decision is made.

Q6	Total marks	30
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