Mark Scheme (Results)

November 2025

Pearson Edexcel International GCSE in Accounting 4WAC2/01

Unit 2: Financial Statements

Edexcel and BTEC Qualifications

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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.

Question number	Answer	Mark
1(a)(i)	**Award marks as indicated.**	

Cheryle and Debbie

Income statement for the year ended 30 September 2025

	$	$	
Fee income	196 000		**(1)**
Discount received	875		**(1)**
		196 875	
Overheads			
General expenses	21 977		
Lighting and heating	4 300		
Loan interest	1 200		**(1)**
Discount allowed	560		**(1)**
Motor expenses	3 460		**(1)**
Rent and rates	6 378		**(1)**
Wages and salaries	56 000		**(1)**
Depreciation			
– Motor vehicles	4 480		**(1)**
- Computer equipment	6 000		**(1)**
		104 355	
Profit for the year		92 520	**(1of)**

(10)

Question number	Answer	Mark
1(a)(ii)	**Award marks as indicated.**	

**Cheryle and Debbie
Appropriation account for the year ended
30 September 2025**

	$	$	
Profit for the year		92 520	
Interest on drawings -Cheryle -Debbie	600 480		
		1 080	**(1)**
		93 600	
Interest on capital -Cheryle -Debbie	(3 000) (1 600)		
		(4 600)	**(1)**
Salary - Cheryle		(9 000)	**(1)**
Residual profit		80 000	**(1of)**
Share of profit -Cheryle -Debbie	48 000 32 000		**(1fb)**
		80 000	

(5)

Question number	Answer	Mark
1(a)(iii)	**Award marks for correct dates, details and amounts in combination.**	

Current Account - Cheryle

Date	Details	$	Date	Details	$
Sep 30	Drawings	12 000*	Oct 1	Balance b/d	8 900 **(1)**
	Interest on drawings	600* **(1fb)**	Sep 30	Interest on capital	3 000*
	Balance c/d	56 300		Salary	9 000* **(1of fb)**
				Share of profit	48 000 **(1of)**
		68 900			68 900
			Oct 1	Balance b/d	56 300 **(1of)**

(5)

Question Number	Answer	Mark
1(b)	**Award up to two marks for points in favour and up to two marks for points against.** **Award 1 mark for an overall conclusion.** **Sample answer** If Cheryle decides to operate as a sole trader, she will be able to retain all the profit for herself **(1)** which may increase her overall income **(1)** However, she will not have anyone to help share the workload with and will have to make all the business decisions herself **(1)** which may restrict the growth of her business **(1)** I would advise Cheryle not to dissolve the partnership **(1)**. **Accept any other appropriate responses.**	**(5)**

TOTAL FOR QUESTION 1 = 25 MARKS

Question Number	Answer	Mark
2(a)	**Award marks as indicated.**	

Taylor

Income statement for the year ended 31 March 2025

	$	$		
Gross profit		419 250	**(1)**	
Profit on disposal (of motor vehicle)		800	**(1)**	
Provision for irrecoverable debts		150	**(1)**	
		420 200		
Expenses				
Lighting and heating	10 800			
Irrecoverable debts	250			
Sundry expenses	39 630			
Wages and salaries	252 000		**(1)**	
Depreciation – fixtures and fittings	5 000		**(1)**	
Depreciation – motor vehicles	2 560		**(1)**	
		310 240	**(1)**	
Profit for the year		109 960	**(1of)**	**(8)**

Question number	Answer					Mark
2(b)	**Award marks as indicated.**					

Taylor
Statement of financial position at 31 March 2025

Assets	$	$	$	
Non-current assets				
Land and buildings	250 000	-	250 000	
Fixtures and fittings	50 000	15 000	35 000	**(1)**
Motor vehicles	20 000	9 760	10 240	**(1)**
			295 240	**(1)**
Current assets				
Inventory		35 200		
Trade receivables		11 400		**(1)**
Cash in hand		1 120		
			47 720	**(1of)**
Total assets			342 960	**(1of)**
Equity and liabilities				
Equity				
Opening equity		250 000		
Profit for the year		109 960		**(2/1of)**
Drawings		(50 000)		
Total/closing equity			309 960	**(1of)**
Current liabilities				
Trade payables		9 800		
Other payables		21 000		**(1)**
Bank overdraft		2 200		**(1)**
			33 000	
Total equity and liabilities			342 960	**(1of)**

(12)

Question Number	Answer	Mark
2(c)	**Award up to 2 marks for reference to each concept.** **Award 1 mark for a conclusion.** **Sample answer** If Taylor changes his depreciation policy, he would not be complying with the **consistency concept (1)** which states that once a method has been selected this should be applied consistently year on year **(1).** As depreciation is an application of the **matching concept (1)** the method chosen should reflect the contribution the asset makes towards the revenue earned from that asset which may not be the case if he changes **(1)** As depreciation is an application of the **prudence concept (1)** the method chosen should reflect that profit should not be overstated which may not be the case if he changes **(1)** I would advise him not to change his depreciation policy **(1).** **Accept any other appropriate responses**	**(5)**

(Total for Question 2 = 25 marks)

TOTAL FOR PAPER = 50 MARKS