

Cambridge IGCSE™

ACCOUNTING**0452/23**

Paper 2 Structured

May/June 2025**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 May/June 2025 series for most Cambridge IGCSE, Cambridge International A and AS Level components, and some Cambridge O Level components.

This document consists of **18** 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 descriptions 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.

Annotations guidance for centres

Examiners use a system of annotations as a shorthand for communicating their marking decisions to one another. Examiners are trained during the standardisation process on how and when to use annotations. The purpose of annotations is to inform the standardisation and monitoring processes and guide the supervising examiners when they are checking the work of examiners within their team. The meaning of annotations and how they are used is specific to each component and is understood by all examiners who mark the component.

We publish annotations in our mark schemes to help centres understand the annotations they may see on copies of scripts. Note that there may not be a direct correlation between the number of annotations on a script and the mark awarded. Similarly, the use of an annotation may not be an indication of the quality of the response.

The annotations listed below were available to examiners marking this component in this series.

Annotations

Annotation	Meaning
	Indicates a point which is relevant and rewardable
	Indicates a point which is inaccurate/irrelevant and not rewardable
	Used when the benefit of the doubt is given in order to reward a response
	An extraneous figure or item in the statement
	Own figure
	Indicates that content has been recognised but not rewarded
	Indicates where content has been repeated.

Question	Answer				Marks
1(a)	Anika Journal				4
	Date	Details	Debit \$	Credit \$	
	2025 March 1	Premises Motor vehicles Inventory Trade receivables –Kofi 			

Question	Answer							Marks	
1(b)	Anika Petty Cash Book							11	
	Total received \$	Date 2025	Details		Total paid \$	Motor expenses \$	Office expenses \$		Ledger accounts \$
	86 64	Mar 1	Balance b/d	(1)					
			Bank	(1)					
		6	Petrol	(1)	30	30			
		10	Computer paper	(1)	12		12		
		17	Sam	(1)	48				48
		21	Postage	(1)	6		6		
	28	Car cleaning	(1)	8	8				
					104	38	18		48
				46					
150	31	Balance c/d							
46	Apr 1	Balance b/d	(1)OF	150					
104		Bank	(1)OF						
(1) dates (1) OF totalling analysis columns									
1(c)	Anika Sam account							5	
	Date 2025	Details		\$	Date 2025	Details			\$
	Mar 17	Petty cash	(1)	48	Mar 1	Balance b/d	(1)		210
	25	Purchases returns	(1)OF	57	21	Purchases	(1)		114
	31	Balance c/d		219					
				324					324
					Apr 1	Balance b/d	(1)OF		219

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Question	Answer	Marks																														
2(a)	\$ 10 000 2 000 8 000 1 600 6 400 1 280 5 120 Total depreciation on delivery vehicle = 2000 + 1600 (1) + 1280 (1) = 4880 (1)OF	3																														
2(b)	Mo Disposal of motor vehicles account <table><tr><td>Date 2024 Mar 31</td><td>Details</td><td>\$</td><td>Date 2024 Mar 31</td><td>Details</td><td>\$</td></tr><tr><td></td><td>Motor vehicles (1)</td><td>10 000</td><td></td><td>Provision for depreciation of motor vehicles (1)OF</td><td>4 880</td></tr><tr><td></td><td></td><td></td><td></td><td>Bank (1)</td><td>2 900</td></tr><tr><td></td><td></td><td></td><td>Dec 31</td><td>Income statement (1)OF</td><td>2 220</td></tr><tr><td></td><td></td><td>10 000</td><td></td><td></td><td>10 000</td></tr></table>	Date 2024 Mar 31	Details	\$	Date 2024 Mar 31	Details	\$		Motor vehicles (1)	10 000		Provision for depreciation of motor vehicles (1)OF	4 880					Bank (1)	2 900				Dec 31	Income statement (1)OF	2 220			10 000			10 000	4
Date 2024 Mar 31	Details	\$	Date 2024 Mar 31	Details	\$																											
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			Dec 31	Income statement (1)OF	2 220																											
		10 000			10 000																											
2(c)	\$ 12 500 215 (1) 12 715 (1)OF	2																														

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Question	Answer	Marks
2(d)	Advantages opening a shop There would be no motor expenses/no delivery costs (1) Can utilise his time on other aspects of the business (1) Might increase sales/increase customers/increase profits (1) He could sell his vehicle/vehicle is no longer required (1) Accept other valid points Max (3) Disadvantages of opening a shop Cost of converting the farm building into a shop (1) Cost of running the shop (1) Customers may not be willing to travel/may prefer their goods delivered/ no guarantee that customers will come/ may spoil relationship with customers (1) New van has just been purchased (1) Accept other valid points Max (3) Overall Advantages and Disadvantages Max (4) Recommendation (1)	5

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Question	Answer						Marks																																																						
2(e)	Mo Rental income account <table><tr><th>Date</th><th>Details</th><th>\$</th><th>Date</th><th>Details</th><th>\$</th></tr><tr><td>2024</td><td></td><td></td><td>2024</td><td></td><td></td></tr><tr><td>Jan 1</td><td>Balance b/d</td><td>(1) 160</td><td>Mar 1</td><td>Bank</td><td>320</td></tr><tr><td>Dec 31</td><td>Income statement</td><td></td><td>Sep 1</td><td>Bank</td><td>720</td></tr><tr><td></td><td>(12 × \$80)</td><td>(1) 960</td><td>Dec 31</td><td>Balance c/d</td><td>80</td></tr><tr><td></td><td></td><td>1 120</td><td></td><td></td><td>1 120</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>2025</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Jan 1</td><td>Balance b/d</td><td>(1)OF 80</td><td></td><td></td><td></td></tr></table>						Date	Details	\$	Date	Details	\$	2024			2024			Jan 1	Balance b/d	(1) 160	Mar 1	Bank	320	Dec 31	Income statement		Sep 1	Bank	720		(12 × \$80)	(1) 960	Dec 31	Balance c/d	80			1 120			1 120							2025						Jan 1	Balance b/d	(1)OF 80				4
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2(f)(i)	They may sell different types of produce (1) Mo has a higher selling price than Barry (1) Mo's cost of producing/cost of sales is lower than that of Barry (1) Accept other valid points Max (1)						1																																																						
2(f)(ii)	Barry has to pay rent whereas Mo does not (1) Mo has lower expenses/controls his expenses better (1) Using different accounting methods e.g. different depreciation methods (1) Accept other valid points Max (1)						1																																																						

Question	Answer							Marks
3(a)	Error	Entries required to correct the error						11
		Debit			Credit			
		Account	\$		Account	\$		
	A payment for wages, \$425, had been debited to the purchases account.	Wages	425		Purchases	425		
	Discount allowed, \$19, had been credited to the discount allowed account.	Discount allowed	38	(1)	Suspense	38	(1)	
	The total of the sales journal for April 2025 was undercast by \$100.	Suspense	100	(1)	Sales	100	(1)	
	A bank payment for purchases, \$170, had not been recorded in the books of account.	Purchases	170	(1)	Bank	170	(1)	
	Bank charges, \$15, had been recorded as \$105.	Bank	90	(1)	Bank charges	90	(1)	
	A bank payment for insurance, \$210, was debited to the bank account. No other entries were made.	Insurance Suspense	210 210	(1) (1)	Bank	420	(1)	

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Question	Answer	Marks																												
3(b)	Nabil Suspense account <table><tr><td>Date 2025 Apr 30</td><td>Details Sales (1) Bank (1)</td><td>\$ 100 210 310</td><td>Date 2025 Apr 30</td><td>Details Difference on trial balance (1) Discount allowed (1)</td><td>\$ 272 38 310</td></tr></table>	Date 2025 Apr 30	Details Sales (1) Bank (1)	\$ 100 210 310	Date 2025 Apr 30	Details Difference on trial balance (1) Discount allowed (1)	\$ 272 38 310	4																						
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3(c)	<table><tr><td></td><td>\$</td><td>\$</td><td></td></tr><tr><td>Original cash at bank balance</td><td></td><td>935</td><td></td></tr><tr><td>Add Bank charges</td><td></td><td><u>90</u> (1)</td><td></td></tr><tr><td></td><td></td><td>1 025</td><td></td></tr><tr><td>Less Purchases</td><td>170 (1)</td><td></td><td></td></tr><tr><td>Insurance</td><td><u>420</u> (1)</td><td>590</td><td></td></tr><tr><td>Corrected cash at bank balance</td><td></td><td><u><u>435</u></u> (1)OF</td><td></td></tr></table>		\$	\$		Original cash at bank balance		935		Add Bank charges		<u>90</u> (1)				1 025		Less Purchases	170 (1)			Insurance	<u>420</u> (1)	590		Corrected cash at bank balance		<u><u>435</u></u> (1)OF		4
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3(d)	To enable the customer to compare their records against those of the bank (1) To check the bank balance in the cash book against that shown in the bank’s records (1) To identify the reason for any differences between the balance of bank column in the cash book and the bank statement (1) To discover errors/omissions in either the cash book or the bank records (1) To reconcile the bank statement balance with that in the cash book/help prepare bank reconciliation statement (1) Max (1)	1																												

Question	Answer	Marks																																										
4(a)	H Limited Statement of Changes in Equity for the year ended 30 April 2025 <table><tr><th>Details</th><th>Ordinary Share capital \$</th><th>General reserve \$</th><th>Retained earnings \$</th><th>Total \$</th><th></th></tr><tr><td>On 1 May 2024</td><td>120 000</td><td>20 000</td><td>33 635</td><td>173 635</td><td></td></tr><tr><td>Profit for the year</td><td>.....</td><td>.....</td><td>26 700</td><td>26 700</td><td>(1) row</td></tr><tr><td>Transfer to general reserve</td><td>.....</td><td>5 000</td><td>(5 000)</td><td>–</td><td>(1) row</td></tr><tr><td>Dividends paid</td><td>.....</td><td>.....</td><td>(5 340)</td><td>(5 340)</td><td>(1) row</td></tr><tr><td>On 30 April 2025</td><td>120 000</td><td>25 000</td><td>49 995</td><td>194 995</td><td>(1)OF row</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>	Details	Ordinary Share capital \$	General reserve \$	Retained earnings \$	Total \$		On 1 May 2024	120 000	20 000	33 635	173 635		Profit for the year			26 700	26 700	(1) row	Transfer to general reserve		5 000	(5 000)	–	(1) row	Dividends paid			(5 340)	(5 340)	(1) row	On 30 April 2025	120 000	25 000	49 995	194 995	(1)OF row							4
Details	Ordinary Share capital \$	General reserve \$	Retained earnings \$	Total \$																																								
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Question	Answer	Marks																																																																																												
4(b)	H Limited Statement of Financial Position as at 30 April 2025 <table><thead><tr><th></th><th>\$</th><th>\$</th><th>\$</th></tr></thead><tbody><tr><td colspan="4">Assets</td></tr><tr><td colspan="4">Non-current assets at book value</td></tr><tr><td>Fixtures and equipment</td><td></td><td></td><td>155 000</td></tr><tr><td>Motor vehicles</td><td></td><td></td><td>16 875</td></tr><tr><td></td><td></td><td></td><td><u>171 875</u> (1)</td></tr><tr><td colspan="4">Current Assets</td></tr><tr><td>Inventory</td><td></td><td>28 120</td><td></td></tr><tr><td>Trade receivables</td><td>33 000</td><td></td><td></td></tr><tr><td>Less Provision for Doubtful Debts</td><td><u>990</u></td><td><u>32 010</u> (1)</td><td><u>60 130</u> (1)OF</td></tr><tr><td>Total assets</td><td></td><td></td><td><u>232 005</u></td></tr><tr><td colspan="4">Equity and Liabilities</td></tr><tr><td colspan="4">Equity and Reserves</td></tr><tr><td>Ordinary share capital</td><td></td><td></td><td>120 000 }</td></tr><tr><td>General reserves</td><td></td><td></td><td>25 000 }(1)OF</td></tr><tr><td>Retained earnings</td><td></td><td></td><td><u>49 995</u> }</td></tr><tr><td></td><td></td><td></td><td>194 995</td></tr><tr><td colspan="4">Non-current Liabilities</td></tr><tr><td>5% Debentures</td><td></td><td></td><td>5 000 (1)</td></tr><tr><td colspan="4">Current Liabilities</td></tr><tr><td>Trade payables</td><td></td><td>26 815 (1)</td><td></td></tr><tr><td>Bank overdraft</td><td></td><td><u>5 195</u> (1)</td><td><u>32 010</u></td></tr><tr><td>Total Equity and Liabilities</td><td></td><td></td><td><u>232 005</u></td></tr></tbody></table>		\$	\$	\$	Assets				Non-current assets at book value				Fixtures and equipment			155 000	Motor vehicles			16 875				<u>171 875</u> (1)	Current Assets				Inventory		28 120		Trade receivables	33 000			Less Provision for Doubtful Debts	<u>990</u>	<u>32 010</u> (1)	<u>60 130</u> (1)OF	Total assets			<u>232 005</u>	Equity and Liabilities				Equity and Reserves				Ordinary share capital			120 000 }	General reserves			25 000 }(1)OF	Retained earnings			<u>49 995</u> }				194 995	Non-current Liabilities				5% Debentures			5 000 (1)	Current Liabilities				Trade payables		26 815 (1)		Bank overdraft		<u>5 195</u> (1)	<u>32 010</u>	Total Equity and Liabilities			<u>232 005</u>	7
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Question	Answer	Marks
4(c)	The total funds provided by the owners of a business (1) The difference between the assets and liabilities of a business (1) Max (1)	1
4(d)	$\frac{26\,700 + 250^*}{194\,995 \text{ OF} + 5\,000} = \frac{26\,950}{199\,995} \text{ (1)OF} \times \frac{100}{1} = 13.48\% \text{ (1)OF}$ Alternative calculation $\frac{26\,700 + 250^*}{171\,875 + 60\,130 \text{ OF} - 32\,010} = \frac{26\,950}{199\,995} \text{ (1)OF} \times \frac{100}{1} = 13.48\% \text{ (1)OF}$ *Profit adjusted for interest on debentures 250 (5% × 5 000)]	3
4(e)	Points for issuing debentures There will be no liability once the debentures have been repaid (1) Issue of debentures will not reduce shareholders' stake in the company/ debenture holders do not take an active part in running the company/debenture holders do not have a vote (1) Only have relatively low amount of loans at present (1) Funds may be available quickly/relatively easy to obtain (1) Accept other valid points Max (2) Points against issuing debentures Interest on the debentures has to be paid/ debenture interest reduces profit/ fixed amount of debenture interest each year/ debenture interest needs to be paid even if the company makes a loss (1) May be secured against the assets of the company/are repaid before shareholders if company liquidated (1) Debentures have to be repaid/increase liabilities (1) Funds must be available when repayment is due (1) Already have commitment to repay existing debentures (1) Accept other valid points Max (2) Overall For and Against: Max (4) Recommendation (1)	5

Question	Answer	Marks																																																															
5(a)	Grace Manufacturing Account for the year ended 31 March 2025 <table><thead><tr><th></th><th>\$</th><th>\$</th></tr></thead><tbody><tr><td>Cost of material consumed</td><td></td><td></td></tr><tr><td>Opening inventory of raw material</td><td></td><td>5 345</td></tr><tr><td>Purchases of raw material</td><td></td><td>72 870</td></tr><tr><td>Carriage inwards of raw material</td><td></td><td>1 220</td></tr><tr><td></td><td></td><td><u>79 435</u></td></tr><tr><td>Less Closing inventory of raw material</td><td></td><td>7 100</td></tr><tr><td></td><td></td><td><u>72 335</u> (1)</td></tr><tr><td>Direct wages</td><td></td><td>29 175 (1)</td></tr><tr><td>Prime cost</td><td></td><td><u>101 510</u> (1)OF</td></tr><tr><td>Factory overheads</td><td></td><td></td></tr><tr><td>Wages of factory supervisor (24 000 + 2 000)</td><td>26 000 (1)</td><td></td></tr><tr><td>Factory power (14 120 + 1 315)</td><td>15 435 (1)</td><td></td></tr><tr><td>Rent and insurance (12 000 × 65%)</td><td>7 800 (1)</td><td></td></tr><tr><td>Depreciation of factory equipment</td><td></td><td></td></tr><tr><td>(180 000 – 64 800) × 20%</td><td><u>23 040</u> (1)</td><td>72 275</td></tr><tr><td></td><td></td><td><u>173 785</u> (1)OF</td></tr><tr><td>Add opening work-in-progress</td><td></td><td>13 820 *</td></tr><tr><td></td><td></td><td><u>187 605</u></td></tr><tr><td>Less closing work-in-progress</td><td></td><td>14 390 * (1) for both inventories</td></tr><tr><td>Cost of production</td><td></td><td><u>173 215</u> (1)OF</td></tr></tbody></table>		\$	\$	Cost of material consumed			Opening inventory of raw material		5 345	Purchases of raw material		72 870	Carriage inwards of raw material		1 220			<u>79 435</u>	Less Closing inventory of raw material		7 100			<u>72 335</u> (1)	Direct wages		29 175 (1)	Prime cost		<u>101 510</u> (1)OF	Factory overheads			Wages of factory supervisor (24 000 + 2 000)	26 000 (1)		Factory power (14 120 + 1 315)	15 435 (1)		Rent and insurance (12 000 × 65%)	7 800 (1)		Depreciation of factory equipment			(180 000 – 64 800) × 20%	<u>23 040</u> (1)	72 275			<u>173 785</u> (1)OF	Add opening work-in-progress		13 820 *			<u>187 605</u>	Less closing work-in-progress		14 390 * (1) for both inventories	Cost of production		<u>173 215</u> (1)OF	10
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5(c)	All assets and expenses are recorded at their actual cost (1) Factory equipment and other costs are recorded at the amount of their actual/original cost. (1) Accept other valid points Max (1)	1																																																															

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5(d)	Points for producing handbags Not dependent on suppliers for price/may be able to produce them more cheaply (1) Not dependent on suppliers for quality (1) Not dependent on suppliers for reliability (1) Possibility of higher sales/more customers/higher profit (1) Accept other valid points Max (3) Points against producing handbags New equipment may be required (1) May be cheaper to purchase rather than make (1) May produce inferior quality goods/customers may be dissatisfied (1) May not be able to meet demand (1) May need additional factory space/additional storage space (1) Cost of production will increase/ cost of raw material will increase/ will need extra employees/may incur additional factory expenses (1) Accept other valid points Max (3) Overall For and Against: Max (4) Recommendation (1)	5