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**ACCOUNTING**

**0452/11**

Paper 1

**May/June 2017**

MARK SCHEME

Maximum Mark: 120

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**Published**

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This document consists of **11** printed pages.

<b>Question</b>	<b>Answer</b>	<b>Marks</b>
1(a)	A (1)	1
1(b)	C (1)	1
1(c)	D (1)	1
1(d)	C (1)	1
1(e)	D (1)	1
1(f)	C (1)	1
1(g)	D (1)	1
1(h)	A (1)	1
1(i)	A (1)	1
1(j)	B (1)	1

Question	Answer			Marks																			
2(a)	capital = assets – liabilities <b>(1)</b> , or assets = capital + liabilities <b>(1)</b> , or liabilities = assets – capital <b>(1)</b>			<b>1</b>																			
2(b)	asset – something a business owns or which is owed to the business <b>(1) (need all)</b> liability – something which a business owes to a third party <b>(1)</b> inventory – goods bought for resale not yet sold <b>(1)</b>			<b>3</b>																			
2(c)	duality <b>(1)</b>			<b>1</b>																			
2(d)		<table border="1"> <thead> <tr> <th></th> <th>debit account</th> <th>credit account</th> </tr> </thead> <tbody> <tr> <td>Taha receives a cheque from Michael, a credit customer</td> <td>bank <b>(1)</b></td> <td>Michael <b>(1)</b></td> </tr> <tr> <td>Taha writes off of a debt owed by Zoe</td> <td>bad debts <b>(1)</b></td> <td>Zoe <b>(1)</b></td> </tr> </tbody> </table>		debit account	credit account	Taha receives a cheque from Michael, a credit customer	bank <b>(1)</b>	Michael <b>(1)</b>	Taha writes off of a debt owed by Zoe	bad debts <b>(1)</b>	Zoe <b>(1)</b>			<b>4</b>									
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2(i)	credit note (1)	<b>1</b>																								
2(j)	Andy's business buys or manufactures goods which it then sells. (1) A service business provides a service to its customers or clients. (1)	<b>2</b>																								

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3(a)	Any reasonable comment for (1) mark e.g. Because purchases represent costs to the business Purchases are amounts which reduce profit Purchases are amounts paid by the business	1																																													
3(b)	Book of prime (original) entry (1)	1																																													
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3(e)	(i) sales commission received rent received interest received any one for <b>(1)</b> mark.  (ii) capital introduced <b>proceeds</b> of sale of non-current asset receipt of loan any one for <b>(1)</b> mark	<b>2</b>

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5(e)	<p>mark up applied to goods for resale is lower poorer control of expenses profit is lower higher interest payable poorer utilisation of resources capital used less efficiently capital employed is higher any two for (1) mark</p>	2																																			

Question	Answer	Marks
5(f)	increase sale (1) reduce cost of sales/find cheaper supplier (1) reduce expenses (1) reduce interest payments (1) reduce capital employed (1) reduce loans and debentures (1) any three for (1) mark	3

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