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# Cambridge IGCSE™

**ACCOUNTING** **0452/11**

Paper 1 Multiple Choice **May/June 2026**

**1 hour 15 minutes**

You must answer on the multiple choice answer sheet.

You will need: Multiple choice answer sheet
Soft clean eraser
Soft pencil (type B or HB is recommended)

**INSTRUCTIONS**

- There are **thirty-five** questions on this paper. Answer **all** questions.
- For each question there are four possible answers **A**, **B**, **C** and **D**. Choose the **one** you consider correct and record your choice in soft pencil on the multiple choice answer sheet.
- Follow the instructions on the multiple choice answer sheet.
- Write in soft pencil.
- Write your name, centre number and candidate number on the multiple choice answer sheet in the spaces provided unless this has been done for you.
- Do **not** use correction fluid or tape.
- Do **not** write on any bar codes.
- You may use a calculator.

**INFORMATION**

- The total mark for this paper is 35.
- Each correct answer will score one mark.
- Any rough working should be done on this question paper.

This document has **12** pages. Any blank pages are indicated.

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**1** Which two statements outline the duties of a bookkeeper?

View solution

1 the detailed recording of all the financial transactions of a business

2 the maintenance of double-entry records using accepted principles and methods

3 the measurement of the progress of a business by comparing financial statements

4 the use of financial records to assist in decision-making

**A** 1 and 2 **B** 1 and 3 **C** 2 and 4 **D** 3 and 4

**2** Which set of figures makes both sides of the accounting equation agree?

View solution

**A** assets $800, liabilities $1120 and capital $320

**B** assets $1000, liabilities $600 and capital $400

**C** assets $1200, liabilities $720 and capital $1920

**D** assets $1400, liabilities $380 and capital $1780

**3** Suzi owed $200 for goods supplied by Mandy. Suzi paid the amount owing by cheque after deducting a cash discount of $10.

Which entries would Suzi make in Mandy's account to record this transaction?

View solution

**A** credit entries: bank $190, discount $10

**B** credit entries: bank $200, discount $10

**C** debit entries: bank $190, discount $10

**D** debit entries: bank $200, discount $10

**4** What does the sales ledger of a business contain?

View solution

**A** accounts of trade payables

**B** accounts of trade receivables

**C** sales account

**D** sales ledger control account

**5** Which book of prime entry is used by a business to record credit notes issued?

View solution

**A** purchases journal

**B** purchases returns journal

**C** sales journal

**D** sales returns journal

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**6** Which business document acts as a source of information for making entries on the credit side of a cash book?

View solution

**A** a cheque counterfoil

**B** a debit note

**C** a paying-in slip

**D** an invoice

**7** Which error in a trader's books of account would be shown by preparing a trial balance?

View solution

**A** a credit sale recorded in the wrong customer's account

**B** purchases account and sales account overcast by the same amount

**C** repairs to machinery debited to the machinery account

**D** sales journal overcast

**8** Betty opened a suspense account with an entry of $180 on the debit side.

View solution

Which error had made this necessary?

**A** Discount received of $90 had been posted to the debit side of the discount received account.

**B** Purchases of $40 had been recorded in the purchases journal as $140.

**C** Rent paid of $530 had been entered on the debit side of the rent expenses account as $350.

**D** The sales journal had been undercast by $180.

**9** Sales returns were incorrectly recorded as purchases returns in an income statement.

View solution

What was the effect of this error?

**A** Capital employed was understated.

**B** Cost of sales was overstated.

**C** Gross profit was understated.

**D** Profit for the year was overstated.

**10** What would **not** be shown on a bank statement?

View solution

**A** a cheque returned by the bank marked as dishonoured

**B** a monthly payment made for electricity by direct debit

**C** bank charges

**D** unpresented cheques

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**11** On 31 July, the bank column in Jay's cash book showed that he had $312 in the bank. On the same date, his bank statement showed a debit balance of $53.

It was found that bank charges of $47 had **not** been recorded in the cash book, and a cheque for $318 from a customer had **not** been credited by the bank.

What is the bank balance that should be shown in Jay's statement of financial position on 31 July?

View solution

**A** $265 asset

**B** $324 liability

**C** $359 asset

**D** $371 liability

**12** Which items appear on the credit side of a sales ledger control account?

View solution

**A** discount allowed, sales returns and contra entry

**B** discount received, sales returns and irrecoverable debts

**C** cash sales, dishonoured cheques and irrecoverable debts

**D** discount allowed, dishonoured cheques and contra entry

**13** Which statements are advantages of maintaining control accounts?

View solution

1 They act as a deterrent against fraud as they provide an independent check.

2 They ensure all errors are discovered in the purchases and sales ledgers.

3 They provide totals of trade payables and trade receivables.

**A** 1, 2 and 3 **B** 1 and 2 only **C** 1 and 3 only **D** 2 and 3 only

**14** On the last day of the financial year, Khalid purchased office fittings for $900. This was incorrectly recorded as office expenses for $90.

What was the effect on the profit for the year (ignore depreciation)?

View solution

**A** overstated by $810

**B** overstated by $990

**C** understated by $90

**D** understated by $900

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**15** Filippo incurred the following additional expenditure when purchasing machinery.

View solution

| | $ |
|---|---|
| maintenance contract | 2600 |
| installation | 4900 |
| production worker training | 3800 |
| delivery | 1750 |

Which amount was shown as capital expenditure in respect of these items?

**A** $6400 **B** $6650 **C** $9250 **D** $10 450

**16** Ahmed's financial year ends on 30 April. On 1 February 2025, he purchased a machine for $12 000. He depreciates machinery at 25% per annum, using the straight-line method. Depreciation is charged on a month-by-month basis.

View solution

Ahmed has no other non-current assets.

What was the balance brought down on Ahmed's provision for depreciation account on 1 May 2026?

**A** $3500 debit

**B** $3500 credit

**C** $3750 debit

**D** $3750 credit

**17** A trader maintains a provision for doubtful debts of 2% of trade receivables.

View solution

At the start of the current year on 1 January, the provision for doubtful debts was $600.

At the end of the current year on 31 December, trade receivables totalled $27 500. This included $2500 which should be written off as irrecoverable.

Which entry should be made in the provision for doubtful debts account at the end of the current year on 31 December?

**A** $50 debit

**B** $50 credit

**C** $100 debit

**D** $100 credit

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**18** When should inventory be valued at selling price?

View solution

**A** when sales volume is increasing

**B** when the business needs to improve its profits

**C** when the owner is sure that the inventory will be sold soon

**D** when the selling price is less than cost

**19** What does an income statement for a sole trader show?

View solution

**A** the revenue and expenses for the year

**B** the assets and liabilities owned during the year

**C** the change in the bank balance during the year

**D** the capital invested by the owner during the year

**20** Leena receives rent from her tenant on 31 December 2025. This relates to the period from 1 January 2026 to 31 March 2026.

View solution

How will this appear in her financial statements for the year ended 31 December 2025?

**A** under current assets, as other payables

**B** under current assets, as other receivables

**C** under current liabilities, as accrued income

**D** under current liabilities, as prepaid income

**21** Mohan and Dipak are in partnership. They provided the following information at the end of the financial year.

View solution

| | | $ | $ |
|---|---|---|---|
| profit for the year | | | 30 600 |
| interest on capital | Mohan | 1 000 | |
| | Dipak | 1 500 | 2 500 |
| interest on drawings | Mohan | 40 | |
| | Dipak | 320 | 360 |
| salary | Mohan | | 4 000 |

How much profit was available for distribution to the partners in their profit-sharing ratio?

**A** $23 740 **B** $24 460 **C** $27 740 **D** $29 460

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**22** X and Y started up a business as partners on 1 January 2025. Each partner has a fixed capital account and a current account. Neither partner is allowed a salary or interest on capital. Financial statements are being prepared for the first year of trading.

View solution

Which statements are correct?

1 A partner's current account will have a debit balance if their drawings are more than their share of the profits.

2 Any additional capital put into the business by a partner will be credited to their current account.

3 Interest charged on the drawings made by a partner will be credited to their current account.

4 The fixed capital account of a partner will always have a credit balance.

**A** 1 and 4 **B** 2 and 3 **C** 2 only **D** 3 and 4

**23** What is called-up share capital?

View solution

**A** the amount of share capital for which the company has received payment from shareholders

**B** the amount of share capital for which the company has requested payment from shareholders

**C** the amount of share capital which the company has actually issued to shareholders

**D** the amount of share capital which the company is permitted to issue to shareholders

**24** Which items are shown in a statement of changes in equity?

View solution

1 debenture interest paid during the year

2 interim dividend on ordinary shares paid during the current year

3 profit for the year

4 share dividend proposed last year paid in the current year

**A** 1, 2, 3 and 4

**B** 1 and 2 only

**C** 2, 3 and 4 only

**D** 3 and 4 only

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**25** Which group contains only items which may be recorded in **both** the income statement of a trading business **and** the income and expenditure account of a club?

View solution

**A** bank charges, depreciation, wages

**B** bank charges, gross profit, surplus

**C** deficit, sales revenue, treasurer's expenses

**D** depreciation, treasurer's expenses, wages

**26** A social club had the following assets and liabilities in its books of account.

View solution

| | **$** |
|---|---|
| non-current assets | 6550 |
| café expenses owing | 25 |
| subscriptions owing by members | 50 |
| owing to credit suppliers | 300 |
| café inventory | 500 |
| cash in bank account | 450 |
| cash in hand | 50 |

What was the accumulated fund?

**A** $6275 **B** $6325 **C** $7175 **D** $7275

**27** Ebba prepared her draft manufacturing account. Cost of production was shown as $360 100.

View solution

Two errors were then discovered.

1 Depreciation of factory machinery of $24 000 had been included in prime cost instead of overheads.

2 Closing work in progress of $17 400 had been recorded as $14 700.

What was the revised value for cost of production?

**A** $333 400 **B** $338 800 **C** $357 400 **D** $362 800

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**28** A computer manufacturer provided the following information.

View solution

1 cost of computer components
2 rent of factory
3 salary of factory manager
4 wages of machine operators

Which costs are factory overheads?

**A** 1, 2 and 3 **B** 1 and 4 **C** 2, 3 and 4 **D** 2 and 3 only

**29** A business, keeping incomplete records, provided the following information for the year 2025.

View solution

| | **1 January $** | **31 December $** |
|---|---|---|
| trade receivables | ? | 15 000 |

During the year ended 31 December 2025:

- receipts from trade receivables, after deducting cash discount, were $23 520
- cash discount was 2%
- credit sales were $36 000.

What was the amount of opening trade receivables?

**A** $2520 **B** $3000 **C** $12 000 **D** $12 480

**30** Eling owned a clothes shop. Her sales were $45 000, and her gross margin was $33\frac{1}{3}$%.

View solution

What was the value of Eling's cost of sales?

**A** $15 000 **B** $22 500 **C** $30 000 **D** $33 750

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**31** A limited company provided the following information at the end of the financial year.

View solution

| | **$** |
|---|---|
| profit for the year before interest | 12 600 |
| interest paid | 750 |
| issued share capital | 80 000 |
| reserves | 4 000 |
| non-current liabilities | 8 000 |

What was the return on capital employed (ROCE)?

**A** 12.9% **B** 13.7% **C** 14.1% **D** 15.0%

**32** The following information relates to four businesses which sell the same type of product.

View solution

| | **business 1** | **business 2** | **business 3** | **business 4** |
|---|---|---|---|---|
| gross margin % | 30 | 30 | 35 | 35 |
| profit margin % | 10 | 12 | 11 | 9 |

Which business was the **most** profitable?

**A** 1 **B** 2 **C** 3 **D** 4

**33** Win is a member of a walking club. She pays an annual subscription to the club.

View solution

Win has received a copy of the financial statements of the club.

What would Win be interested in?

**A** the amount of dividend paid

**B** the amount of interest on drawings

**C** the club's ability to continue to operate

**D** the club's ability to repay its capital

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**34** A business purchased a set of rulers that cost $9. The set of rulers was expected to last for several years, but the business did **not** treat it as a non-current asset.

View solution

Which accounting principle was the business following?

**A** business entity

**B** going concern

**C** materiality

**D** realisation

**35** Which statement describes the historic cost principle?

View solution

**A** All assets and expenses are initially recorded at their original price.

**B** Businesses only record transactions which can be expressed in terms of money.

**C** Costs are recognised when they are incurred, **not** when the money is paid.

**D** It is assumed that the business will continue to operate for the foreseeable future.

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