CAMBRIDGE
International Education

Cambridge IGCSE™

CANDIDATE NAME									
CENTRE NUMBER						CANDIDATE NUMBER			

ACCOUNTING **0452/22**

Paper 2 Structured Written Paper **May/June 2026**

1 hour 45 minutes

You must answer on the question paper.

No additional materials are needed.

INSTRUCTIONS

- Answer **all** questions.
- Use a black or dark blue pen. You may use an HB pencil for any diagrams or graphs.
- Write your name, centre number and candidate number in the boxes at the top of the page.
- Write your answer to each question in the space provided.
- Do **not** use an erasable pen. Do **not** use correction fluid or tape.
- Do **not** write on any bar codes.
- You may use a calculator.
- International accounting terms and formats should be used as appropriate.
- You should show your workings.

INFORMATION

- The total mark for this paper is 100.
- The number of marks for each question or part question is shown in brackets [ ].
- Where you are asked to complete a layout, you may not need all the lines for your answer.

© Cambridge University Press & Assessment 2026

1 Saleh is a sole trader. He prepares his financial statements to 31 March each year.

At 1 March 2026, the balances in Saleh's ledger included the following:

	$
sales	82 095
sales returns	3 460

During March 2026, Saleh had the following sales and sales returns:

	$
credit sales	5750
cash sales (paid directly into the bank account)	1285
returns from credit customers	319

REQUIRED

(a) (i) Prepare the sales account for March 2026. Show the transfer to the income statement for the year ended 31 March 2026.

View solution

Saleh
Sales account

date	details	$	date	details	$
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....

[3]

(ii) Prepare the sales returns account for March 2026. Show the transfer to the income statement for the year ended 31 March 2026.

View solution

Saleh
Sales returns account

date	details	$	date	details	$
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....

[2]

© Cambridge University Press & Assessment 2026

Saleh has provided the following additional information for March 2026.

	$
irrecoverable debts	465
discount allowed	48
bank transfers from credit customers	3755
contra entries (against purchases ledger account balances)	926

Saleh's sales ledger control account for February 2026 showed the following balances at 1 March 2026.

	$
debit	6145
credit	250

The credit balance remained on the sales ledger control account at 1 April 2026.

REQUIRED

(b) (i) Prepare Saleh's sales ledger control account for March 2026. Balance the account and bring down the balances at 1 April 2026.

View solution

Saleh
Sales ledger control account

date	details	$	date	details	$
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....

[9]

© Cambridge University Press & Assessment 2026

(ii) State which accounting concept Saleh is following when he records a contra between the sales ledger and the purchases ledger.

..... [1]

View solution

Saleh is concerned about the level of his irrecoverable debts. He is considering increasing the cash discount allowed from 3% to 5% for payments within 7 days of the invoice. He would also charge interest of 2% per month on amounts which were outstanding for more than 28 days.

REQUIRED

(c) Advise Saleh whether or not he should increase the rate of discount allowed **and** charge an interest on overdue accounts. Justify your answer by providing points for and points against making these changes.

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

..... [5]

[Total: 20]

View solution

© Cambridge University Press & Assessment 2026

Turn over

© Cambridge University Press & Assessment 2026

2 Bennu owns a factory which produces clothing. Her financial year end is 30 April.

At 30 April 2026, Bennu's ledger account balances included the following:

	$
inventory at 1 May 2025:	
raw materials	9 375
work in progress	8 260
finished goods	12 450
revenue	382 640
purchases of finished goods	1 721
purchases of raw materials	106 345
carriage inwards of raw materials	4 300
rent and insurance	16 000
factory power	8 890
cleaning and maintenance	7 250
wages	
factory operatives	58 400
factory supervisor	21 000
office staff	27 000
factory equipment at 1 May 2025	
cost	95 000
provision for depreciation	34 200

Additional information

1 Inventory at 30 April 2026:

	$
raw materials	9 120
work in progress	8 295
finished goods	13 200

2 At 30 April 2026, cleaning and maintenance costs of $250 were outstanding.

3 Rent and insurance and cleaning and maintenance are to be apportioned 3/4 to the factory and 1/4 to the office.

4 Factory equipment is depreciated at 20% per annum, using the reducing balance method.

© Cambridge University Press & Assessment 2026

REQUIRED

(a) Prepare Bennu's manufacturing account for the year ended 30 April 2026.

View solution

Bennu
Manufacturing account for the year ended 30 April 2026

	$	$
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....

[10]

© Cambridge University Press & Assessment 2026

(b) Prepare Bennu's income statement (trading section) for the year ended 30 April 2026.

View solution

Bennu
Income statement (trading section) for the year ended 30 April 2026

	$	$
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....

[5]

View solution

(c) Calculate, to **two** decimal places, Bennu's:

(i) gross margin

.....

.....

..... [2]

© Cambridge University Press & Assessment 2026

(ii) rate of inventory turnover (times)

.....

.....

.....

..... [3]

[Total: 20]

View solution

© Cambridge University Press & Assessment 2026

3 Xavier prepared a trial balance at 30 April 2026. The totals of the trial balance did **not** agree, and the difference was placed in a suspense account.

Xavier later discovered the errors shown in the table.

REQUIRED

(a) Complete the following table to show the entries required to correct each error. The first one has been completed as an example.

error no.	error	entries required to correct the error			
			debit $		**credit $**
1	*A payment for rent of $635 had been debited to the wages account.*	*rent*	*635*	*wages*	*635*
2	The purchases journal had been overcast by $50.	.....	.....	.....	.....
		.....	.....	.....	.....
		.....	.....	.....	.....
3	Bank charges of $49 had been omitted from the accounting records.	.....	.....	.....	.....
		.....	.....	.....	.....
		.....	.....	.....	.....
4	Sales returns of $36 had been credited to the purchases returns account.	.....	.....	.....	.....
		.....	.....	.....	.....
		.....	.....	.....	.....
5	A bank payment of $215, for purchases, had been debited to the bank account and credited to the purchases account.	.....	.....	.....	.....
		.....	.....	.....	.....
		.....	.....	.....	.....
6	A cash sale of $525, paid directly into the bank account, had been correctly recorded in the sales account, but had been recorded in the bank account as $252.	.....	.....	.....	.....
		.....	.....	.....	.....
		.....	.....	.....	.....

[11]

View solution

© Cambridge University Press & Assessment 2026

(b) State which type of error has been made in error 5.

..... [1]

(c) Prepare the suspense account. Show the balancing figure on the suspense account as the original trial balance difference. Dates are **not** required.

View solution

Xavier
Suspense account

details	$	details	$
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....

[4]

(d) Update the bank account in the cash book, to correct the errors. Balance the bank account at 30 April 2026 and bring down the balance at 1 May 2026.

View solution

Xavier
Cash book (bank columns only)

date	details	$	date	details	$
.....	.....	.....	2026 April 30	balance b/d	410
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....

[4]

[Total: 20]

© Cambridge University Press & Assessment 2026

4 Jay KL Limited is a retail company which owns a shop. The company's financial statements are prepared to 28 February each year.

The directors have provided the following information about the company at 28 February 2026.

	$
shop property (at book value)	108 000
shop fixtures and fittings (at book value)	11 420
trade receivables	575
inventory	6 350
insurance paid in advance	260
bank overdraft	1 740
trade payables	3 820
bank loan (repayable 2030)	5 000
interest due on bank loan	375
10% debentures (repayable 2034)	10 000
ordinary share capital (at $1 each)	65 000
preference share capital (non-redeemable)	10 000
general reserve	6 500
retained earnings	24 170

The debenture interest for the year had been paid in full, but no bank loan interest had been paid.

No dividends had been paid during the year.

Retained earnings include the profit for the year of $11 870.

All interest due for the year has been deducted to arrive at the profit for the year.

In calculating the profit for the year, depreciation was charged on the shop fixtures and fittings using the straight-line method.

The company does **not** maintain a provision for doubtful debts account.

REQUIRED

View solution

(a) State:

(i) **one** reason why the company used the straight-line method for charging depreciation on shop fixtures and fittings.

.....

..... [1]

(ii) **one** reason why the company does **not** maintain a provision for doubtful debts account.

.....

..... [1]

View solution

© Cambridge University Press & Assessment 2026

(b) Prepare the statement of financial position for Jay KL Limited at 28 February 2026.

View solution

Jay KL Limited
Statement of financial position at 28 February 2026

	$	$
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....

[8]

© Cambridge University Press & Assessment 2026

(c) Calculate:

View solution

(i) working capital

.....

..... [1]

View solution

(ii) capital employed

.....

..... [1]

View solution

(iii) return on capital employed (based on closing capital), to **two** decimal places.

.....

.....

.....

..... [3]

© Cambridge University Press & Assessment 2026

The directors are considering issuing ordinary shares and using the funds to purchase new shop fixtures. The shop fixtures would include a large new sign showing the name of the company for the front of the shop.

REQUIRED

(d) Advise the directors whether or not they should issue ordinary shares in order to fund new shop fixtures. Justify your answer by providing points for and against issuing ordinary shares in order to fund new shop fixtures.

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

..... [5]

[Total: 20]

View solution

© Cambridge University Press & Assessment 2026

5 Amber started a retail business on 1 April 2025. She will prepare financial statements to 31 March each year, but does **not** use the full double-entry system.

All of Amber's sales are for cash. Purchases returns are 10% of **total** credit purchases.

Amber has provided the following information for the year ended 31 March 2026.

	$
bank payments	
wages	14 300
general expenses	2 750
rent and insurance	7 767
trade payables	43 190
cash payments	
cash purchases	13 000
drawings	14 500

Cash sales were $2500 per week for the first 6 months and then $1800 per week for the rest of the year. The business operated for 52 weeks in the year.

On 1 July 2025, insurance of $945 was paid for the period 1 July 2025 to 30 September 2026.

On 31 March 2026, Amber owed $3610 to trade payables.

REQUIRED

View solution

(a) Calculate purchases returns for the year.

.....

.....

.....

.....

.....

.....

.....

..... [3]

© Cambridge University Press & Assessment 2026

Amber has provided the following information about her inventory at 31 March 2026.

type	number of units	purchase price per unit $	net realisable value per unit $	other details
X	76	47	72	–
Y	12	21	28	These items need some repacking before they can be sold. The repacking will cost a **total** of $96.
Z	9	14	NIL	These goods were damaged, and Amber cannot sell them.

REQUIRED

(b) Calculate the value of Amber's inventory at 31 March 2026.

View solution

.....

.....

.....

.....

.....

..... [4]

© Cambridge University Press & Assessment 2026

(c) Prepare Amber's income statement for the year ended 31 March 2026.

View solution

Amber
Income statement for the year ended 31 March 2026

	$	$
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....

[8]

© Cambridge University Press & Assessment 2026

Amber is considering offering a partnership to her employee, Jasper. Jasper is keen to become a partner in the business, and he has ideas for increasing sales and for expanding the business. He would expect 50% of the profit each year.

REQUIRED

(d) Advise Amber whether or not she should offer Jasper a partnership. Justify your answer by providing **two** advantages and **two** disadvantages of offering Jasper a partnership.

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

..... [5]

[Total: 20]

View solution

© Cambridge University Press & Assessment 2026

BLANK PAGE

Permission to reproduce items where third-party owned material protected by copyright is included has been sought and cleared where possible. Every reasonable effort has been made by the publisher (Cambridge University Press & Assessment) to trace copyright holders, but if any items requiring clearance have unwittingly been included, the publisher will be pleased to make amends at the earliest possible opportunity.

To avoid the issue of disclosure of answer-related information to candidates, all copyright acknowledgements are reproduced online in our Copyright Acknowledgements Booklet. This is produced for each series of examinations and is freely available to download at www.cambridgeinternational.org after the live examination series.

Cambridge International Education is the name of our awarding body and a part of Cambridge University Press & Assessment, which is a department of the University of Cambridge.

© Cambridge University Press & Assessment 2026