



# Applaa ACCA Practice Mock 1

Mock Practice Exam Booklet

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Welcome to your Applaa offline practice booklet. Please follow these guidelines to maximize your learning outcome:

- 1. Distraction-Free Practice:** Solve the multiple-choice questions in Section 1 under timed conditions. Do not look for shortcuts or answers until you are completely done.
- 2. Check & Submit Online:** We have intentionally excluded the answer key from this printout. To get your score, see worked solutions, and track your progress metrics, open: <https://applaa.com/practice/check?exam=acca&paper;=1> on any browser. Bubble in your answers in our digital check sheet.
- 3. Learn with Appy Buddy (AI Socratic Tutor):** Applaa is a 100% ad-free educational space. Our online AI Tutor guides you step-by-step through questions you get wrong, showing you how to solve them rather than just giving you the answer.

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# Section 1: Practice Questions

## Question 1 — [F1 Accounts Preparation / ACCA Syllabus Topic]

. Revenue Question 2 Klaus has made the following statements regarding suspense accounts: (1) A suspense account identifies all types of error in an accounting system (2) Any suspense account balance must be eliminated before finalising financial statements (3) A suspense account's primary function is to eliminate fraudulent transactions (4) A suspense account with a debit balance represents an asset to the business Which of the above statements made by Klaus is/are TRUE?

- A: 1 only
- B: 2 only
- C: 1, 2 and 3
- D: 3 and 4 FINAL - March 2026 Accounts Preparation (F1)

## Question 2 — [F1 Accounts Preparation / ACCA Syllabus Topic]

© ACCA 2027 -2028 All rights reserved. Question 3 Belle uses a basic computerised accounting system. Only the sales and purchases modules are fully integrated into the system. Where an imbalanced journal entry is made, the accounting system automatically balances this with a corresponding entry to a suspense account. Which of the following is a key feature of Belle's computerised accounting system?

- A: 1 only
- B: 2 only
- C: Both 1 and 2
- D: Neither 1 nor 2 FINAL - March 2026 Accounts Preparation (F1)

## Question 3 — [F1 Accounts Preparation / ACCA Syllabus Topic]

. Deposits made by Vivian into the bank are yet to be processed Question 32 Which of the following is CORRECT regarding sales tax registration?

- A: A business registers with the tax authorities in its country to gain financially from any sales tax collected
- B: A business not registered for sales tax is able to collect, but not reclaim, sales tax
- C: Rules always mandate which businesses are required to be sales tax -registered; it is not possible to register voluntarily
- D: A country's laws in relation to sales tax will specify which goods or services are subject to sales tax and the frequency of sales tax returns FINAL - March 2026 Accounts Preparation (F1)

**Question 4 — [F1 Accounts Preparation / ACCA Syllabus Topic]**

© ACCA 2027 -2028 All rights reserved. Question 7 Habiba is a sole trader registered for sales tax. Habiba's business involves purchasing finished goods from local retailers and selling these to her own customers via her website. Habiba has summarised the expenditure relating to inventories for the month ended 31 December 20X1: Expenditure \$ Net price of inventories on supplier invoice 1,200 Sales tax on inventories purchased 240 Delivery to Habiba's shop 80 Delivery to Habiba's website customers 20 Total 1,540 What is the cost of inventories at 31 December 20X1?

- A: 1 only
- B: 2 only
- C: 1 and 2
- D: 1 and 3 FINAL - March 2026 Accounts Preparation (F1)

**Question 5 — [F1 Accounts Preparation / ACCA Syllabus Topic]**

© ACCA 2027 -2028 All rights reserved. Question 9 Chen provided the following payroll information for the month of June 20X5: Payroll information \$ Gross wages and salaries 36,000 Employees' social security contributions 2,400 Employer's social security contributions 2,800 Taxes on employees' personal income 5,600 Taxes and social security contributions are due to be paid to the tax authority in July 20X5. Which of the following is the journal entry to account for Chen's staff costs for the month ended 30 June 20X5?

- A: A credit note received
- B: Remittance advice sent
- C: Delivery note sent
- D: Customer invoice sent FINAL - March 2026 Accounts Preparation (F1)

**Question 6 — [F1 Accounts Preparation / ACCA Syllabus Topic]**

© ACCA 2027 -2028 All rights reserved. Question 13 Erin, a sole trader, is trying to understand the different elements of the financial statements. Which of the following statements defines capital (equity) for Erin?

- A: It depicts the effects of transactions in the periods in which those effects occur, even if the resulting cash receipts and payments occur in a different period
- B: It is an entity -specific aspect of relevance based on the nature or magnitude of transactions
- C: It is the exercise of caution when making judgements under conditions of uncertainty
- D: It is the assumption that the reporting entity will continue in operation for the foreseeable future Question 15 Jordan is trying to calculate the carrying amount of machinery to present on the statement of financial position as at 31 July 20X7. The machinery has a cost of \$6,000 and the accumulated depreciation balance at 1 August 20X6 was \$3,060. The diminishing -balance method is used to depreciate the asset and the applicable rate is 30%. Calculate the carrying amount of machinery at 31 July 20X7. \$ FINAL - March 2026 Accounts Preparation (F1)

**Question 7 — [F1 Accounts Preparation / ACCA Syllabus Topic]**

© ACCA 2027 -2028 All rights reserved. Question 16 Katarina, a sole trader, commenced business on 1 January 20X8 by introducing \$20,000 of cash savings and by obtaining a bank loan for a further \$30,000 of cash. Which TWO of the following journal entries should be used to recognise these transactions in Katarina's general ledger accounts?

- A:** If income and expense general ledger accounts are not reduced to \$0, Qasim's statement of profit or loss for the year ended 31 March 20X4 will be incorrect
- B:** If asset, liability and capital (equity) balances are not reduced to \$0, the statement of financial position as at 1 April 20X3 will be incorrect
- C:** A trial balance allows for the efficient preparation of Qasim's financial statements
- D:** A trial balance must be presented to the key stakeholders of Qasim's sole trade FINAL - March 2026 Accounts Preparation (F1)

**Question 8 — [F1 Accounts Preparation / ACCA Syllabus Topic]**

© ACCA 2027 -2028 All rights reserved. Question 18 Nadja disposed of machinery for cash proceeds of \$6,300 during the year ended 31 August 20X8. The machinery was disposed of on 10 August 20X8. The machinery was originally purchased for \$10,000 on 20 November 20X4. The depreciation policy is to charge a full year's depreciation in the year of purchase and none in the year of disposal. Machinery is depreciated, using the straight-line method, over ten years. What is the gain or loss on the disposal of machinery?

- A:** Dr Cash
- B:** Dr Drawings
- C:** Cr Drawings
- D:** Cr Cash FINAL - March 2026 Accounts Preparation (F1)

**Question 9 — [F1 Accounts Preparation / ACCA Syllabus Topic]**

© ACCA 2027 -2028 All rights reserved. Question 20 Dieter is reviewing the incomplete accounting records of his business and has the following information: (1) Opening capital on 1 January 20X1 was \$100,000 (2) Assets on 1 January 20X1 equalled the opening capital (3) Drawings of \$22,000 were made on 1 November 20X1 (4) Profit for the year ended 31 December 20X1 was \$28,000 (5) Liabilities at 31 December 20X1 were \$33,000 What amount have assets INCREASED by during the year ended 31 December 20X1?

- A:** 1 only
- B:** 2 only
- C:** Both 1 and 2
- D:** Neither 1 nor 2 FINAL - March 2026 Accounts Preparation (F1)

**Question 10 — [F1 Accounts Preparation / ACCA Syllabus Topic]**

© ACCA 2027 -2028 All rights reserved. Question 22 Samson had an allowance for irrecoverable debts of \$3,000 on 1 January 20X1. At 31 December 20X1, the year end, Samson has determined that the allowance must be increased to \$5,000. Which of the following is the CORRECT journal entry to adjust the allowance for irrecoverable debts at 31 December 20X1?

- A: Dr Allowance for irrecoverable debts \$2,000 Cr Irrecoverable debt expense \$2,000
  - B: Dr Irrecoverable debt expense \$2,000 Cr Allowance for irrecoverable debts \$2,000
  - C: Dr Allowance for irrecoverable debts \$5,000 Cr Irrecoverable debt expense \$5,000
  - D: Dr Irrecoverable debt expense \$5,000 Cr Allowance for irrecoverable debts \$5,000
- Question 23 Cerys provided the following payroll information for the month of April 20X4: Payroll information \$ Gross wages and salaries 24,000 Employees' social security contributions 1,900 Employer's social security contributions 1,500 Taxes on employees' personal income 3,800 What are the net wages and salaries paid to Cerys's employees for the month of April

**Question 11 — [F1 Accounts Preparation / ACCA Syllabus Topic]**

© ACCA 2027 -2028 All rights reserved. Question 25 Hiroto counted his inventories at 31 March 20X9, the year -end date of the business. Hiroto summarised the main lines of inventories, including the net realisable value (NRV), as follows: Inventories line item Units Cost per unit NRV per unit X1 200 \$10.00 \$8.00 Y2 240 \$15.00 \$13.50 Z4 70 \$16.00 \$23.90 Calculate the carrying amount of inventories at 31 March 20X9. \$ Question 26 Which of the following statements describes the purpose of general ledger accounts?

- A: 1 only
  - B: 2 only
  - C: 1, 2 and 3
  - D: 2 and 3 only
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**Question 12 — [F1 Accounts Preparation / ACCA Syllabus Topic]**

© ACCA 2027 -2028 All rights reserved. Question 28 Which of the following is NOT a valid reason for an entity to maintain its financial records for external use?

- A: It is a legal requirement
  - B: Owners wish to assess the stewardship of management
  - C: Competitors wish to compare performance against it
  - D: The tax authority wishes to review sales tax data
- Question 29 Identify whether each of the following items is an asset or an expense. Asset Expense

**Question 13 — [F1 Accounts Preparation / ACCA Syllabus Topic]**

© ACCA 2027 -2028 All rights reserved. Question 33 Vlatka purchased goods from a supplier on credit and received a trade discount of 5%. The list price, prior to any discount being applied, was \$1,000. Which of the following is the CORRECT journal entry to account for this transaction?

- A:** Dr Purchases \$950 Cr Trade payables \$950
  - B:** Dr Purchases \$1,000 Cr Trade payables \$950 Cr Discount received \$50
  - C:** Dr Trade receivables \$950 Cr Revenue \$950
  - D:** Dr Trade receivables \$950 Dr Discount allowed \$50 Cr Revenue \$1,000
- Question 34 Emilio began to reconcile supplier statements received to individual supplier accounts in the accounting system. The following information is available: (1) The balance on the trade payables general ledger account at 31 January 20X2 was \$5,600 (2) The total of individual supplier accounts amounted to \$9,900 at 31 January 20X2 (3) \$4,800 of goods and supplier invoices were received by Emilio on 26 January

**Question 14 — [F1 Accounts Preparation / ACCA Syllabus Topic]**

© ACCA 2027 -2028 All rights reserved. Question 35 Ada is reviewing the sales and purchases processes of her business. Which TWO of the following business transactions are part of Ada's credit sales process?

- A:** Excessive drawings have directly caused the losses on the statement of profit or loss
  - B:** Retained losses will reduce the overall capital section on the statement of financial position
  - C:** Future capital introduced will directly reduce the losses on the statement of profit or loss
  - D:** Future profits in the statement of profit or loss will reduce the retained losses on the statement of financial position
- FINAL - March 2026 Accounts Preparation (F1)

**Question 15 — [F1 Accounts Preparation / ACCA Syllabus Topic]**

© ACCA 2027 -2028 All rights reserved. Question 37 Huan discovered after producing a trial balance that \$2,000 of overdraft charges on the business bank account had been omitted entirely from the general ledger. The payment was taken on 28 March 20X8. Which of the following is the CORRECT journal entry to record the omitted overdraft charges for the year ended 31 March 20X8?

- A:** Dr Cash \$3,000 Cr Revenue \$3,000
  - B:** Dr Cash \$3,000 Cr Inventories \$3,000
  - C:** Dr Inventories \$3,000 Cr Cash \$3,000
  - D:** Dr Revenue \$3,000 Cr Cash \$3,000
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**Question 16 — [F1 Accounts Preparation / ACCA Syllabus Topic]**

© ACCA 2027 -2028 All rights reserved. Question 39 Marina has received supplier statements and reconciled them to individual supplier accounts in the accounting system. The following reconciling items at 31 May 20X9, the year -end date, have been found: (1) Goods received and invoiced on 22 May 20X9 totalling \$5,000 have not yet been recorded as the supplier invoice was misplaced (2) Settlement discounts recorded and totalling \$6,000 were confirmed by supplier contracts but omitted from the supplier statements (3) Credit notes received on 27 May 20X9 and totalling \$3,000 have not been recorded by Marina Which of the following is the CORRECT journal entry to adjust trade payables at 31 May 20X9?

- A: When a customer invoice is issued, the system automatically updates the general ledger accounts
  - B: When cash is received from a customer, the system automatically updates the balance on the individual customer's account
  - C: When debts are identified as irrecoverable, the system automatically provides for these with an allowance for irrecoverable debts
  - D: When a customer invoice is issued, the system automatically updates the balance on the individual customer's account
- FINAL - March 2026 Accounts Preparation (F1)

**Question 17 — [F1 Accounts Preparation / ACCA Syllabus Topic]**

X4: (1) The bank general ledger account shows a debit balance of \$4,500 (2) The March 20X4 bank statement, received in April, shows a credit balance of \$4,650 (3) Interest expenses of \$150 appear on the bank statement only (4) A deposit of \$200 was made on 28 March 20X4 and this is not included on the bank statement (5) On 1 March 20X4, Arjun paid a supplier \$1,000 through an online bank transfer. When updating the accounts for this transaction, Arjun processed a manual journal entry of \$1,500 in error Calculate the reconciled bank balance to be presented on the statement of financial position as at 31 March 20X4. \$ Question 12 Tamsin provides IT services to customers and has a year end of 31 October. Tamsin issued an invoice to a customer on 1 October 20X8 relating to IT services to be provided to the customer between 1 October 20X8 and 31 December 20X8. The total invoice price was \$6,000 and this was processed through the sales system automatically. What is the amount of accrued or deferred income which Tamsin must adjust for?

- A: Accrued income of \$2,000
  - B: Accrued income of \$4,000
  - C: Deferred income of \$2,000
  - D: Deferred income of \$4,000
- FINAL - March 2026 Accounts Preparation (F1)

**Question 18 — [F1 Accounts Preparation / ACCA Syllabus Topic]**

August 20X5 (3) An irrecoverable debt of \$2,000 was written off on 18 August 20X5 (4) An allowance for doubtful debts was created on 31 August 20X5 at an amount of \$1,000 (5) Cash receipts from credit customers totalled \$8,000 for the month ended 31 August 20X5 Calculate the closing balance on the trade receivables general ledger account at 31 August 20X5 (to the nearest \$'000). \$ ,000 Question 6 Key principles and concepts of accounting help the preparers of financial statements and other stakeholders. Which TWO of the following are key principles or concepts of accounting?

- A: Local laws
  - B: Duality
  - C: Historical cost
  - D: Variability
- FINAL - March 2026 Accounts Preparation (F1)

**Question 19 — [F1 Accounts Preparation / Accounting Principles]**

Which of the following describes the 'going concern' concept in accounting?

- A:** Assets are normally valued at their liquidation value rather than historical cost.
- B:** The business will continue in operational existence for the foreseeable future.
- C:** Transactions are recorded at the date they occur rather than when cash is received.
- D:** Revenue is only recognized when it is realized with reasonable certainty.

**Question 20 — [F2 Management Accounting / ACCA Syllabus Topic]**

© ACCA 2027 -2028 All rights reserved. Section A Question 1 Torais, a local restaurant, wishes to improve its profitability. The restaurant manager has been reviewing national surveys carried out on trends in restaurant attendance and revenues. Which TWO types of information sources could these surveys be classified as?

- A:** Toy cars are finished goods and the plastic is raw material
- B:** Both the toy cars and the plastic are work in progress
- C:** Toy cars are work in progress and the plastic is raw material
- D:** Toy cars are finished goods and the plastic is work in progress FINAL - March 2026 Management Information and Costing (F2)

# Submit Answers & Check worked Solutions

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