



# Applaa ACCA Practice Mock 15

Mock Practice Exam Booklet

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# Instructions & Study Method

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;=15> 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 — [Financial Accounting / Trial Balance Reconciliation]

The trial balance of Titan Steel plc balanced perfectly. However, it was later discovered that a purchase of equipment costing £800 was entered into the repairs and maintenance account. What type of error has occurred?

- A: Error of Omission
- B: Error of Commission
- C: Error of Principle
- D: Error of Reversal

## Question 2 — [Financial Accounting / Double-Entry Bookkeeping]

The sole trader of Solar Energy plc took goods costing £1,200 from the business for personal use. These goods had a selling price of £1,800. What is the correct double entry to record this transaction?

- A: Debit Drawings £1,200, Credit Purchases £1,200
- B: Debit Drawings £1,800, Credit Revenue £1,800
- C: Debit Purchases £1,200, Credit Drawings £1,200
- D: Debit Inventory £1,200, Credit Drawings £1,200

## Question 3 — [Financial Accounting / VAT Computations]

Nexus Media plc purchased a motor car for £180,000 inclusive of VAT, for use by a director. The car is used 60% for business travel and 40% for private travel. What is the input VAT recovery rule regarding this vehicle?

- A: Input VAT can be recovered in full (100%).
- B: Input VAT can be recovered at 60% representing the business use portion.
- C: No input VAT can be recovered because input VAT is generally blocked on passenger motor cars unless used exclusively for business (0% recovery).
- D: Input VAT can be recovered in full if the car is leased rather than purchased.

## Question 4 — [Financial Accounting / Asset Valuation and Depreciation]

A company purchased a manufacturing plant for £60,000 on 1 January Year 1. The company uses the reducing balance method of depreciation at 20% per annum. What is the depreciation charge for Year 2, and what is the carrying value at 31 December Year 2?

- A: Depreciation: £12,000, Carrying Value: £48,000
- B: Depreciation: £9,600, Carrying Value: £38,400
- C: Depreciation: £9,600, Carrying Value: £50,400
- D: Depreciation: £12,000, Carrying Value: £36,000

**Question 5 — [Financial Accounting / Asset Valuation and Depreciation]**

A company purchased a manufacturing plant for £110,000 on 1 January Year 1. The company uses the reducing balance method of depreciation at 20% per annum. What is the depreciation charge for Year 2, and what is the carrying value at 31 December Year 2?

- A: Depreciation: £22,000, Carrying Value: £88,000
- B: Depreciation: £17,600, Carrying Value: £70,400
- C: Depreciation: £17,600, Carrying Value: £92,400
- D: Depreciation: £22,000, Carrying Value: £66,000

**Question 6 — [Financial Accounting / VAT Computations]**

For the last quarter, Alpha Properties Ltd had net credit sales of £150,000 (excluding VAT). Gross purchases inclusive of 20% VAT were £90,000. What is the net VAT amount payable to (or reclaimable from) the tax authority?

- A: £15,000 Payable
- B: £15,000 Reclaimable
- C: £30,000 Payable
- D: £12,000 Payable

**Question 7 — [Financial Accounting / Double-Entry Bookkeeping]**

The Receivables Ledger Control Account of Atlas Transport Ltd is shown in the diagram. Credit sales of £18,000 were recorded, and cash of £14,400 was received from credit customers. What is the correct closing balance (balance c/f) of the account?

- A: £12,600 Debit closing balance
- B: £12,600 Credit closing balance
- C: £27,000 Debit closing balance
- D: £14,400 Credit closing balance

**Question 8 — [Financial Accounting / Asset Valuation and Depreciation]**

An entity purchased a machine on 1 January Year 1 for £110,000. The residual value of the machine is estimated to be £11,000 with an estimated useful life of 4 years. The entity uses the straight-line method of depreciation. What is the carrying value (net book value) of the machine on 31 December Year 2?

- A: £85,250
- B: £60,500
- C: £49,500
- D: £74,250

**Question 9 — [Financial Accounting / Asset Valuation and Depreciation]**

Beacon Logistics LLP completed two projects during the year: 1) Purchased and installed a new warehouse conveyor belt system for £96,000, and 2) Had the exterior of the existing office block repainted for £9,600. How should these expenditures be classified?

- A: Both projects are Capital Expenditure.
- B: Warehouse system: Capital Expenditure (£96,000), Repainting: Revenue Expenditure (£9,600)
- C: Warehouse system: Revenue Expenditure (£96,000), Repainting: Capital Expenditure (£9,600)
- D: Both projects are Revenue Expenditure.

**Question 10 — [Financial Accounting / Double-Entry Bookkeeping]**

At 31 March, the bank statement of Falcon Engineering Ltd shows a credit balance of £88,000. Unpresented checks total £22,000, and outstanding uncleared lodgements total £11,000. What is the reconciled balance that should appear in Falcon Engineering Ltd's cash book?

- A: £77,000
- B: £99,000
- C: £121,000
- D: £55,000

**Question 11 — [Financial Accounting / VAT Computations]**

A retail store, Summit Manufacturing Ltd, purchased inventories for a gross total of £12,500 inclusive of standard-rate VAT at 20%. What are the net purchase cost and the input VAT amount recoverable by Summit Manufacturing Ltd?

- A: Net Cost: £10,416, VAT Recoverable: £2,084
- B: Net Cost: £12,500, VAT Recoverable: £2,500
- C: Net Cost: £10,000, VAT Recoverable: £2,500
- D: Net Cost: £10,416, VAT Recoverable: £0 (VAT is non-recoverable on inventories)

**Question 12 — [Financial Accounting / Asset Valuation and Depreciation]**

An entity purchased a machine on 1 January Year 1 for £24,000. The residual value of the machine is estimated to be £2,400 with an estimated useful life of 10 years. The entity uses the straight-line method of depreciation. What is the carrying value (net book value) of the machine on 31 December Year 2?

- A: £21,840
- B: £19,680
- C: £17,280
- D: £19,440

**Question 13 — [Financial Accounting / Trial Balance Reconciliation]**

The trial balance of Crest Hotels Ltd balanced perfectly. However, it was later discovered that a purchase of equipment costing £1,800 was entered into the repairs and maintenance account. What type of error has occurred?

- A: Error of Omission
- B: Error of Commission
- C: Error of Principle
- D: Error of Reversal

**Question 14 — [Financial Accounting / Double-Entry Bookkeeping]**

The Receivables Ledger Control Account of Aura Goods Ltd is shown in the diagram. Credit sales of £9,600 were recorded, and cash of £7,680 was received from credit customers. What is the correct closing balance (balance c/f) of the account?

- A: £6,720 Debit closing balance
- B: £6,720 Credit closing balance
- C: £14,400 Debit closing balance
- D: £7,680 Credit closing balance

**Question 15 — [Financial Accounting / VAT Computations]**

A grocery distributor, Zephyr Services LLP, recorded net sales of £76,800 for standard-rate products (20% VAT) and £38,400 for zero-rated food products. What is the total output VAT generated on these sales?

- A: £15,360
- B: £23,040
- C: £7,680
- D: £0 (all food products are exempt from output VAT)

**Question 16 — [Financial Accounting / Asset Valuation and Depreciation]**

Aura Goods Ltd completed two projects during the year: 1) Purchased and installed a new warehouse conveyor belt system for £180,000, and 2) Had the exterior of the existing office block repainted for £18,000. How should these expenditures be classified?

- A: Both projects are Capital Expenditure.
- B: Warehouse system: Capital Expenditure (£180,000), Repainting: Revenue Expenditure (£18,000)
- C: Warehouse system: Revenue Expenditure (£180,000), Repainting: Capital Expenditure (£18,000)
- D: Both projects are Revenue Expenditure.

**Question 17 — [Financial Accounting / Asset Valuation and Depreciation]**

Pinnacle Consulting Ltd disposed of a delivery vehicle for £3,840. The vehicle had originally cost £6,400 and had accumulated depreciation of £3,200 at the date of disposal. What is the gain or loss on disposal to be recorded in profit or loss?

- A: Gain on disposal of £640
- B: Loss on disposal of £640
- C: Gain on disposal of £-2,560
- D: Loss on disposal of £3,200

**Question 18 — [Financial Accounting / Double-Entry Bookkeeping]**

For the year ended 31 December, Solar Energy plc paid rent of £12,600. At the year-end, the company had an outstanding electricity invoice of £1,050 which has not yet been paid. What are the adjusting entries required at the year-end to record this accrual?

- A: Debit Accruals £1,050, Credit Electricity Expense £1,050
- B: Debit Electricity Expense £1,050, Credit Accruals (Liabilities) £1,050
- C: Debit Cash £1,050, Credit Electricity Expense £1,050
- D: Debit Electricity Expense £1,050, Credit Prepayments (Assets) £1,050

**Question 19 — [Financial Accounting / Asset Valuation and Depreciation]**

Meridian Distributors Ltd completed two projects during the year: 1) Purchased and installed a new warehouse conveyor belt system for £150,000, and 2) Had the exterior of the existing office block repainted for £15,000. How should these expenditures be classified?

- A: Both projects are Capital Expenditure.
- B: Warehouse system: Capital Expenditure (£150,000), Repainting: Revenue Expenditure (£15,000)
- C: Warehouse system: Revenue Expenditure (£150,000), Repainting: Capital Expenditure (£15,000)
- D: Both projects are Revenue Expenditure.

**Question 20 — [Financial Accounting / VAT Computations]**

Apex Trading Ltd purchased a motor car for £125,000 inclusive of VAT, for use by a director. The car is used 60% for business travel and 40% for private travel. What is the input VAT recovery rule regarding this vehicle?

- A: Input VAT can be recovered in full (100%).
- B: Input VAT can be recovered at 60% representing the business use portion.
- C: No input VAT can be recovered because input VAT is generally blocked on passenger motor cars unless used exclusively for business (0% recovery).
- D: Input VAT can be recovered in full if the car is leased rather than purchased.

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## ■ Section Complete!

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■ Go to: <https://applaa.com/practice/check?exam=acca&paper;=15>

Simply bubble in your choices (e.g. A, B, C, D) and get instantly scored! You can then review the explanations or chat with Appy Buddy (AI Socratic tutor) to understand complex concepts.