



# Applaa ACCA Practice Mock 170

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;=170> 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 / Double-Entry Bookkeeping]

For the year ended 31 December, Genesis Enterprises Ltd paid rent of £10,800. At the year-end, the company had an outstanding electricity invoice of £900 which has not yet been paid. What are the adjusting entries required at the year-end to record this accrual?

- A: Debit Accruals £900, Credit Electricity Expense £900
- B: Debit Electricity Expense £900, Credit Accruals (Liabilities) £900
- C: Debit Cash £900, Credit Electricity Expense £900
- D: Debit Electricity Expense £900, Credit Prepayments (Assets) £900

### Question 2 — [Financial Accounting / VAT Computations]

A retail store, Crest Hotels Ltd, purchased inventories for a gross total of £11,000 inclusive of standard-rate VAT at 20%. What are the net purchase cost and the input VAT amount recoverable by Crest Hotels Ltd?

- A: Net Cost: £9,166, VAT Recoverable: £1,834
- B: Net Cost: £11,000, VAT Recoverable: £2,200
- C: Net Cost: £8,800, VAT Recoverable: £2,200
- D: Net Cost: £9,166, VAT Recoverable: £0 (VAT is non-recoverable on inventories)

### Question 3 — [Financial Accounting / Asset Valuation and Depreciation]

Crest Hotels Ltd completed two projects during the year: 1) Purchased and installed a new warehouse conveyor belt system for £12,000, and 2) Had the exterior of the existing office block repainted for £1,200. How should these expenditures be classified?

- A: Both projects are Capital Expenditure.
- B: Warehouse system: Capital Expenditure (£12,000), Repainting: Revenue Expenditure (£1,200)
- C: Warehouse system: Revenue Expenditure (£12,000), Repainting: Capital Expenditure (£1,200)
- D: Both projects are Revenue Expenditure.

### Question 4 — [Financial Accounting / Double-Entry Bookkeeping]

The Receivables Ledger Control Account of Pinnacle Consulting Ltd is shown in the diagram. Credit sales of £14,000 were recorded, and cash of £11,200 was received from credit customers. What is the correct closing balance (balance c/f) of the account?

- A: £9,800 Debit closing balance
- B: £9,800 Credit closing balance
- C: £21,000 Debit closing balance
- D: £11,200 Credit closing balance

**Question 5 — [Financial Accounting / VAT Computations]**

For the last quarter, Zephyr Services LLP had net credit sales of £12,000 (excluding VAT). Gross purchases inclusive of 20% VAT were £7,200. What is the net VAT amount payable to (or reclaimable from) the tax authority?

- A: £1,200 Payable
- B: £1,200 Reclaimable
- C: £2,400 Payable
- D: £960 Payable

**Question 6 — [Financial Accounting / Asset Valuation and Depreciation]**

Solar Energy plc completed two projects during the year: 1) Purchased and installed a new warehouse conveyor belt system for £8,000, and 2) Had the exterior of the existing office block repainted for £800. How should these expenditures be classified?

- A: Both projects are Capital Expenditure.
- B: Warehouse system: Capital Expenditure (£8,000), Repainting: Revenue Expenditure (£800)
- C: Warehouse system: Revenue Expenditure (£8,000), Repainting: Capital Expenditure (£800)
- D: Both projects are Revenue Expenditure.

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

The Receivables Ledger Control Account of Omega Foodstuffs plc is shown in the diagram. Credit sales of £5,400 were recorded, and cash of £4,320 was received from credit customers. What is the correct closing balance (balance c/f) of the account?

- A: £3,780 Debit closing balance
- B: £3,780 Credit closing balance
- C: £8,100 Debit closing balance
- D: £4,320 Credit closing balance

**Question 8 — [Financial Accounting / VAT Computations]**

A retail store, Crest Hotels Ltd, purchased inventories for a gross total of £1,800 inclusive of standard-rate VAT at 20%. What are the net purchase cost and the input VAT amount recoverable by Crest Hotels Ltd?

- A: Net Cost: £1,500, VAT Recoverable: £300
- B: Net Cost: £1,800, VAT Recoverable: £360
- C: Net Cost: £1,440, VAT Recoverable: £360
- D: Net Cost: £1,500, VAT Recoverable: £0 (VAT is non-recoverable on inventories)

**Question 9 — [Financial Accounting / Double-Entry Bookkeeping]**

The Receivables Ledger Control Account of Aura Goods Ltd is shown in the diagram. Credit sales of £16,500 were recorded, and cash of £13,200 was received from credit customers. What is the correct closing balance (balance c/f) of the account?

- A: £11,550 Debit closing balance
- B: £11,550 Credit closing balance
- C: £24,750 Debit closing balance
- D: £13,200 Credit closing balance

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

The Receivables Ledger Control Account of Summit Manufacturing Ltd is shown in the diagram. Credit sales of £800 were recorded, and cash of £640 was received from credit customers. What is the correct closing balance (balance c/f) of the account?

- A: £560 Debit closing balance
- B: £560 Credit closing balance
- C: £1,200 Debit closing balance
- D: £640 Credit closing balance

**Question 11 — [Financial Accounting / Asset Valuation and Depreciation]**

Solar Energy plc completed two projects during the year: 1) Purchased and installed a new warehouse conveyor belt system for £18,000, and 2) Had the exterior of the existing office block repainted for £1,800. How should these expenditures be classified?

- A: Both projects are Capital Expenditure.
- B: Warehouse system: Capital Expenditure (£18,000), Repainting: Revenue Expenditure (£1,800)
- C: Warehouse system: Revenue Expenditure (£18,000), Repainting: Capital Expenditure (£1,800)
- D: Both projects are Revenue Expenditure.

**Question 12 — [Financial Accounting / Double-Entry Bookkeeping]**

At 31 March, the bank statement of Nexus Media plc shows a credit balance of £4,800. Unpresented checks total £1,200, and outstanding uncleared lodgements total £600. What is the reconciled balance that should appear in Nexus Media plc's cash book?

- A: £4,200
- B: £5,400
- C: £6,600
- D: £3,000

**Question 13 — [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 £72,000, and 2) Had the exterior of the existing office block repainted for £7,200. How should these expenditures be classified?

- A: Both projects are Capital Expenditure.
- B: Warehouse system: Capital Expenditure (£72,000), Repainting: Revenue Expenditure (£7,200)
- C: Warehouse system: Revenue Expenditure (£72,000), Repainting: Capital Expenditure (£7,200)
- D: Both projects are Revenue Expenditure.

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

At 31 March, the bank statement of Solar Energy plc shows a credit balance of £66,000. Unpresented checks total £16,500, and outstanding uncleared lodgements total £8,250. What is the reconciled balance that should appear in Solar Energy plc's cash book?

- A: £57,750
- B: £74,250
- C: £90,750
- D: £41,250

**Question 15 — [Financial Accounting / Double-Entry Bookkeeping]**

The Receivables Ledger Control Account of Alpha Properties Ltd is shown in the diagram. Credit sales of £14,000 were recorded, and cash of £11,200 was received from credit customers. What is the correct closing balance (balance c/f) of the account?

- A: £9,800 Debit closing balance
- B: £9,800 Credit closing balance
- C: £21,000 Debit closing balance
- D: £11,200 Credit closing balance

**Question 16 — [Financial Accounting / Double-Entry Bookkeeping]**

At 31 March, the bank statement of Aura Goods Ltd shows a credit balance of £44,000. Unpresented checks total £11,000, and outstanding uncleared lodgements total £5,500. What is the reconciled balance that should appear in Aura Goods Ltd's cash book?

- A: £38,500
- B: £49,500
- C: £60,500
- D: £27,500

**Question 17 — [Financial Accounting / Double-Entry Bookkeeping]**

At 31 March, the bank statement of Titan Steel plc shows a credit balance of £4,800. Unpresented checks total £1,200, and outstanding uncleared lodgements total £600. What is the reconciled balance that should appear in Titan Steel plc's cash book?

- A: £4,200
- B: £5,400
- C: £6,600
- D: £3,000

**Question 18 — [Financial Accounting / Trial Balance Reconciliation]**

The trial balance of Apex Trading Ltd balanced perfectly. However, it was later discovered that a purchase of equipment costing £25,000 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 19 — [Financial Accounting / Double-Entry Bookkeeping]**

The Receivables Ledger Control Account of Omega Foodstuffs plc is shown in the diagram. Credit sales of £4,200 were recorded, and cash of £3,360 was received from credit customers. What is the correct closing balance (balance c/f) of the account?

- A: £2,940 Debit closing balance
- B: £2,940 Credit closing balance
- C: £6,300 Debit closing balance
- D: £3,360 Credit closing balance

**Question 20 — [Financial Accounting / Double-Entry Bookkeeping]**

The Receivables Ledger Control Account of Nova Tech Solutions Ltd is shown in the diagram. Credit sales of £1,800 were recorded, and cash of £1,440 was received from credit customers. What is the correct closing balance (balance c/f) of the account?

- A: £1,260 Debit closing balance
- B: £1,260 Credit closing balance
- C: £2,700 Debit closing balance
- D: £1,440 Credit closing balance

# Submit Answers & Check worked Solutions

## ■ Section Complete!

You have completed this practice exam paper. To check your answers and view step-by-step worked explanations:

■ Go to: <https://applaa.com/practice/check?exam=acca&paper;=170>

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.