



Applaa ACCA Practice Mock 22

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;=22> 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 / Asset Valuation and Depreciation]

Falcon Engineering Ltd disposed of a delivery vehicle for £28,800. The vehicle had originally cost £48,000 and had accumulated depreciation of £24,000 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 £4,800
- B: Loss on disposal of £4,800
- C: Gain on disposal of £-19,200
- D: Loss on disposal of £24,000

Question 2 — [Financial Accounting / Trial Balance Reconciliation]

A bookkeeper at Aura Goods Ltd prepared a trial balance which failed to agree, with the credit side exceeding the debit side by £600. A suspense account was opened. Which of the following errors, when corrected, could explain this difference?

- A: A purchase invoice for £300 was completely omitted from the books.
- B: A cash payment of £300 to a supplier was debited to the purchases account but not credited to the cash account.
- C: Sales of £300 were recorded by debiting Receivables Control and debiting Sales Account.
- D: A purchase return of £300 was debited to the Purchase Returns account and credited to Receivables Control.

Question 3 — [Financial Accounting / Trial Balance Reconciliation]

A bookkeeper at Summit Manufacturing Ltd prepared a trial balance which failed to agree, with the credit side exceeding the debit side by £900. A suspense account was opened. Which of the following errors, when corrected, could explain this difference?

- A: A purchase invoice for £450 was completely omitted from the books.
- B: A cash payment of £450 to a supplier was debited to the purchases account but not credited to the cash account.
- C: Sales of £450 were recorded by debiting Receivables Control and debiting Sales Account.
- D: A purchase return of £450 was debited to the Purchase Returns account and credited to Receivables Control.

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

For the year ended 31 December, Nexus Media plc paid rent of £18,000. At the year-end, the company had an outstanding electricity invoice of £1,500 which has not yet been paid. What are the adjusting entries required at the year-end to record this accrual?

- A: Debit Accruals £1,500, Credit Electricity Expense £1,500
- B: Debit Electricity Expense £1,500, Credit Accruals (Liabilities) £1,500
- C: Debit Cash £1,500, Credit Electricity Expense £1,500
- D: Debit Electricity Expense £1,500, Credit Prepayments (Assets) £1,500

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

Zephyr Services LLP 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 6 — [Financial Accounting / Asset Valuation and Depreciation]

Nexus Media plc disposed of a delivery vehicle for £86,400. The vehicle had originally cost £144,000 and had accumulated depreciation of £72,000 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 £14,400
- B: Loss on disposal of £14,400
- C: Gain on disposal of £-57,600
- D: Loss on disposal of £72,000

Question 7 — [Financial Accounting / VAT Computations]

A retail store, Vanguard Retail 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 Vanguard Retail 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 8 — [Financial Accounting / Trial Balance Reconciliation]

Before correcting the year-end errors, the draft profit of Titan Steel plc was £120,000. An error was discovered: Closing inventory was overstated by £18,000. What is the revised profit after correcting this error?

- A: £138,000
- B: £102,000
- C: £120,000 (no effect on profit)
- D: £84,000

Question 9 — [Financial Accounting / Trial Balance Reconciliation]

A bookkeeper at Solar Energy plc prepared a trial balance which failed to agree, with the credit side exceeding the debit side by £420. A suspense account was opened. Which of the following errors, when corrected, could explain this difference?

- A: A purchase invoice for £210 was completely omitted from the books.
- B: A cash payment of £210 to a supplier was debited to the purchases account but not credited to the cash account.
- C: Sales of £210 were recorded by debiting Receivables Control and debiting Sales Account.
- D: A purchase return of £210 was debited to the Purchase Returns account and credited to Receivables Control.

Question 10 — [Financial Accounting / Asset Valuation and Depreciation]

A company purchased a manufacturing plant for £8,000 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: £1,600, Carrying Value: £6,400
- B: Depreciation: £1,280, Carrying Value: £5,120
- C: Depreciation: £1,280, Carrying Value: £6,720
- D: Depreciation: £1,600, Carrying Value: £4,800

Question 11 — [Financial Accounting / Double-Entry Bookkeeping]

The Receivables Ledger Control Account of Vanguard Retail 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 12 — [Financial Accounting / Double-Entry Bookkeeping]

The Receivables Ledger Control Account of Meridian Distributors Ltd is shown in the diagram. Credit sales of £7,200 were recorded, and cash of £5,760 was received from credit customers. What is the correct closing balance (balance c/f) of the account?

- A: £5,040 Debit closing balance
- B: £5,040 Credit closing balance
- C: £10,800 Debit closing balance
- D: £5,760 Credit closing balance

Question 13 — [Financial Accounting / Asset Valuation and Depreciation]

An entity purchased a machine on 1 January Year 1 for £21,000. The residual value of the machine is estimated to be £2,100 with an estimated useful life of 8 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: £18,638
- B: £16,276
- C: £14,176
- D: £16,538

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

At 31 March, the bank statement of Apex Trading Ltd shows a credit balance of £14,400. Unpresented checks total £3,600, and outstanding uncleared lodgements total £1,800. What is the reconciled balance that should appear in Apex Trading Ltd's cash book?

- A: £12,600
- B: £16,200
- C: £19,800
- D: £9,000

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

The Receivables Ledger Control Account of Solar Energy plc is shown in the diagram. Credit sales of £2,400 were recorded, and cash of £1,920 was received from credit customers. What is the correct closing balance (balance c/f) of the account?

- A: £1,680 Debit closing balance
- B: £1,680 Credit closing balance
- C: £3,600 Debit closing balance
- D: £1,920 Credit closing balance

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

At 31 March, the bank statement of Summit Manufacturing Ltd shows a credit balance of £19,200. Unpresented checks total £4,800, and outstanding uncleared lodgements total £2,400. What is the reconciled balance that should appear in Summit Manufacturing Ltd's cash book?

- A: £16,800
- B: £21,600
- C: £26,400
- D: £12,000

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

A company purchased a manufacturing plant for £84,000 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: £16,800, Carrying Value: £67,200
- B: Depreciation: £13,440, Carrying Value: £53,760
- C: Depreciation: £13,440, Carrying Value: £70,560
- D: Depreciation: £16,800, Carrying Value: £50,400

Question 18 — [Financial Accounting / VAT Computations]

A grocery distributor, Pinnacle Consulting Ltd, recorded net sales of £19,200 for standard-rate products (20% VAT) and £9,600 for zero-rated food products. What is the total output VAT generated on these sales?

- A: £3,840
- B: £5,760
- C: £1,920
- D: £0 (all food products are exempt from output VAT)

Question 19 — [Financial Accounting / VAT Computations]

A grocery distributor, Alpha Properties Ltd, recorded net sales of £132,000 for standard-rate products (20% VAT) and £66,000 for zero-rated food products. What is the total output VAT generated on these sales?

- A: £26,400
- B: £39,600
- C: £13,200
- D: £0 (all food products are exempt from output VAT)

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

For the year ended 31 December, Falcon Engineering Ltd paid rent of £54,000. At the year-end, the company had an outstanding electricity invoice of £4,500 which has not yet been paid. What are the adjusting entries required at the year-end to record this accrual?

- A: Debit Accruals £4,500, Credit Electricity Expense £4,500
- B: Debit Electricity Expense £4,500, Credit Accruals (Liabilities) £4,500
- C: Debit Cash £4,500, Credit Electricity Expense £4,500
- D: Debit Electricity Expense £4,500, Credit Prepayments (Assets) £4,500

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■ Section Complete!

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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.