



# Applaa ACCA Practice Mock 41

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;=41> 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]

Before correcting the year-end errors, the draft profit of Genesis Enterprises Ltd was £120,000. An error was discovered: Closing inventory was overstated by £5,400. What is the revised profit after correcting this error?

- A: £125,400
- B: £114,600
- C: £120,000 (no effect on profit)
- D: £109,200

## Question 2 — [Financial Accounting / Asset Valuation and Depreciation]

An entity purchased a machine on 1 January Year 1 for £9,000. The residual value of the machine is estimated to be £900 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: £7,988
- B: £6,976
- C: £6,076
- D: £7,088

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

Genesis Enterprises Ltd purchased a motor car for £24,000 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]

Nexus Media plc disposed of a delivery vehicle for £23,040. The vehicle had originally cost £38,400 and had accumulated depreciation of £19,200 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 £3,840
- B: Loss on disposal of £3,840
- C: Gain on disposal of £-15,360
- D: Loss on disposal of £19,200

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

A retail store, Omega Foodstuffs plc, purchased inventories for a gross total of £16,500 inclusive of standard-rate VAT at 20%. What are the net purchase cost and the input VAT amount recoverable by Omega Foodstuffs plc?

- A: Net Cost: £13,750, VAT Recoverable: £2,750
- B: Net Cost: £16,500, VAT Recoverable: £3,300
- C: Net Cost: £13,200, VAT Recoverable: £3,300
- D: Net Cost: £13,750, VAT Recoverable: £0 (VAT is non-recoverable on inventories)

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

For the last quarter, Apex Trading Ltd had net credit sales of £84,000 (excluding VAT). Gross purchases inclusive of 20% VAT were £50,400. What is the net VAT amount payable to (or reclaimable from) the tax authority?

- A: £8,400 Payable
- B: £8,400 Reclaimable
- C: £16,800 Payable
- D: £6,720 Payable

**Question 7 — [Financial Accounting / VAT Computations]**

A retail store, Crown Paper Ltd, purchased inventories for a gross total of £14,000 inclusive of standard-rate VAT at 20%. What are the net purchase cost and the input VAT amount recoverable by Crown Paper Ltd?

- A: Net Cost: £11,666, VAT Recoverable: £2,334
- B: Net Cost: £14,000, VAT Recoverable: £2,800
- C: Net Cost: £11,200, VAT Recoverable: £2,800
- D: Net Cost: £11,666, VAT Recoverable: £0 (VAT is non-recoverable on inventories)

**Question 8 — [Financial Accounting / Double-Entry Bookkeeping]**

At 31 March, the bank statement of Zephyr Services LLP shows a credit balance of £16,800. Unpresented checks total £4,200, and outstanding uncleared lodgements total £2,100. What is the reconciled balance that should appear in Zephyr Services LLP's cash book?

- A: £14,700
- B: £18,900
- C: £23,100
- D: £10,500

**Question 9 — [Financial Accounting / Trial Balance Reconciliation]**

The trial balance of Solar Energy plc balanced perfectly. However, it was later discovered that a purchase of equipment costing £3,600 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 10 — [Financial Accounting / VAT Computations]**

For the last quarter, Meridian Distributors Ltd had net credit sales of £42,000 (excluding VAT). Gross purchases inclusive of 20% VAT were £25,200. What is the net VAT amount payable to (or reclaimable from) the tax authority?

- A: £4,200 Payable
- B: £4,200 Reclaimable
- C: £8,400 Payable
- D: £3,360 Payable

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

Zephyr Services LLP completed two projects during the year: 1) Purchased and installed a new warehouse conveyor belt system for £250,000, and 2) Had the exterior of the existing office block repainted for £25,000. How should these expenditures be classified?

- A: Both projects are Capital Expenditure.
- B: Warehouse system: Capital Expenditure (£250,000), Repainting: Revenue Expenditure (£25,000)
- C: Warehouse system: Revenue Expenditure (£250,000), Repainting: Capital Expenditure (£25,000)
- D: Both projects are Revenue Expenditure.

**Question 12 — [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 £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 13 — [Financial Accounting / Asset Valuation and Depreciation]**

Summit Manufacturing Ltd completed two projects during the year: 1) Purchased and installed a new warehouse conveyor belt system for £220,000, and 2) Had the exterior of the existing office block repainted for £22,000. How should these expenditures be classified?

- A: Both projects are Capital Expenditure.
- B: Warehouse system: Capital Expenditure (£220,000), Repainting: Revenue Expenditure (£22,000)
- C: Warehouse system: Revenue Expenditure (£220,000), Repainting: Capital Expenditure (£22,000)
- D: Both projects are Revenue Expenditure.

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

For the year ended 31 December, Swift Logistics 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 15 — [Financial Accounting / Asset Valuation and Depreciation]**

Nova Tech Solutions Ltd disposed of a delivery vehicle for £60,000. The vehicle had originally cost £100,000 and had accumulated depreciation of £50,000 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 £10,000
- B: Loss on disposal of £10,000
- C: Gain on disposal of £-40,000
- D: Loss on disposal of £50,000

**Question 16 — [Financial Accounting / VAT Computations]**

Swift Logistics Ltd purchased a motor car for £24,000 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 17 — [Financial Accounting / Asset Valuation and Depreciation]**

Zephyr Services LLP 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 18 — [Financial Accounting / VAT Computations]**

Vanguard Retail Ltd purchased a motor car for £60,000 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 19 — [Financial Accounting / VAT Computations]**

For the last quarter, Aura Goods Ltd had net credit sales of £220,000 (excluding VAT). Gross purchases inclusive of 20% VAT were £132,000. What is the net VAT amount payable to (or reclaimable from) the tax authority?

- A: £22,000 Payable
- B: £22,000 Reclaimable
- C: £44,000 Payable
- D: £17,600 Payable

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

For the last quarter, Aura Goods Ltd had net credit sales of £140,000 (excluding VAT). Gross purchases inclusive of 20% VAT were £84,000. What is the net VAT amount payable to (or reclaimable from) the tax authority?

- A: £14,000 Payable
- B: £14,000 Reclaimable
- C: £28,000 Payable
- D: £11,200 Payable

# 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;=41>

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.