



Applaa ACCA Practice Mock 44

Mock Practice Exam Booklet

Applaa: Socratic Practice Engine

Submit and grade your answers online for instant worked solutions:

<https://applaa.com/practice/check?exam=acca&paper=44>

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;=44> 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.

■ SUPERCHARGE YOUR STUDIES WITH APPLAA DESKTOP APP

Tired of printing PDFs and manual grading? Download the **Applaa Desktop Application**. It includes interactive exam mocks, real-time pacing stats, auto-grading, and personalized Socratic AI support. Get a **14-day free trial** of our premium preparation package to track your progress rate.

Download: <https://applaa.com/download>

Section 1: Practice Questions

Question 1 — [Financial Accounting / VAT Computations]

A retail store, Summit Manufacturing Ltd, purchased inventories for a gross total of £6,000 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: £5,000, VAT Recoverable: £1,000
- B: Net Cost: £6,000, VAT Recoverable: £1,200
- C: Net Cost: £4,800, VAT Recoverable: £1,200
- D: Net Cost: £5,000, VAT Recoverable: £0 (VAT is non-recoverable on inventories)

Question 2 — [Financial Accounting / VAT Computations]

A grocery distributor, Crown Paper Ltd, recorded net sales of £88,000 for standard-rate products (20% VAT) and £44,000 for zero-rated food products. What is the total output VAT generated on these sales?

- A: £17,600
- B: £26,400
- C: £8,800
- D: £0 (all food products are exempt from output VAT)

Question 3 — [Financial Accounting / Trial Balance Reconciliation]

The trial balance of Swift Logistics Ltd balanced perfectly. However, it was later discovered that a purchase of equipment costing £14,000 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 4 — [Financial Accounting / Double-Entry Bookkeeping]

For the year ended 31 December, Beacon Logistics LLP paid rent of £14,400. At the year-end, the company had an outstanding electricity invoice of £1,200 which has not yet been paid. What are the adjusting entries required at the year-end to record this accrual?

- A: Debit Accruals £1,200, Credit Electricity Expense £1,200
- B: Debit Electricity Expense £1,200, Credit Accruals (Liabilities) £1,200
- C: Debit Cash £1,200, Credit Electricity Expense £1,200
- D: Debit Electricity Expense £1,200, Credit Prepayments (Assets) £1,200

Question 5 — [Financial Accounting / VAT Computations]

For the last quarter, Aura Goods Ltd had net credit sales of £72,000 (excluding VAT). Gross purchases inclusive of 20% VAT were £43,200. What is the net VAT amount payable to (or reclaimable from) the tax authority?

- A: £7,200 Payable
- B: £7,200 Reclaimable
- C: £14,400 Payable
- D: £5,760 Payable

Question 6 — [Financial Accounting / Trial Balance Reconciliation]

Before correcting the year-end errors, the draft profit of Crown Paper Ltd 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 7 — [Financial Accounting / Double-Entry Bookkeeping]

The Receivables Ledger Control Account of Aura Goods Ltd 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 8 — [Financial Accounting / VAT Computations]

For the last quarter, Alpha Properties Ltd had net credit sales of £24,000 (excluding VAT). Gross purchases inclusive of 20% VAT were £14,400. What is the net VAT amount payable to (or reclaimable from) the tax authority?

- A: £2,400 Payable
- B: £2,400 Reclaimable
- C: £4,800 Payable
- D: £1,920 Payable

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

The Receivables Ledger Control Account of Genesis Enterprises 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

Question 10 — [Financial Accounting / Trial Balance Reconciliation]

A bookkeeper at Swift Logistics Ltd prepared a trial balance which failed to agree, with the credit side exceeding the debit side by £360. A suspense account was opened. Which of the following errors, when corrected, could explain this difference?

- A: A purchase invoice for £180 was completely omitted from the books.
- B: A cash payment of £180 to a supplier was debited to the purchases account but not credited to the cash account.
- C: Sales of £180 were recorded by debiting Receivables Control and debiting Sales Account.
- D: A purchase return of £180 was debited to the Purchase Returns account and credited to Receivables Control.

Question 11 — [Financial Accounting / Trial Balance Reconciliation]

The trial balance of Genesis Enterprises Ltd balanced perfectly. However, it was later discovered that a purchase of equipment costing £1,200 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 12 — [Financial Accounting / Asset Valuation and Depreciation]

Crown Paper Ltd completed two projects during the year: 1) Purchased and installed a new warehouse conveyor belt system for £48,000, and 2) Had the exterior of the existing office block repainted for £4,800. How should these expenditures be classified?

- A: Both projects are Capital Expenditure.
- B: Warehouse system: Capital Expenditure (£48,000), Repainting: Revenue Expenditure (£4,800)
- C: Warehouse system: Revenue Expenditure (£48,000), Repainting: Capital Expenditure (£4,800)
- D: Both projects are Revenue Expenditure.

Question 13 — [Financial Accounting / VAT Computations]

A retail store, Omega Foodstuffs plc, 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 Omega Foodstuffs plc?

- 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 14 — [Financial Accounting / Asset Valuation and Depreciation]

An entity purchased a machine on 1 January Year 1 for £27,000. The residual value of the machine is estimated to be £2,700 with an estimated useful life of 3 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: £18,900
- B: £10,800
- C: £8,100
- D: £16,200

Question 15 — [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 £48,000, and 2) Had the exterior of the existing office block repainted for £4,800. How should these expenditures be classified?

- A: Both projects are Capital Expenditure.
- B: Warehouse system: Capital Expenditure (£48,000), Repainting: Revenue Expenditure (£4,800)
- C: Warehouse system: Revenue Expenditure (£48,000), Repainting: Capital Expenditure (£4,800)
- D: Both projects are Revenue Expenditure.

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

The Receivables Ledger Control Account of Alpha Properties Ltd is shown in the diagram. Credit sales of £4,800 were recorded, and cash of £3,840 was received from credit customers. What is the correct closing balance (balance c/f) of the account?

- A: £3,360 Debit closing balance
- B: £3,360 Credit closing balance
- C: £7,200 Debit closing balance
- D: £3,840 Credit closing balance

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

At 31 March, the bank statement of Swift Logistics Ltd shows a credit balance of £50,000. Unpresented checks total £12,500, and outstanding uncleared lodgements total £6,250. What is the reconciled balance that should appear in Swift Logistics Ltd's cash book?

- A: £43,750
- B: £56,250
- C: £68,750
- D: £31,250

Question 18 — [Financial Accounting / VAT Computations]

Genesis Enterprises Ltd purchased a motor car for £165,000 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 / Asset Valuation and Depreciation]

Omega Foodstuffs plc completed two projects during the year: 1) Purchased and installed a new warehouse conveyor belt system for £36,000, and 2) Had the exterior of the existing office block repainted for £3,600. How should these expenditures be classified?

- A: Both projects are Capital Expenditure.
- B: Warehouse system: Capital Expenditure (£36,000), Repainting: Revenue Expenditure (£3,600)
- C: Warehouse system: Revenue Expenditure (£36,000), Repainting: Capital Expenditure (£3,600)
- D: Both projects are Revenue Expenditure.

Question 20 — [Financial Accounting / VAT Computations]

Crest Hotels Ltd purchased a motor car for £8,000 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.

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;=44>

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.