



Applaa ACCA Practice Mock 90

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;=90> 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]

At 31 March, the bank statement of Beacon Logistics LLP shows a credit balance of £21,600. Unpresented checks total £5,400, and outstanding uncleared lodgements total £2,700. What is the reconciled balance that should appear in Beacon Logistics LLP's cash book?

- A: £18,900
- B: £24,300
- C: £29,700
- D: £13,500

Question 2 — [Financial Accounting / VAT Computations]

Swift Logistics Ltd purchased a motor car for £54,000 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 3 — [Financial Accounting / Trial Balance Reconciliation]

Before correcting the year-end errors, the draft profit of Nexus Media plc was £120,000. An error was discovered: Closing inventory was overstated by £8,400. What is the revised profit after correcting this error?

- A: £128,400
- B: £111,600
- C: £120,000 (no effect on profit)
- D: £103,200

Question 4 — [Financial Accounting / Trial Balance Reconciliation]

Before correcting the year-end errors, the draft profit of Nexus Media plc was £120,000. An error was discovered: Closing inventory was overstated by £12,500. What is the revised profit after correcting this error?

- A: £132,500
- B: £107,500
- C: £120,000 (no effect on profit)
- D: £95,000

Question 5 — [Financial Accounting / Trial Balance Reconciliation]

The trial balance of Meridian Distributors Ltd balanced perfectly. However, it was later discovered that a purchase of equipment costing £18,000 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 6 — [Financial Accounting / Asset Valuation and Depreciation]

An entity purchased a machine on 1 January Year 1 for £75,000. The residual value of the machine is estimated to be £7,500 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: £52,500
- B: £30,000
- C: £22,500
- D: £45,000

Question 7 — [Financial Accounting / VAT Computations]

A retail store, Nova Tech Solutions Ltd, purchased inventories for a gross total of £9,600 inclusive of standard-rate VAT at 20%. What are the net purchase cost and the input VAT amount recoverable by Nova Tech Solutions Ltd?

- A: Net Cost: £8,000, VAT Recoverable: £1,600
- B: Net Cost: £9,600, VAT Recoverable: £1,920
- C: Net Cost: £7,680, VAT Recoverable: £1,920
- D: Net Cost: £8,000, VAT Recoverable: £0 (VAT is non-recoverable on inventories)

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

The sole trader of Nova Tech Solutions Ltd took goods costing £8,250 from the business for personal use. These goods had a selling price of £12,375. What is the correct double entry to record this transaction?

- A: Debit Drawings £8,250, Credit Purchases £8,250
- B: Debit Drawings £12,375, Credit Revenue £12,375
- C: Debit Purchases £8,250, Credit Drawings £8,250
- D: Debit Inventory £8,250, Credit Drawings £8,250

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

The Receivables Ledger Control Account of Apex Trading Ltd 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 10 — [Financial Accounting / VAT Computations]

Meridian Distributors 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 11 — [Financial Accounting / Trial Balance Reconciliation]

A bookkeeper at Meridian Distributors Ltd prepared a trial balance which failed to agree, with the credit side exceeding the debit side by £150. A suspense account was opened. Which of the following errors, when corrected, could explain this difference?

- A: A purchase invoice for £75 was completely omitted from the books.
- B: A cash payment of £75 to a supplier was debited to the purchases account but not credited to the cash account.
- C: Sales of £75 were recorded by debiting Receivables Control and debiting Sales Account.
- D: A purchase return of £75 was debited to the Purchase Returns account and credited to Receivables Control.

Question 12 — [Financial Accounting / VAT Computations]

A grocery distributor, Genesis Enterprises Ltd, recorded net sales of £57,600 for standard-rate products (20% VAT) and £28,800 for zero-rated food products. What is the total output VAT generated on these sales?

- A: £11,520
- B: £17,280
- C: £5,760
- D: £0 (all food products are exempt from output VAT)

Question 13 — [Financial Accounting / Double-Entry Bookkeeping]

For the year ended 31 December, Apex Trading Ltd 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 14 — [Financial Accounting / Asset Valuation and Depreciation]

Zephyr Services LLP disposed of a delivery vehicle for £17,280. The vehicle had originally cost £28,800 and had accumulated depreciation of £14,400 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 £2,880
- B: Loss on disposal of £2,880
- C: Gain on disposal of £-11,520
- D: Loss on disposal of £14,400

Question 15 — [Financial Accounting / Trial Balance Reconciliation]

A bookkeeper at Zephyr Services LLP 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 16 — [Financial Accounting / VAT Computations]

A retail store, Meridian Distributors 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 Meridian Distributors 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 17 — [Financial Accounting / VAT Computations]

A retail store, Falcon Engineering Ltd, purchased inventories for a gross total of £8,400 inclusive of standard-rate VAT at 20%. What are the net purchase cost and the input VAT amount recoverable by Falcon Engineering Ltd?

- A: Net Cost: £7,000, VAT Recoverable: £1,400
- B: Net Cost: £8,400, VAT Recoverable: £1,680
- C: Net Cost: £6,720, VAT Recoverable: £1,680
- D: Net Cost: £7,000, VAT Recoverable: £0 (VAT is non-recoverable on inventories)

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

The sole trader of Atlas Transport Ltd took goods costing £3,600 from the business for personal use. These goods had a selling price of £5,400. What is the correct double entry to record this transaction?

- A: Debit Drawings £3,600, Credit Purchases £3,600
- B: Debit Drawings £5,400, Credit Revenue £5,400
- C: Debit Purchases £3,600, Credit Drawings £3,600
- D: Debit Inventory £3,600, Credit Drawings £3,600

Question 19 — [Financial Accounting / VAT Computations]

A retail store, Summit Manufacturing 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 Summit Manufacturing 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 20 — [Financial Accounting / VAT Computations]

A grocery distributor, Crown Paper Ltd, recorded net sales of £33,600 for standard-rate products (20% VAT) and £16,800 for zero-rated food products. What is the total output VAT generated on these sales?

- A: £6,720
- B: £10,080
- C: £3,360
- D: £0 (all food products are exempt from output VAT)

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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.