

ACCA



PAPER F6

TAXATION FA2009

FOR EXAMS IN 2010

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ACCA

PAPER F6

TAXATION (UK)
FA 2009

In this January 2010 edition

- We discuss the **best strategies** for revising and taking your ACCA exams
- We show you how to be **well prepared** for your exam
- We give you **lots of great guidance** on tackling questions
- We show you how you can **build your own exams**
- We provide you with **three** mock exams including the **December 2009 exam**

Our **i-Pass** product also supports this paper.

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FOR EXAMS IN 2010

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2010

Contents

Page

Finding questions

Question index	iv
Topic index	vii

Using your BPP Learning Media Practice and Revision Kit

Tackling revision and the exam	viii
Selecting questions	viii
Making the most of question practice	viii
Attempting mock exams	viii

Passing F6

General exam support from BPP Learning Media	ix
Topics to revise	ix
Question practice	ix
Passing the F6 exam	x
Exam information	xiii
Analysis of past papers	xvi
Useful websites	xvii
Using your BPP Learning Media product	xvii

Planning your question practice

BPP Learning Media's question plan	xviii
Build your own exams	xxi

Questions and answers

Questions	3
Answers	55

Exam practice

Mock exam 1	
• Questions	181
• Plan of attack	189
• Answers	190
Mock exam 2	
• Questions	205
• Plan of attack	211
• Answers	212
Mock exam 3 (December 2009)	
• Questions	225
• Plan of attack	233
• Answers	235

Tax tables	251
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Review form & free prize draw

Question index

The headings in this checklist/index indicate the main topics of questions, but questions often cover several different topics.

Questions set under the old syllabus exam are included in this kit (labelled BTX and the date of the exam) because their style and content are similar to those that appear in the new syllabus exam. The questions have been amended as appropriate to reflect the current syllabus exam format.

	Time	Page number	
Marks	allocation Mins	Question	Answer

Part A: Taxation of individuals

Income tax computation				
1 Brad and Lauren	15	27	3	55
2 Domingo, Erigo and Fargo (TX 06/09)	25	45	3	57
3 Vigorous plc (BTX 12/03)	25	45	5	60
4 Bryan Thompson	30	54	6	63
5 Sam and Kim White (TX 06/08)	25	45	7	65
Property income				
6 Edmond Brick (TX 12/07)	15	27	8	69
7 Peter Chic (TX 12/08)	25	45	9	71
Pensions				
8 Peach, Plum and Pear (TX 12/08)	10	18	10	74
Sole trader businesses				
9 Noel and Liam Wall (BTX 06/07)	25	45	11	76
10 Tony Note (BTX 06/06)	25	45	12	79
11 Malcolm	15	27	13	82
12 Robert Sax	15	27	14	84
13 Vanessa Serve and Serene Volley (TX 12/07)	30	54	14	85
14 Danielle	15	27	16	89
Partnerships				
15 Roger and Brigitte	15	27	16	91
16 Wright and Wong	10	18	16	92
17 Amy Bwalya (BTX 06/06)	15	27	17	94
18 Ae, Bee, Cae, Dee and Eu (TX 06/09)	15	27	18	95
Administration				
19 Vera Old (BTX 06/05)	15	27	19	97
20 Pi Casso (TX 06/08)	15	27	19	99

	Time	Page number	
Marks	allocation Mins	Question	Answer

Part B: Chargeable gains for individuals

Capital gains				
21 Stephanie Wood	20	36	20	101
22 Jack Chan	20	36	20	103
23 Peter Shaw	20	36	21	106
24 Paul Opus (Pilot paper)	20	36	22	108
25 David and Angela Brook (TX 12/07)	20	36	22	110
26 Wilson Biazma (TX 06/08)	20	36	23	113
27 Nim and Mae (TX 06/09)	20	36	24	116

Part C: Taxation of companies

Calculation of the corporation tax liability and payment of tax				
28 Arable Ltd (BTX 06/04)	30	54	26	119
29 Scuba Ltd (Pilot paper)	30	54	27	122
30 Wireless Ltd (TX 06/08)	28	50	29	126
31 Do-Not-Panic Ltd (TX 06/08)	10	18	30	129
Capital allowances				
32 Thai Curry Ltd (BTX 06/06)	28	50	31	131
Chargeable gains				
33 Cube Ltd (BTX 06/06)	20	36	32	134
34 Hawk Ltd (TX 12/08)	20	36	33	137
Losses				
35 Spacious Ltd (BTX 12/03)	30	54	34	139
36 Adamson Ltd	10	18	36	143
37 Jogger Ltd (TX 12/08)	30	54	36	145
Overseas aspects				
38 B and W Ltd	15	27	38	148
39 Sirius Ltd (BTX 12/03)	24	43	39	149
Groups of companies				
40 A Ltd	15	27	40	153
41 Gold Ltd (BTX 06/04)	30	54	40	154
42 Apple Ltd	20	36	42	157
43 Tock-Tick Ltd (BTX 06/05)	30	54	43	159
44 Sofa Ltd (TX 12/07)	25	45	45	162
45 Gastron Ltd (TX 06/09)	30	54	47	165

	Time	Page number	
Marks	allocation Mins	Question	Answer

Part D: VAT

VAT				
46 Lithograph Ltd (BTX 06/06)	10	18	49	169
47 Tardy Ltd (BTX 06/05)	10	18	50	171
48 Ram-Rom Ltd (BTX 12/05)	10	18	50	172
49 Sandy Brick (BTX 06/04)	10	18	51	173
50 Annie Attic (TX 06/09)	15	27	52	174

Mock exam 1

Mock exam 2

Mock exam 3 (December 2009 paper)

Planning your question practice

Our guidance from page xviii shows you how to organise your question practice, either by attempting questions from each syllabus area or **by building your own exams** – tackling questions as a series of practice exams.

Using your BPP Learning Media products

This Kit gives you the question practice and guidance you need in the exam. Our other products can also help you pass:

- **Learning to Learn Accountancy** gives further valuable advice on revision
- **Passcards** provide you with clear topic summaries and exam tips
- **Success CDs** help you revise on the move
- **i-Pass CDs** offer tests of knowledge against the clock

You can purchase these products by visiting www.bpp.com/mybpp.

You can view demonstrations of i-Learn and i-Pass products by visiting www.bpp.com/acca/study-materials/#ilearn. Scroll down the page until you find the sections for i-Learn and i-Pass and click on the appropriate 'View demo' button.

Topic index

Listed below are the key Paper F6 syllabus topics and the numbers of the questions in this Kit covering those topics.

If you need to concentrate your practice and revision on certain topics or if you want to attempt all available questions that refer to a particular subject, you will find this index useful.

Syllabus topic	Question numbers
Administration of tax – individuals	2, 3, 10, 11, 13, 19, 20, ME1 Qu1, ME2 Qu1
Administration of tax – companies	28, 32, 42, ME3 Qu2
Capital allowances	5, 9, 10, 14, 17, 28, 29, 30, 31, 32, 37, 41, 43, 45, ME1 Qu2, ME2 Qu2, ME3 Qu 2, ME3 Qu 4
Chargeable gains – reliefs	21, 22, 23, 24, 25, 26, 27, 33, 34, ME1 Qu3, ME2 Qu3, ME3 Qu3
Chargeable gains – companies	33, 34, ME2 Qu3, 41, ME3 Qu3
Chargeable gains – individuals	10, 21, 22, 23, 24, 25, 26, 27, ME2 Qu3
Companies – calculation of PCTCT	28, 29, 30, 31, 32, 35, 37, 41, 42, 43, 45, ME1 Qu2, ME2 Qu2
Companies – calculation of tax	28, 29, 30, 31, 32, 33, 37, 39, 40, 41, 45, ME1 Qu2, ME2 Qu2
Companies – groups	39, 40, 41, 42, 43, 44, 45
Companies – losses	32, 35, 36, 37, 43, 44, ME3 Qu2
Companies – overseas aspects	30, 38, 39
Income tax computation	1, 4, 6, 8, 9, 14, ME1 Qu1, ME2 Qu1, ME3 Qu1
Individuals – employment income	2, 3, 4, 6, 9, 14, ME1 Qu1, ME2 Qu1, ME3 Qu1
Individuals – property income	4, 6, 7, ME1 Qu1, ME2 Qu1, ME3 Qu1
Individuals – trading income	6, 8, 9, 10, 12, 13, 14, 19, ME3 Qu4
Individuals – losses	11, 14, ME1 Qu4, ME2 Qu5
National insurance contributions	4, 9, 13, ME1 Qu1, ME3 Qu1
Partnerships	15, 16, 17, 18, ME2 Qu5, ME3 Qu4
Pensions	8, 17, ME2 Qu4, ME3 Qu5
Value added tax	13, 29, 30, 46, 47, 48, 49, 50, ME1 Qu2, ME2 Qu1, ME3 Qu2

ME1 is Mock Exam 1

ME2 is Mock Exam 2

ME3 is Mock Exam 3

Using your BPP Learning Media Practice and Revision Kit

Tackling revision and the exam

You can significantly improve your chances of passing by tackling revision and the exam in the right ways. Our advice is based on feedback from ACCA examiners.

- We look at the dos and don'ts of revising for, and taking, ACCA exams
- We focus on Paper F6; we discuss revising the syllabus, what to do (and what not to do) in the exam, how to approach different types of question and ways of obtaining easy marks

Selecting questions

We provide signposts to help you plan your revision.

- A full **question index**
- A **topic index** listing all the questions that cover key topics, so that you can locate the questions that provide practice on these topics, and see the different ways in which they might be examined
- **BPP's question plan** highlighting the most important questions and explaining why you should attempt them
- **Build your own exams**, showing how you can practise questions in a series of exams

Making the most of question practice

At BPP Learning Media we realise that you need more than just questions and model answers to get the most from your question practice.

- Our **Top tips** included for certain questions provide essential advice on tackling questions, presenting answers and the key points that answers need to include
- We show you how you can pick up **Easy marks** on some questions, as we know that picking up all readily available marks often can make the difference between passing and failing
- We include **marking guides** to show you what the examiner rewards
- We include **examiners' comments** to show you where students struggled or performed well in the actual exam
- We refer to the **FA 2009 BPP Study Text** (for exams in June and December 2010) for detailed coverage of the topics covered in questions

Attempting mock exams

There are three mock exams that provide practice at coping with the pressures of the exam day. We strongly recommend that you attempt them under exam conditions. **Mock exams 1** and **2** reflect the question styles and syllabus coverage of the exam and **Mock exam 3** is the December 2009 paper.

Passing F6

General exam support from BPP Learning Media

BPP Learning Media is committed to giving you the best possible support in your quest for exam success. With this in mind, we have produced **guidance** on how to revise and techniques you can apply to **improve your chances of passing** the exam. This guidance can be found on the BPP Learning Media web site at the following link:

www.bpp.com/acca/examtips/revising-for-ACCA-exams.doc

A paper copy of this guidance is available by writing to learningmedia@bpp.com.

As well as written guidance, an excellent presentation entitled '**Exam technique – advice from the experts at BPP Learning Media**' is available at the following link:

http://www.bppprofessionaldevelopment.com/elearning/Assets/audiovisual/ACCAExamSkills/NewSyllabus/player.html?cmp=get_ataste

Topics to revise

That said, you must have sound knowledge in the following fundamental areas if you are to stand a chance of passing the exam. You should therefore revise the following areas particularly well.

- Income tax computation including the personal allowance and the tax bands and rates.
- The calculation of benefits from employment, such as company car and/or fuel, use of an employer's asset and low cost loans. Make sure you can spot tax free benefits too.
- Capital allowances proforma paying particular attention to the availability of annual investment allowance. Note particularly the difference in the calculation rules between individuals (sole traders and partners) and companies.
- Calculation of profits chargeable to corporation tax (PCTCT). Be aware that you may need to calculate the various elements that make up the PCTCT such as property business income, interest income, gains and so on.
- Computation of chargeable gains paying attention to whether the disposal is made by an individual or a company, particularly for aspects such as indexation allowance and annual exemption.
- How to calculate VAT payable or repayable depending on the type of supply (ie standard rated, zero rated or exempt).
- The different classes of NIC payable by employees and their employers compared to those due from self employed individuals or partners.

Question practice

You should use the Passcards and any brief notes you have to revise the syllabus, but you mustn't spend all your revision time passively reading. **Question practice is vital**; doing as many questions as you can in full will help develop your ability to analyse scenarios and produce relevant discussion and recommendations. The question plan on page xvii tells you what questions cover so that you can choose questions covering a variety of syllabus areas.