



# Applaa ACCA Practice Mock 103

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;=103> 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]

The Receivables Ledger Control Account of Apex Trading Ltd is shown in the diagram. Credit sales of £5,400 were recorded, and cash of £4,320 was received from credit customers. What is the correct closing balance (balance c/f) of the account?

- A: £3,780 Debit closing balance
- B: £3,780 Credit closing balance
- C: £8,100 Debit closing balance
- D: £4,320 Credit closing balance

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

Atlas Transport Ltd disposed of a delivery vehicle for £46,080. The vehicle had originally cost £76,800 and had accumulated depreciation of £38,400 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 £7,680
- B: Loss on disposal of £7,680
- C: Gain on disposal of £30,720
- D: Loss on disposal of £38,400

## Question 3 — [Financial Accounting / Double-Entry Bookkeeping]

The sole trader of Crest Hotels Ltd took goods costing £2,700 from the business for personal use. These goods had a selling price of £4,050. What is the correct double entry to record this transaction?

- A: Debit Drawings £2,700, Credit Purchases £2,700
- B: Debit Drawings £4,050, Credit Revenue £4,050
- C: Debit Purchases £2,700, Credit Drawings £2,700
- D: Debit Inventory £2,700, Credit Drawings £2,700

## Question 4 — [Financial Accounting / Asset Valuation and Depreciation]

Crest Hotels Ltd disposed of a delivery vehicle for £120,000. The vehicle had originally cost £200,000 and had accumulated depreciation of £100,000 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 £20,000
- B: Loss on disposal of £20,000
- C: Gain on disposal of £80,000
- D: Loss on disposal of £100,000

**Question 5 — [Financial Accounting / Trial Balance Reconciliation]**

A bookkeeper at Pinnacle Consulting 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 6 — [Financial Accounting / Asset Valuation and Depreciation]**

Crown Paper Ltd disposed of a delivery vehicle for £105,600. The vehicle had originally cost £176,000 and had accumulated depreciation of £88,000 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 £17,600
- B: Loss on disposal of £17,600
- C: Gain on disposal of £-70,400
- D: Loss on disposal of £88,000

**Question 7 — [Financial Accounting / Double-Entry Bookkeeping]**

The sole trader of Nexus Media plc took goods costing £1,200 from the business for personal use. These goods had a selling price of £1,800. What is the correct double entry to record this transaction?

- A: Debit Drawings £1,200, Credit Purchases £1,200
- B: Debit Drawings £1,800, Credit Revenue £1,800
- C: Debit Purchases £1,200, Credit Drawings £1,200
- D: Debit Inventory £1,200, Credit Drawings £1,200

**Question 8 — [Financial Accounting / Asset Valuation and Depreciation]**

An entity purchased a machine on 1 January Year 1 for £4,000. The residual value of the machine is estimated to be £400 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: £2,800
- B: £1,600
- C: £1,200
- D: £2,400

**Question 9 — [Financial Accounting / VAT Computations]**

A grocery distributor, Beacon Logistics LLP, recorded net sales of £100,000 for standard-rate products (20% VAT) and £50,000 for zero-rated food products. What is the total output VAT generated on these sales?

- A: £20,000
- B: £30,000
- C: £10,000
- D: £0 (all food products are exempt from output VAT)

**Question 10 — [Financial Accounting / Double-Entry Bookkeeping]**

At 31 March, the bank statement of Omega Foodstuffs plc 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 Omega Foodstuffs plc's cash book?

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

**Question 11 — [Financial Accounting / Trial Balance Reconciliation]**

Before correcting the year-end errors, the draft profit of Summit Manufacturing Ltd was £120,000. An error was discovered: Closing inventory was overstated by £6,000. What is the revised profit after correcting this error?

- A: £126,000
- B: £114,000
- C: £120,000 (no effect on profit)
- D: £108,000

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

An entity purchased a machine on 1 January Year 1 for £36,000. The residual value of the machine is estimated to be £3,600 with an estimated useful life of 6 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: £30,600
- B: £25,200
- C: £21,600
- D: £27,000

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

Omega Foodstuffs plc disposed of a delivery vehicle for £67,200. The vehicle had originally cost £112,000 and had accumulated depreciation of £56,000 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 £11,200
- B: Loss on disposal of £11,200
- C: Gain on disposal of £-44,800
- D: Loss on disposal of £56,000

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

At 31 March, the bank statement of Genesis Enterprises Ltd 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 Genesis Enterprises Ltd's cash book?

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

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

The sole trader of Titan Steel plc took goods costing £4,200 from the business for personal use. These goods had a selling price of £6,300. What is the correct double entry to record this transaction?

- A: Debit Drawings £4,200, Credit Purchases £4,200
- B: Debit Drawings £6,300, Credit Revenue £6,300
- C: Debit Purchases £4,200, Credit Drawings £4,200
- D: Debit Inventory £4,200, Credit Drawings £4,200

**Question 16 — [Financial Accounting / Trial Balance Reconciliation]**

A bookkeeper at Crest Hotels Ltd prepared a trial balance which failed to agree, with the credit side exceeding the debit side by £180. A suspense account was opened. Which of the following errors, when corrected, could explain this difference?

- A: A purchase invoice for £90 was completely omitted from the books.
- B: A cash payment of £90 to a supplier was debited to the purchases account but not credited to the cash account.
- C: Sales of £90 were recorded by debiting Receivables Control and debiting Sales Account.
- D: A purchase return of £90 was debited to the Purchase Returns account and credited to Receivables Control.

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

Swift Logistics Ltd disposed of a delivery vehicle for £8,640. The vehicle had originally cost £14,400 and had accumulated depreciation of £7,200 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 £1,440
- B: Loss on disposal of £1,440
- C: Gain on disposal of £-5,760
- D: Loss on disposal of £7,200

**Question 18 — [Financial Accounting / Trial Balance Reconciliation]**

The trial balance of Zephyr Services LLP balanced perfectly. However, it was later discovered that a purchase of equipment costing £4,800 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 19 — [Financial Accounting / Asset Valuation and Depreciation]**

Solar Energy plc completed two projects during the year: 1) Purchased and installed a new warehouse conveyor belt system for £140,000, and 2) Had the exterior of the existing office block repainted for £14,000. How should these expenditures be classified?

- A: Both projects are Capital Expenditure.
- B: Warehouse system: Capital Expenditure (£140,000), Repainting: Revenue Expenditure (£14,000)
- C: Warehouse system: Revenue Expenditure (£140,000), Repainting: Capital Expenditure (£14,000)
- D: Both projects are Revenue Expenditure.

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

The sole trader of Crest Hotels Ltd took goods costing £2,400 from the business for personal use. These goods had a selling price of £3,600. What is the correct double entry to record this transaction?

- A: Debit Drawings £2,400, Credit Purchases £2,400
- B: Debit Drawings £3,600, Credit Revenue £3,600
- C: Debit Purchases £2,400, Credit Drawings £2,400
- D: Debit Inventory £2,400, Credit Drawings £2,400

# 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;=103>

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.