



Applaa ACCA Practice Mock 111

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;=111> 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 / VAT Computations]

A retail store, Omega Foodstuffs plc, purchased inventories for a gross total of £12,500 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: £10,416, VAT Recoverable: £2,084
- B: Net Cost: £12,500, VAT Recoverable: £2,500
- C: Net Cost: £10,000, VAT Recoverable: £2,500
- D: Net Cost: £10,416, VAT Recoverable: £0 (VAT is non-recoverable on inventories)

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

An entity purchased a machine on 1 January Year 1 for £70,000. The residual value of the machine is estimated to be £7,000 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: £59,500
- B: £49,000
- C: £42,000
- D: £52,500

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

The sole trader of Apex Trading Ltd took goods costing £900 from the business for personal use. These goods had a selling price of £1,350. What is the correct double entry to record this transaction?

- A: Debit Drawings £900, Credit Purchases £900
- B: Debit Drawings £1,350, Credit Revenue £1,350
- C: Debit Purchases £900, Credit Drawings £900
- D: Debit Inventory £900, Credit Drawings £900

Question 4 — [Financial Accounting / VAT Computations]

A retail store, Apex Trading Ltd, purchased inventories for a gross total of £1,200 inclusive of standard-rate VAT at 20%. What are the net purchase cost and the input VAT amount recoverable by Apex Trading Ltd?

- A: Net Cost: £1,000, VAT Recoverable: £200
- B: Net Cost: £1,200, VAT Recoverable: £240
- C: Net Cost: £960, VAT Recoverable: £240
- D: Net Cost: £1,000, VAT Recoverable: £0 (VAT is non-recoverable on inventories)

Question 5 — [Financial Accounting / Double-Entry Bookkeeping]

For the year ended 31 December, Nova Tech Solutions Ltd paid rent of £3,600. At the year-end, the company had an outstanding electricity invoice of £300 which has not yet been paid. What are the adjusting entries required at the year-end to record this accrual?

- A: Debit Accruals £300, Credit Electricity Expense £300
- B: Debit Electricity Expense £300, Credit Accruals (Liabilities) £300
- C: Debit Cash £300, Credit Electricity Expense £300
- D: Debit Electricity Expense £300, Credit Prepayments (Assets) £300

Question 6 — [Financial Accounting / Double-Entry Bookkeeping]

The Receivables Ledger Control Account of Alpha Properties Ltd is shown in the diagram. Credit sales of £25,000 were recorded, and cash of £20,000 was received from credit customers. What is the correct closing balance (balance c/f) of the account?

- A: £17,500 Debit closing balance
- B: £17,500 Credit closing balance
- C: £37,500 Debit closing balance
- D: £20,000 Credit closing balance

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

The Receivables Ledger Control Account of Vanguard Retail Ltd is shown in the diagram. Credit sales of £3,600 were recorded, and cash of £2,880 was received from credit customers. What is the correct closing balance (balance c/f) of the account?

- A: £2,520 Debit closing balance
- B: £2,520 Credit closing balance
- C: £5,400 Debit closing balance
- D: £2,880 Credit closing balance

Question 8 — [Financial Accounting / Trial Balance Reconciliation]

Before correcting the year-end errors, the draft profit of Swift Logistics 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 9 — [Financial Accounting / Double-Entry Bookkeeping]

The sole trader of Crown Paper Ltd took goods costing £7,500 from the business for personal use. These goods had a selling price of £11,250. What is the correct double entry to record this transaction?

- A: Debit Drawings £7,500, Credit Purchases £7,500
- B: Debit Drawings £11,250, Credit Revenue £11,250
- C: Debit Purchases £7,500, Credit Drawings £7,500
- D: Debit Inventory £7,500, Credit Drawings £7,500

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

The sole trader of Vanguard Retail Ltd 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 11 — [Financial Accounting / Trial Balance Reconciliation]

Before correcting the year-end errors, the draft profit of Swift Logistics Ltd was £120,000. An error was discovered: Closing inventory was overstated by £16,500. What is the revised profit after correcting this error?

- A: £136,500
- B: £103,500
- C: £120,000 (no effect on profit)
- D: £87,000

Question 12 — [Financial Accounting / Trial Balance Reconciliation]

Before correcting the year-end errors, the draft profit of Falcon Engineering Ltd was £120,000. An error was discovered: Closing inventory was overstated by £16,500. What is the revised profit after correcting this error?

- A: £136,500
- B: £103,500
- C: £120,000 (no effect on profit)
- D: £87,000

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

Summit Manufacturing Ltd disposed of a delivery vehicle for £34,560. The vehicle had originally cost £57,600 and had accumulated depreciation of £28,800 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 £5,760
- B: Loss on disposal of £5,760
- C: Gain on disposal of £-23,040
- D: Loss on disposal of £28,800

Question 14 — [Financial Accounting / VAT Computations]

A retail store, Apex Trading 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 Apex Trading 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 15 — [Financial Accounting / VAT Computations]

A retail store, Omega Foodstuffs plc, purchased inventories for a gross total of £3,600 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: £3,000, VAT Recoverable: £600
- B: Net Cost: £3,600, VAT Recoverable: £720
- C: Net Cost: £2,880, VAT Recoverable: £720
- D: Net Cost: £3,000, VAT Recoverable: £0 (VAT is non-recoverable on inventories)

Question 16 — [Financial Accounting / VAT Computations]

For the last quarter, Crown Paper 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 17 — [Financial Accounting / Double-Entry Bookkeeping]

The Receivables Ledger Control Account of Zephyr Services LLP is shown in the diagram. Credit sales of £12,500 were recorded, and cash of £10,000 was received from credit customers. What is the correct closing balance (balance c/f) of the account?

- A: £8,750 Debit closing balance
- B: £8,750 Credit closing balance
- C: £18,750 Debit closing balance
- D: £10,000 Credit closing balance

Question 18 — [Financial Accounting / Trial Balance Reconciliation]

A bookkeeper at Solar Energy plc prepared a trial balance which failed to agree, with the credit side exceeding the debit side by £600. A suspense account was opened. Which of the following errors, when corrected, could explain this difference?

- A:** A purchase invoice for £300 was completely omitted from the books.
- B:** A cash payment of £300 to a supplier was debited to the purchases account but not credited to the cash account.
- C:** Sales of £300 were recorded by debiting Receivables Control and debiting Sales Account.
- D:** A purchase return of £300 was debited to the Purchase Returns account and credited to Receivables Control.

Question 19 — [Financial Accounting / VAT Computations]

A retail store, Nova Tech Solutions Ltd, purchased inventories for a gross total of £3,600 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: £3,000, VAT Recoverable: £600
- B:** Net Cost: £3,600, VAT Recoverable: £720
- C:** Net Cost: £2,880, VAT Recoverable: £720
- D:** Net Cost: £3,000, VAT Recoverable: £0 (VAT is non-recoverable on inventories)

Question 20 — [Financial Accounting / VAT Computations]

A grocery distributor, Swift Logistics Ltd, recorded net sales of £6,400 for standard-rate products (20% VAT) and £3,200 for zero-rated food products. What is the total output VAT generated on these sales?

- A:** £1,280
- B:** £1,920
- C:** £640
- D:** £0 (all food products are exempt from output VAT)

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■ 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;=111>

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.