



Applaa ACCA Practice Mock 117

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;=117> 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 / Trial Balance Reconciliation]

The trial balance of Beacon Logistics LLP balanced perfectly. However, it was later discovered that a purchase of equipment costing £4,200 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 2 — [Financial Accounting / VAT Computations]

A grocery distributor, Summit Manufacturing Ltd, recorded net sales of £48,000 for standard-rate products (20% VAT) and £24,000 for zero-rated food products. What is the total output VAT generated on these sales?

- A: £9,600
- B: £14,400
- C: £4,800
- D: £0 (all food products are exempt from output VAT)

Question 3 — [Financial Accounting / Asset Valuation and Depreciation]

Aura Goods Ltd completed two projects during the year: 1) Purchased and installed a new warehouse conveyor belt system for £84,000, and 2) Had the exterior of the existing office block repainted for £8,400. How should these expenditures be classified?

- A: Both projects are Capital Expenditure.
- B: Warehouse system: Capital Expenditure (£84,000), Repainting: Revenue Expenditure (£8,400)
- C: Warehouse system: Revenue Expenditure (£84,000), Repainting: Capital Expenditure (£8,400)
- D: Both projects are Revenue Expenditure.

Question 4 — [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 £220,000, and 2) Had the exterior of the existing office block repainted for £22,000. How should these expenditures be classified?

- A: Both projects are Capital Expenditure.
- B: Warehouse system: Capital Expenditure (£220,000), Repainting: Revenue Expenditure (£22,000)
- C: Warehouse system: Revenue Expenditure (£220,000), Repainting: Capital Expenditure (£22,000)
- D: Both projects are Revenue Expenditure.

Question 5 — [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 £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 6 — [Financial Accounting / VAT Computations]

A grocery distributor, Vanguard Retail Ltd, recorded net sales of £132,000 for standard-rate products (20% VAT) and £66,000 for zero-rated food products. What is the total output VAT generated on these sales?

- A: £26,400
- B: £39,600
- C: £13,200
- D: £0 (all food products are exempt from output VAT)

Question 7 — [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 £60,000, and 2) Had the exterior of the existing office block repainted for £6,000. How should these expenditures be classified?

- A: Both projects are Capital Expenditure.
- B: Warehouse system: Capital Expenditure (£60,000), Repainting: Revenue Expenditure (£6,000)
- C: Warehouse system: Revenue Expenditure (£60,000), Repainting: Capital Expenditure (£6,000)
- D: Both projects are Revenue Expenditure.

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

Titan Steel 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 9 — [Financial Accounting / Double-Entry Bookkeeping]

The Receivables Ledger Control Account of Genesis Enterprises Ltd is shown in the diagram. Credit sales of £1,200 were recorded, and cash of £960 was received from credit customers. What is the correct closing balance (balance c/f) of the account?

- A: £840 Debit closing balance
- B: £840 Credit closing balance
- C: £1,800 Debit closing balance
- D: £960 Credit closing balance

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

The sole trader of Meridian Distributors 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

Question 11 — [Financial Accounting / Double-Entry Bookkeeping]

The sole trader of Zephyr Services LLP took goods costing £3,000 from the business for personal use. These goods had a selling price of £4,500. What is the correct double entry to record this transaction?

- A: Debit Drawings £3,000, Credit Purchases £3,000
- B: Debit Drawings £4,500, Credit Revenue £4,500
- C: Debit Purchases £3,000, Credit Drawings £3,000
- D: Debit Inventory £3,000, Credit Drawings £3,000

Question 12 — [Financial Accounting / VAT Computations]

A grocery distributor, Titan Steel plc, 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 / VAT Computations]

A retail store, Omega Foodstuffs plc, purchased inventories for a gross total of £7,200 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: £6,000, VAT Recoverable: £1,200
- B: Net Cost: £7,200, VAT Recoverable: £1,440
- C: Net Cost: £5,760, VAT Recoverable: £1,440
- D: Net Cost: £6,000, VAT Recoverable: £0 (VAT is non-recoverable on inventories)

Question 14 — [Financial Accounting / VAT Computations]

Nova Tech Solutions 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 15 — [Financial Accounting / VAT Computations]

Beacon Logistics LLP 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 16 — [Financial Accounting / VAT Computations]

A grocery distributor, Nova Tech Solutions 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)

Question 17 — [Financial Accounting / VAT Computations]

For the last quarter, Apex Trading Ltd had net credit sales of £96,000 (excluding VAT). Gross purchases inclusive of 20% VAT were £57,600. What is the net VAT amount payable to (or reclaimable from) the tax authority?

- A: £9,600 Payable
- B: £9,600 Reclaimable
- C: £19,200 Payable
- D: £7,680 Payable

Question 18 — [Financial Accounting / VAT Computations]

A retail store, Omega Foodstuffs plc, purchased inventories for a gross total of £4,800 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: £4,000, VAT Recoverable: £800
- B: Net Cost: £4,800, VAT Recoverable: £960
- C: Net Cost: £3,840, VAT Recoverable: £960
- D: Net Cost: £4,000, VAT Recoverable: £0 (VAT is non-recoverable on inventories)

Question 19 — [Financial Accounting / VAT Computations]

A retail store, Vanguard Retail Ltd, purchased inventories for a gross total of £4,200 inclusive of standard-rate VAT at 20%. What are the net purchase cost and the input VAT amount recoverable by Vanguard Retail Ltd?

- A: Net Cost: £3,500, VAT Recoverable: £700
- B: Net Cost: £4,200, VAT Recoverable: £840
- C: Net Cost: £3,360, VAT Recoverable: £840
- D: Net Cost: £3,500, VAT Recoverable: £0 (VAT is non-recoverable on inventories)

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

The Receivables Ledger Control Account of Genesis Enterprises 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

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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;=117>

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.