



# Applaa ACCA Practice Mock 135

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;=135> 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 Swift Logistics Ltd shows a credit balance of £19,200. Unpresented checks total £4,800, and outstanding uncleared lodgements total £2,400. What is the reconciled balance that should appear in Swift Logistics Ltd's cash book?

- A: £16,800
- B: £21,600
- C: £26,400
- D: £12,000

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

An entity purchased a machine on 1 January Year 1 for £9,000. The residual value of the machine is estimated to be £900 with an estimated useful life of 4 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: £6,975
- B: £4,950
- C: £4,050
- D: £6,075

### Question 3 — [Financial Accounting / VAT Computations]

Beacon Logistics LLP purchased a motor car for £48,000 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 4 — [Financial Accounting / Trial Balance Reconciliation]

Before correcting the year-end errors, the draft profit of Aura Goods Ltd was £120,000. An error was discovered: Closing inventory was overstated by £25,000. What is the revised profit after correcting this error?

- A: £145,000
- B: £95,000
- C: £120,000 (no effect on profit)
- D: £70,000

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

At 31 March, the bank statement of Summit Manufacturing Ltd shows a credit balance of £56,000. Unpresented checks total £14,000, and outstanding uncleared lodgements total £7,000. What is the reconciled balance that should appear in Summit Manufacturing Ltd's cash book?

- A: £49,000
- B: £63,000
- C: £77,000
- D: £35,000

**Question 6 — [Financial Accounting / VAT Computations]**

A retail store, Falcon Engineering 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 Falcon Engineering 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 7 — [Financial Accounting / Double-Entry Bookkeeping]**

The sole trader of Crown Paper Ltd took goods costing £6,250 from the business for personal use. These goods had a selling price of £9,375. What is the correct double entry to record this transaction?

- A: Debit Drawings £6,250, Credit Purchases £6,250
- B: Debit Drawings £9,375, Credit Revenue £9,375
- C: Debit Purchases £6,250, Credit Drawings £6,250
- D: Debit Inventory £6,250, Credit Drawings £6,250

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

At 31 March, the bank statement of Nova Tech Solutions Ltd shows a credit balance of £60,000. Unpresented checks total £15,000, and outstanding uncleared lodgements total £7,500. What is the reconciled balance that should appear in Nova Tech Solutions Ltd's cash book?

- A: £52,500
- B: £67,500
- C: £82,500
- D: £37,500

**Question 9 — [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 £18,000, and 2) Had the exterior of the existing office block repainted for £1,800. How should these expenditures be classified?

- A: Both projects are Capital Expenditure.
- B: Warehouse system: Capital Expenditure (£18,000), Repainting: Revenue Expenditure (£1,800)
- C: Warehouse system: Revenue Expenditure (£18,000), Repainting: Capital Expenditure (£1,800)
- D: Both projects are Revenue Expenditure.

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

At 31 March, the bank statement of Nova Tech Solutions Ltd shows a credit balance of £19,200. Unpresented checks total £4,800, and outstanding uncleared lodgements total £2,400. What is the reconciled balance that should appear in Nova Tech Solutions Ltd's cash book?

- A: £16,800
- B: £21,600
- C: £26,400
- D: £12,000

**Question 11 — [Financial Accounting / Asset Valuation and Depreciation]**

Nexus Media plc 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 12 — [Financial Accounting / Trial Balance Reconciliation]**

Before correcting the year-end errors, the draft profit of Atlas Transport 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 13 — [Financial Accounting / VAT Computations]**

For the last quarter, Alpha Properties Ltd had net credit sales of £54,000 (excluding VAT). Gross purchases inclusive of 20% VAT were £32,400. What is the net VAT amount payable to (or reclaimable from) the tax authority?

- A: £5,400 Payable
- B: £5,400 Reclaimable
- C: £10,800 Payable
- D: £4,320 Payable

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

The sole trader of Nexus Media plc 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 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 £1,500. A suspense account was opened. Which of the following errors, when corrected, could explain this difference?

- A: A purchase invoice for £750 was completely omitted from the books.
- B: A cash payment of £750 to a supplier was debited to the purchases account but not credited to the cash account.
- C: Sales of £750 were recorded by debiting Receivables Control and debiting Sales Account.
- D: A purchase return of £750 was debited to the Purchase Returns account and credited to Receivables Control.

**Question 16 — [Financial Accounting / Asset Valuation and Depreciation]**

Zephyr Services LLP disposed of a delivery vehicle for £86,400. The vehicle had originally cost £144,000 and had accumulated depreciation of £72,000 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 £14,400
- B: Loss on disposal of £14,400
- C: Gain on disposal of £-57,600
- D: Loss on disposal of £72,000

**Question 17 — [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 £1,200. What is the revised profit after correcting this error?

- A: £121,200
- B: £118,800
- C: £120,000 (no effect on profit)
- D: £117,600

**Question 18 — [Financial Accounting / VAT Computations]**

For the last quarter, Falcon Engineering Ltd had net credit sales of £150,000 (excluding VAT). Gross purchases inclusive of 20% VAT were £90,000. What is the net VAT amount payable to (or reclaimable from) the tax authority?

- A: £15,000 Payable
- B: £15,000 Reclaimable
- C: £30,000 Payable
- D: £12,000 Payable

**Question 19 — [Financial Accounting / Trial Balance Reconciliation]**

The trial balance of Titan Steel plc balanced perfectly. However, it was later discovered that a purchase of equipment costing £5,400 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 20 — [Financial Accounting / VAT Computations]**

Nova Tech Solutions Ltd purchased a motor car for £84,000 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.

# 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;=135>

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.