



Applaa ACCA Practice Mock 191

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;=191> 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 grocery distributor, Zephyr Services LLP, recorded net sales of £14,400 for standard-rate products (20% VAT) and £7,200 for zero-rated food products. What is the total output VAT generated on these sales?

- A: £2,880
- B: £4,320
- C: £1,440
- D: £0 (all food products are exempt from output VAT)

Question 2 — [Financial Accounting / Double-Entry Bookkeeping]

For the year ended 31 December, Falcon Engineering Ltd paid rent of £10,800. At the year-end, the company had an outstanding electricity invoice of £900 which has not yet been paid. What are the adjusting entries required at the year-end to record this accrual?

- A: Debit Accruals £900, Credit Electricity Expense £900
- B: Debit Electricity Expense £900, Credit Accruals (Liabilities) £900
- C: Debit Cash £900, Credit Electricity Expense £900
- D: Debit Electricity Expense £900, Credit Prepayments (Assets) £900

Question 3 — [Financial Accounting / Trial Balance Reconciliation]

Before correcting the year-end errors, the draft profit of Apex Trading 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 4 — [Financial Accounting / Double-Entry Bookkeeping]

At 31 March, the bank statement of Apex Trading Ltd 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 Apex Trading Ltd's cash book?

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

Question 5 — [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 £800. A suspense account was opened. Which of the following errors, when corrected, could explain this difference?

- A: A purchase invoice for £400 was completely omitted from the books.
- B: A cash payment of £400 to a supplier was debited to the purchases account but not credited to the cash account.
- C: Sales of £400 were recorded by debiting Receivables Control and debiting Sales Account.
- D: A purchase return of £400 was debited to the Purchase Returns account and credited to Receivables Control.

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

The Receivables Ledger Control Account of Alpha Properties Ltd is shown in the diagram. Credit sales of £7,200 were recorded, and cash of £5,760 was received from credit customers. What is the correct closing balance (balance c/f) of the account?

- A: £5,040 Debit closing balance
- B: £5,040 Credit closing balance
- C: £10,800 Debit closing balance
- D: £5,760 Credit closing balance

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

At 31 March, the bank statement of Meridian Distributors Ltd 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 Meridian Distributors Ltd's cash book?

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

Question 8 — [Financial Accounting / VAT Computations]

For the last quarter, Alpha Properties Ltd had net credit sales of £165,000 (excluding VAT). Gross purchases inclusive of 20% VAT were £99,000. What is the net VAT amount payable to (or reclaimable from) the tax authority?

- A: £16,500 Payable
- B: £16,500 Reclaimable
- C: £33,000 Payable
- D: £13,200 Payable

Question 9 — [Financial Accounting / VAT Computations]

Alpha Properties Ltd purchased a motor car for £110,000 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 10 — [Financial Accounting / VAT Computations]

A retail store, Pinnacle Consulting Ltd, purchased inventories for a gross total of £11,000 inclusive of standard-rate VAT at 20%. What are the net purchase cost and the input VAT amount recoverable by Pinnacle Consulting Ltd?

- A: Net Cost: £9,166, VAT Recoverable: £1,834
- B: Net Cost: £11,000, VAT Recoverable: £2,200
- C: Net Cost: £8,800, VAT Recoverable: £2,200
- D: Net Cost: £9,166, VAT Recoverable: £0 (VAT is non-recoverable on inventories)

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

The sole trader of Meridian Distributors Ltd took goods costing £2,100 from the business for personal use. These goods had a selling price of £3,150. What is the correct double entry to record this transaction?

- A: Debit Drawings £2,100, Credit Purchases £2,100
- B: Debit Drawings £3,150, Credit Revenue £3,150
- C: Debit Purchases £2,100, Credit Drawings £2,100
- D: Debit Inventory £2,100, Credit Drawings £2,100

Question 12 — [Financial Accounting / VAT Computations]

Crest Hotels Ltd purchased a motor car for £36,000 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 13 — [Financial Accounting / Double-Entry Bookkeeping]

At 31 March, the bank statement of Nova Tech Solutions Ltd shows a credit balance of £33,600. Unpresented checks total £8,400, and outstanding uncleared lodgements total £4,200. What is the reconciled balance that should appear in Nova Tech Solutions Ltd's cash book?

- A: £29,400
- B: £37,800
- C: £46,200
- D: £21,000

Question 14 — [Financial Accounting / VAT Computations]

A retail store, Pinnacle Consulting Ltd, purchased inventories for a gross total of £18,000 inclusive of standard-rate VAT at 20%. What are the net purchase cost and the input VAT amount recoverable by Pinnacle Consulting Ltd?

- A: Net Cost: £15,000, VAT Recoverable: £3,000
- B: Net Cost: £18,000, VAT Recoverable: £3,600
- C: Net Cost: £14,400, VAT Recoverable: £3,600
- D: Net Cost: £15,000, VAT Recoverable: £0 (VAT is non-recoverable on inventories)

Question 15 — [Financial Accounting / VAT Computations]

A grocery distributor, Summit Manufacturing Ltd, recorded net sales of £33,600 for standard-rate products (20% VAT) and £16,800 for zero-rated food products. What is the total output VAT generated on these sales?

- A: £6,720
- B: £10,080
- C: £3,360
- D: £0 (all food products are exempt from output VAT)

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

Atlas Transport Ltd 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 17 — [Financial Accounting / Double-Entry Bookkeeping]

For the year ended 31 December, Apex Trading Ltd paid rent of £42,000. At the year-end, the company had an outstanding electricity invoice of £3,500 which has not yet been paid. What are the adjusting entries required at the year-end to record this accrual?

- A: Debit Accruals £3,500, Credit Electricity Expense £3,500
- B: Debit Electricity Expense £3,500, Credit Accruals (Liabilities) £3,500
- C: Debit Cash £3,500, Credit Electricity Expense £3,500
- D: Debit Electricity Expense £3,500, Credit Prepayments (Assets) £3,500

Question 18 — [Financial Accounting / VAT Computations]

A grocery distributor, Aura Goods Ltd, recorded net sales of £33,600 for standard-rate products (20% VAT) and £16,800 for zero-rated food products. What is the total output VAT generated on these sales?

- A: £6,720
- B: £10,080
- C: £3,360
- D: £0 (all food products are exempt from output VAT)

Question 19 — [Financial Accounting / Trial Balance Reconciliation]

Before correcting the year-end errors, the draft profit of Zephyr Services LLP 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 20 — [Financial Accounting / VAT Computations]

For the last quarter, Crown Paper 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

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;=191>

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.