



# Applaa ACCA Practice Mock 200

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;=200> 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 sole trader of Aura Goods Ltd took goods costing £7,000 from the business for personal use. These goods had a selling price of £10,500. What is the correct double entry to record this transaction?

- A: Debit Drawings £7,000, Credit Purchases £7,000
- B: Debit Drawings £10,500, Credit Revenue £10,500
- C: Debit Purchases £7,000, Credit Drawings £7,000
- D: Debit Inventory £7,000, Credit Drawings £7,000

## Question 2 — [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 £3,600. What is the revised profit after correcting this error?

- A: £123,600
- B: £116,400
- C: £120,000 (no effect on profit)
- D: £112,800

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

Omega Foodstuffs plc completed two projects during the year: 1) Purchased and installed a new warehouse conveyor belt system for £24,000, and 2) Had the exterior of the existing office block repainted for £2,400. How should these expenditures be classified?

- A: Both projects are Capital Expenditure.
- B: Warehouse system: Capital Expenditure (£24,000), Repainting: Revenue Expenditure (£2,400)
- C: Warehouse system: Revenue Expenditure (£24,000), Repainting: Capital Expenditure (£2,400)
- D: Both projects are Revenue Expenditure.

## Question 4 — [Financial Accounting / Trial Balance Reconciliation]

The trial balance of Nexus Media plc balanced perfectly. However, it was later discovered that a purchase of equipment costing £14,000 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 5 — [Financial Accounting / Double-Entry Bookkeeping]**

The Receivables Ledger Control Account of Swift Logistics 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 6 — [Financial Accounting / VAT Computations]**

A retail store, Nova Tech Solutions 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 Nova Tech Solutions 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]**

At 31 March, the bank statement of Nexus Media 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 Nexus Media plc's cash book?

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

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

The Receivables Ledger Control Account of Titan Steel plc 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 9 — [Financial Accounting / VAT Computations]**

Genesis Enterprises Ltd purchased a motor car for £12,000 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, Crown Paper Ltd, purchased inventories for a gross total of £6,000 inclusive of standard-rate VAT at 20%. What are the net purchase cost and the input VAT amount recoverable by Crown Paper Ltd?

- A: Net Cost: £5,000, VAT Recoverable: £1,000
- B: Net Cost: £6,000, VAT Recoverable: £1,200
- C: Net Cost: £4,800, VAT Recoverable: £1,200
- D: Net Cost: £5,000, VAT Recoverable: £0 (VAT is non-recoverable on inventories)

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

Nova Tech Solutions Ltd completed two projects during the year: 1) Purchased and installed a new warehouse conveyor belt system for £24,000, and 2) Had the exterior of the existing office block repainted for £2,400. How should these expenditures be classified?

- A: Both projects are Capital Expenditure.
- B: Warehouse system: Capital Expenditure (£24,000), Repainting: Revenue Expenditure (£2,400)
- C: Warehouse system: Revenue Expenditure (£24,000), Repainting: Capital Expenditure (£2,400)
- D: Both projects are Revenue Expenditure.

**Question 12 — [Financial Accounting / Trial Balance Reconciliation]**

The trial balance of Falcon Engineering Ltd balanced perfectly. However, it was later discovered that a purchase of equipment costing £22,000 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 13 — [Financial Accounting / Trial Balance Reconciliation]**

Before correcting the year-end errors, the draft profit of Nova Tech Solutions 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 14 — [Financial Accounting / VAT Computations]**

A grocery distributor, Titan Steel plc, 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 15 — [Financial Accounting / VAT Computations]**

Omega Foodstuffs plc purchased a motor car for £150,000 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 / Double-Entry Bookkeeping]**

At 31 March, the bank statement of Genesis Enterprises Ltd shows a credit balance of £9,600. Unpresented checks total £2,400, and outstanding uncleared lodgements total £1,200. What is the reconciled balance that should appear in Genesis Enterprises Ltd's cash book?

- A: £8,400
- B: £10,800
- C: £13,200
- D: £6,000

**Question 17 — [Financial Accounting / VAT Computations]**

A retail store, Genesis Enterprises Ltd, purchased inventories for a gross total of £25,000 inclusive of standard-rate VAT at 20%. What are the net purchase cost and the input VAT amount recoverable by Genesis Enterprises Ltd?

- A: Net Cost: £20,833, VAT Recoverable: £4,167
- B: Net Cost: £25,000, VAT Recoverable: £5,000
- C: Net Cost: £20,000, VAT Recoverable: £5,000
- D: Net Cost: £20,833, VAT Recoverable: £0 (VAT is non-recoverable on inventories)

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

A bookkeeper at Atlas Transport Ltd prepared a trial balance which failed to agree, with the credit side exceeding the debit side by £120. A suspense account was opened. Which of the following errors, when corrected, could explain this difference?

- A: A purchase invoice for £60 was completely omitted from the books.
- B: A cash payment of £60 to a supplier was debited to the purchases account but not credited to the cash account.
- C: Sales of £60 were recorded by debiting Receivables Control and debiting Sales Account.
- D: A purchase return of £60 was debited to the Purchase Returns account and credited to Receivables Control.

**Question 19 — [Financial Accounting / Double-Entry Bookkeeping]**

The sole trader of Crest Hotels Ltd 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 20 — [Financial Accounting / VAT Computations]**

A retail store, Zephyr Services LLP, purchased inventories for a gross total of £800 inclusive of standard-rate VAT at 20%. What are the net purchase cost and the input VAT amount recoverable by Zephyr Services LLP?

- A: Net Cost: £666, VAT Recoverable: £134
- B: Net Cost: £800, VAT Recoverable: £160
- C: Net Cost: £640, VAT Recoverable: £160
- D: Net Cost: £666, VAT Recoverable: £0 (VAT is non-recoverable on inventories)

# 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;=200>

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.