



Applaa ACCA Practice Mock 231

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;=231> 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 Aura Goods Ltd shows a credit balance of £24,000. Unpresented checks total £6,000, and outstanding uncleared lodgements total £3,000. What is the reconciled balance that should appear in Aura Goods Ltd's cash book?

- A: £21,000
- B: £27,000
- C: £33,000
- D: £15,000

Question 2 — [Financial Accounting / VAT Computations]

Falcon Engineering Ltd purchased a motor car for £24,000 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 3 — [Financial Accounting / VAT Computations]

A grocery distributor, Aura Goods Ltd, recorded net sales of £88,000 for standard-rate products (20% VAT) and £44,000 for zero-rated food products. What is the total output VAT generated on these sales?

- A: £17,600
- B: £26,400
- C: £8,800
- D: £0 (all food products are exempt from output VAT)

Question 4 — [Financial Accounting / VAT Computations]

A retail store, Omega Foodstuffs plc, purchased inventories for a gross total of £5,400 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: £4,500, VAT Recoverable: £900
- B: Net Cost: £5,400, VAT Recoverable: £1,080
- C: Net Cost: £4,320, VAT Recoverable: £1,080
- D: Net Cost: £4,500, VAT Recoverable: £0 (VAT is non-recoverable on inventories)

Question 5 — [Financial Accounting / VAT Computations]

Zephyr Services LLP purchased a motor car for £180,000 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 6 — [Financial Accounting / Asset Valuation and Depreciation]

Summit Manufacturing Ltd completed two projects during the year: 1) Purchased and installed a new warehouse conveyor belt system for £48,000, and 2) Had the exterior of the existing office block repainted for £4,800. How should these expenditures be classified?

- A: Both projects are Capital Expenditure.
- B: Warehouse system: Capital Expenditure (£48,000), Repainting: Revenue Expenditure (£4,800)
- C: Warehouse system: Revenue Expenditure (£48,000), Repainting: Capital Expenditure (£4,800)
- D: Both projects are Revenue Expenditure.

Question 7 — [Financial Accounting / VAT Computations]

For the last quarter, Apex Trading Ltd had net credit sales of £250,000 (excluding VAT). Gross purchases inclusive of 20% VAT were £150,000. What is the net VAT amount payable to (or reclaimable from) the tax authority?

- A: £25,000 Payable
- B: £25,000 Reclaimable
- C: £50,000 Payable
- D: £20,000 Payable

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

The Receivables Ledger Control Account of Crown Paper Ltd is shown in the diagram. Credit sales of £11,000 were recorded, and cash of £8,800 was received from credit customers. What is the correct closing balance (balance c/f) of the account?

- A: £7,700 Debit closing balance
- B: £7,700 Credit closing balance
- C: £16,500 Debit closing balance
- D: £8,800 Credit closing balance

Question 9 — [Financial Accounting / Trial Balance Reconciliation]

The trial balance of Crest Hotels Ltd balanced perfectly. However, it was later discovered that a purchase of equipment costing £8,400 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 10 — [Financial Accounting / Double-Entry Bookkeeping]

At 31 March, the bank statement of Aura Goods 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 Aura Goods Ltd's cash book?

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

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

The sole trader of Meridian Distributors Ltd took goods costing £8,250 from the business for personal use. These goods had a selling price of £12,375. What is the correct double entry to record this transaction?

- A: Debit Drawings £8,250, Credit Purchases £8,250
- B: Debit Drawings £12,375, Credit Revenue £12,375
- C: Debit Purchases £8,250, Credit Drawings £8,250
- D: Debit Inventory £8,250, Credit Drawings £8,250

Question 12 — [Financial Accounting / Asset Valuation and Depreciation]

Pinnacle Consulting Ltd disposed of a delivery vehicle for £23,040. The vehicle had originally cost £38,400 and had accumulated depreciation of £19,200 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 £3,840
- B: Loss on disposal of £3,840
- C: Gain on disposal of £-15,360
- D: Loss on disposal of £19,200

Question 13 — [Financial Accounting / Double-Entry Bookkeeping]

At 31 March, the bank statement of Atlas Transport 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 Atlas Transport Ltd's cash book?

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

Question 14 — [Financial Accounting / VAT Computations]

A grocery distributor, Omega Foodstuffs plc, recorded net sales of £28,800 for standard-rate products (20% VAT) and £14,400 for zero-rated food products. What is the total output VAT generated on these sales?

- A: £5,760
- B: £8,640
- C: £2,880
- D: £0 (all food products are exempt from output VAT)

Question 15 — [Financial Accounting / VAT Computations]

A grocery distributor, Swift Logistics Ltd, 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 16 — [Financial Accounting / Double-Entry Bookkeeping]

The sole trader of Crest Hotels 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 17 — [Financial Accounting / Double-Entry Bookkeeping]

At 31 March, the bank statement of Nova Tech Solutions Ltd shows a credit balance of £44,000. Unpresented checks total £11,000, and outstanding uncleared lodgements total £5,500. What is the reconciled balance that should appear in Nova Tech Solutions Ltd's cash book?

- A: £38,500
- B: £49,500
- C: £60,500
- D: £27,500

Question 18 — [Financial Accounting / VAT Computations]

A grocery distributor, Crest Hotels Ltd, recorded net sales of £176,000 for standard-rate products (20% VAT) and £88,000 for zero-rated food products. What is the total output VAT generated on these sales?

- A: £35,200
- B: £52,800
- C: £17,600
- D: £0 (all food products are exempt from output VAT)

Question 19 — [Financial Accounting / VAT Computations]

For the last quarter, Swift Logistics Ltd had net credit sales of £60,000 (excluding VAT). Gross purchases inclusive of 20% VAT were £36,000. What is the net VAT amount payable to (or reclaimable from) the tax authority?

- A: £6,000 Payable
- B: £6,000 Reclaimable
- C: £12,000 Payable
- D: £4,800 Payable

Question 20 — [Financial Accounting / VAT Computations]

Summit Manufacturing Ltd purchased a motor car for £60,000 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!

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■ Go to: <https://applaa.com/practice/check?exam=acca&paper;=231>

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.