



Applaa SQE Practice Mock 197

Mock Practice Exam Booklet

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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.
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Section 1: Practice Questions

Question 1 — [FLK1 / Tort Law]

An employee of Crown Estates Ltd negligently injures a customer (Henry) while driving a company delivery van to make a scheduled delivery. The customer sues Crown Estates Ltd. What is the legal doctrine that allows the employer to be held liable, and what is the test?

- A: Res Ipsa Loquitur; requires showing the van was in a defective condition.
- B: Vicarious liability; requires showing that the employee committed a tort in the course of their employment.
- C: Strict liability; requires showing the employer acted with malicious intent.
- D: Privity of liability; requires a signed agreement between the employer and the customer.
- E: Contributory liability; requires allocating the claim to the Multi-Track.

Question 2 — [FLK1 / Dispute Resolution]

A claimant (Benjamin) has brought an action against a defendant (Frank) in the County Court for breach of contract, claiming £7,500 in damages. The defendant has filed a defense. In accordance with the Civil Procedure Rules (CPR), which track will this claim be allocated to?

- A: Small Claims Track
- B: Fast Track
- C: Intermediate Track
- D: Multi-Track
- E: Commercial Court Track

Question 3 — [FLK1 / Dispute Resolution]

A claimant (James) has brought an action against a defendant (Jack) in the County Court for breach of contract, claiming £22,000 in damages. The defendant has filed a defense. In accordance with the Civil Procedure Rules (CPR), which track will this claim be allocated to?

- A: Small Claims Track
- B: Fast Track
- C: Intermediate Track
- D: Multi-Track
- E: Commercial Court Track

Question 4 — [FLK1 / Contract Law]

Alice offered to sell a residential apartment to Lucas for £500. Lucas replied: 'I accept your offer, but I will pay £450.' Alice did not respond. Two days later, Lucas wrote to Alice saying: 'I accept your original offer of £500.' Is there a binding contract between Alice and Lucas?

- A: Yes, because the second letter constituted a valid acceptance of the original offer.
- B: Yes, because the original offer remained open and had not been revoked by the offeror.
- C: No, because the counter-offer of the lower price killed the original offer, meaning it could no longer be accepted.
- D: No, because a contract for sale of goods must be made in writing signed by both parties.
- E: Yes, because the offeror's silence on the counter-offer constituted acceptance of the lower price.

Question 5 — [FLK1 / Dispute Resolution]

A claimant (Harry) has brought an action against a defendant (Quinn) in the County Court for breach of contract, claiming £7,500 in damages. The defendant has filed a defense. In accordance with the Civil Procedure Rules (CPR), which track will this claim be allocated to?

- A: Small Claims Track
- B: Fast Track
- C: Intermediate Track
- D: Multi-Track
- E: Commercial Court Track

Question 6 — [FLK1 / Business Law and Practice]

Prior to the formal incorporation of Beacon Solutions LLP, a promoter (Fredrick) signed a contract 'on behalf of the company' to purchase machinery from a supplier. The company is now incorporated. Which of the following best describes the liability of Fredrick and the company on this pre-incorporation contract?

- A: The company is automatically bound by the contract upon incorporation, and the promoter is released.
- B: The contract is completely void and unenforceable by any party.
- C: The promoter is personally liable and entitled under the contract, subject to any agreement to the contrary, under Section 51 of the Companies Act 2006.
- D: The company and the promoter are jointly and severally liable automatically.
- E: The company can unilaterally ratify the contract without the supplier's agreement.

Question 7 — [FLK1 / Contract Law]

A seller (Thomas) negligently makes a false statement of fact regarding the turnover of a business to a buyer (Sophia), inducing them to buy it. The buyer subsequently discovers the fraud. Which of the following describes the remedies available under the Misrepresentation Act 1967?

- A: The contract is automatically void, and the seller must be prosecuted criminally.
- B: Rescission of the contract and/or damages under Section 2(1) of the Act.
- C: The buyer can only recover damages and has no right to rescind the contract under any circumstances.
- D: The contract is binding, and no remedy is available since the buyer should have checked the accounts (caveat emptor).
- E: The seller is required to perform specific performance of the turnover projection.

Question 8 — [FLK1 / Tort Law]

A claimant was injured when a defendant (Uma), who was engaged in operating a crane without safety barriers, caused an accident. The defendant admits they owed the claimant a duty of care and breached it, but argues that the claimant's own negligence contributed to the injury. Under the Law Reform (Contributory Negligence) Act 1945, what is the legal effect of contributory negligence?

- A:** It acts as a complete defense, and the claimant receives no damages.
- B:** It reduces the claimant's damages to the extent that is just and equitable, reflecting the claimant's share of responsibility.
- C:** It has no effect on damages but requires the claimant to pay the defendant's legal costs.
- D:** It shifts the burden of proof to the claimant to show that they took all reasonable precautions.
- E:** It renders the claim null and void, requiring allocation to criminal arbitration.

Question 9 — [FLK1 / Tort Law]

An employee of Nexus Media plc negligently injures a customer (Wendy) while driving a company delivery van to make a scheduled delivery. The customer sues Nexus Media plc. What is the legal doctrine that allows the employer to be held liable, and what is the test?

- A:** Res Ipsa Loquitur; requires showing the van was in a defective condition.
- B:** Vicarious liability; requires showing that the employee committed a tort in the course of their employment.
- C:** Strict liability; requires showing the employer acted with malicious intent.
- D:** Privity of liability; requires a signed agreement between the employer and the customer.
- E:** Contributory liability; requires allocating the claim to the Multi-Track.

Question 10 — [FLK1 / Contract Law]

A shopkeeper (Yasmine) places a laptop in the shop window with a price tag of £22,000. A customer (Zoe) enters the shop, places the cash on the counter, and demands to buy the item. The shopkeeper refuses to sell it. Is there a binding contract?

- A:** Yes, because placing the item in the window was a unilateral offer that was accepted by the customer's cash payment.
- B:** No, because the display of goods in a shop window is an invitation to treat, not an offer. Refusing to sell does not breach any contract (*Fisher v Bell*).
- C:** Yes, because consumer protection laws force retailers to sell all displayed items automatically.
- D:** No, because contracts for sales in shops require a written signed document.
- E:** Yes, because the shopkeeper was silent when the customer entered, constituting acceptance.

Question 11 — [FLK1 / Business Law and Practice]

A director of Meridian Group Ltd (a private company limited by shares) wants to allot new shares to a new investor (Kate) to raise capital of £22,000. The company has only one class of ordinary shares. Under the Companies Act 2006, which of the following is correct regarding the director's authority to allot these shares?

- A:** The director has automatic statutory authority to allot the shares without shareholder approval under Section 550, unless restricted by the articles.
- B:** The director must always obtain authorization by ordinary resolution of the shareholders under Section 551.
- C:** The director must obtain authorization by special resolution of the shareholders to allot any shares.
- D:** The director requires the approval of the Board of Trade before allotting any class of shares.
- E:** Authority is only required if the allotment would cause the company to exceed its authorised share capital as stated in the memorandum.

Question 12 — [FLK1 / Dispute Resolution]

A claimant (Jack) has applied for summary judgment against a defendant (Arthur) under CPR Part 24. What is the test that the court must apply to determine whether summary judgment should be granted?

- A:** The claimant must prove the case beyond all reasonable doubt.
- B:** The defendant has no real prospect of successfully defending the claim, and there is no other compelling reason why the case should be disposed of at trial.
- C:** The value of the claim must be less than £10,000.
- D:** The defendant has failed to acknowledge service of the claim form within 14 days.
- E:** The dispute involves questions of international law.

Question 13 — [FLK1 / Business Law and Practice]

A director of Pinnacle Ventures Ltd (a private company limited by shares) wants to allot new shares to a new investor (Penelope) to raise capital of £180,000. The company has only one class of ordinary shares. Under the Companies Act 2006, which of the following is correct regarding the director's authority to allot these shares?

- A:** The director has automatic statutory authority to allot the shares without shareholder approval under Section 550, unless restricted by the articles.
- B:** The director must always obtain authorization by ordinary resolution of the shareholders under Section 551.
- C:** The director must obtain authorization by special resolution of the shareholders to allot any shares.
- D:** The director requires the approval of the Board of Trade before allotting any class of shares.
- E:** Authority is only required if the allotment would cause the company to exceed its authorised share capital as stated in the memorandum.

Question 14 — [FLK1 / Dispute Resolution]

A claimant (Philip) has brought an action against a defendant (James) in the County Court for breach of contract, claiming £120,000 in damages. The defendant has filed a defense. In accordance with the Civil Procedure Rules (CPR), which track will this claim be allocated to?

- A: Small Claims Track
- B: Fast Track
- C: Intermediate Track
- D: Multi-Track
- E: Commercial Court Track

Question 15 — [FLK1 / Business Law and Practice]

A director of Crown Estates Ltd (a private company limited by shares) wants to allot new shares to a new investor (Victoria) to raise capital of £22,000. The company has only one class of ordinary shares. Under the Companies Act 2006, which of the following is correct regarding the director's authority to allot these shares?

- A: The director has automatic statutory authority to allot the shares without shareholder approval under Section 550, unless restricted by the articles.
- B: The director must always obtain authorization by ordinary resolution of the shareholders under Section 551.
- C: The director must obtain authorization by special resolution of the shareholders to allot any shares.
- D: The director requires the approval of the Board of Trade before allotting any class of shares.
- E: Authority is only required if the allotment would cause the company to exceed its authorised share capital as stated in the memorandum.

Question 16 — [FLK1 / Business Law and Practice]

A director of Zenith Retail Ltd (a private company limited by shares) wants to allot new shares to a new investor (Jack) to raise capital of £120,000. The company has only one class of ordinary shares. Under the Companies Act 2006, which of the following is correct regarding the director's authority to allot these shares?

- A: The director has automatic statutory authority to allot the shares without shareholder approval under Section 550, unless restricted by the articles.
- B: The director must always obtain authorization by ordinary resolution of the shareholders under Section 551.
- C: The director must obtain authorization by special resolution of the shareholders to allot any shares.
- D: The director requires the approval of the Board of Trade before allotting any class of shares.
- E: Authority is only required if the allotment would cause the company to exceed its authorised share capital as stated in the memorandum.

Question 17 — [FLK1 / Tort Law]

A driver (Caleb) crashes into a pedestrian (Victoria) who is crossing the street, causing physical injuries. To establish negligence, the claimant must show that the defendant owed them a duty of care. How does the court establish if a duty of care exists for physical damage caused by positive actions?

- A:** By applying the three-stage Caparo test including fair, just, and reasonable criteria in every case.
- B:** By finding that the case falls within an established duty category (such as road users to other road users) where a duty is automatically owed (*Robinson v Chief Constable of West Yorkshire*).
- C:** By checking if the defendant signed a voluntary duty registration form.
- D:** By proving the defendant intended to cause physical harm.
- E:** By allocating the claim to the Fast Track under CPR guidelines.

Question 18 — [FLK1 / Dispute Resolution]

A claimant (Noah) has brought an action against a defendant (James) in the County Court for breach of contract, claiming £15,000 in damages. The defendant has filed a defense. In accordance with the Civil Procedure Rules (CPR), which track will this claim be allocated to?

- A:** Small Claims Track
- B:** Fast Track
- C:** Intermediate Track
- D:** Multi-Track
- E:** Commercial Court Track

Question 19 — [FLK1 / Contract Law]

Philip offered to sell a commercial warehouse to David for £5,000. David replied: 'I accept your offer, but I will pay £4,500.' Philip did not respond. Two days later, David wrote to Philip saying: 'I accept your original offer of £5,000.' Is there a binding contract between Philip and David?

- A:** Yes, because the second letter constituted a valid acceptance of the original offer.
- B:** Yes, because the original offer remained open and had not been revoked by the offeror.
- C:** No, because the counter-offer of the lower price killed the original offer, meaning it could no longer be accepted.
- D:** No, because a contract for sale of goods must be made in writing signed by both parties.
- E:** Yes, because the offeror's silence on the counter-offer constituted acceptance of the lower price.

Question 20 — [FLK1 / Contract Law]

A shopkeeper (Zachary) places a designer coat in the shop window with a price tag of £180,000. A customer (Ian) enters the shop, places the cash on the counter, and demands to buy the item. The shopkeeper refuses to sell it. Is there a binding contract?

- A:** Yes, because placing the item in the window was a unilateral offer that was accepted by the customer's cash payment.
- B:** No, because the display of goods in a shop window is an invitation to treat, not an offer. Refusing to sell does not breach any contract (*Fisher v Bell*).
- C:** Yes, because consumer protection laws force retailers to sell all displayed items automatically.
- D:** No, because contracts for sales in shops require a written signed document.
- E:** Yes, because the shopkeeper was silent when the customer entered, constituting acceptance.

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