



Applaa SQE Practice Mock 2

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 / Dispute Resolution]

A claimant (Mila) makes a valid CPR Part 36 settlement offer to the defendant (Sophia) of £12,000. The defendant rejects the offer. The case goes to trial, and the claimant wins, obtaining judgment of £13,799. What is the primary costs consequence under Part 36?

- A: The claimant must pay the defendant's costs on the indemnity basis.
- B: The defendant must pay the claimant's costs on the indemnity basis, plus interest on those costs, from the expiry of the relevant offer period.
- C: The court will split the trial costs equally between both parties.
- D: All costs recovery is capped at the Small Claims Track limit.
- E: The defendant is immune to costs penalties because they defended the claim in good faith.

Question 2 — [FLK1 / Business Law and Practice]

A director of Aura Goods Ltd is considering entering into a contract on behalf of the company where they have a personal interest. Under Section 177 of the Companies Act 2006, what is the director's primary duty regarding this conflict?

- A: They must resign immediately from the board of directors.
- B: They must declare the nature and extent of their interest to the other directors before the transaction is entered into.
- C: They must obtain a court order approving the transaction.
- D: They must transfer their shares in the company to a blind trust.
- E: They must obtain unanimous shareholder consent at a general meeting.

Question 3 — [FLK1 / Business Law and Practice]

The directors of Zephyr Services LLP wish to allot new ordinary shares for cash. The company's articles do not exclude pre-emption rights. Which of the following resolutions of the shareholders is required to disapply the statutory pre-emption rights under the Companies Act 2006?

- A: An ordinary resolution with a simple majority (over 50%).
- B: A special resolution with a 75% majority of votes cast.
- C: A written resolution signed by 100% of the shareholders.
- D: An extraordinary resolution requiring a 90% majority.
- E: No resolution is required; the directors can disapply pre-emption rights by a board resolution.

Question 4 — [FLK1 / Contract Law]

Thomas offered to sell a commercial warehouse to Diana for £20,000. Diana replied: 'I accept your offer, but I will pay £18,000.' Thomas did not respond. Two days later, Diana wrote to Thomas saying: 'I accept your original offer of £20,000.' Is there a binding contract between Thomas and Diana?

- 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 / Contract Law]

A seller (Harry) negligently makes a false statement of fact regarding the turnover of a business to a buyer (Emma), 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 6 — [FLK1 / Contract Law]

A builder (Henry) contractually agreed to construct a wall for a customer (Julia) for £5,000. Halfway through the job, the builder states they cannot finish unless the customer pays an extra £1,000. The customer agrees. After completion, the customer refuses to pay the extra £1,000. Under *Williams v Roffey Bros*, is the promise to pay the extra £1,000 binding?

- A:** No, because performing an existing contractual duty can never be good consideration.
- B:** Yes, if the customer obtained a practical benefit (such as avoiding a penalty clause to a third party) and there was no economic duress.
- C:** No, because a promise to pay more must be approved by the County Court under CPR regulations.
- D:** Yes, because oral contracts are automatically binding regardless of consideration.
- E:** No, because it violates Section 52 of the Law of Property Act 1925.

Question 7 — [FLK1 / Legal System]

In a judicial review action, the High Court finds that a section of an Act of Parliament is incompatible with a right protected by the European Convention on Human Rights (ECHR). What is the legal effect of a Declaration of Incompatibility under Section 4 of the Human Rights Act 1998?

- A:** The Act of Parliament is immediately struck down and ceases to be law.
- B:** It does not affect the validity, continuing operation, or enforcement of the provision, but alerts Parliament to amend the law.
- C:** The case is referred automatically to the European Court of Justice in Luxembourg.
- D:** The monarch must immediately dissolve Parliament and call an election.
- E:** The claimant is automatically awarded £120,000 in damages.

Question 8 — [FLK1 / Tort Law]

A claimant was injured when a defendant (Ryan), who was engaged in failing to secure scaffolding, 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 / Legal System]

An environmental pressure group wishes to bring a judicial review application to challenge a government department's decision to construct a new airport runway. Under Section 31(3) of the Senior Courts Act 1981, what must the applicant show to be granted permission to bring the claim?

- A:** They must have a direct financial interest in the outcome of the challenge.
- B:** They must show they have 'sufficient interest' in the matter to which the application relates (standing).
- C:** They must obtain a majority vote of the local residents in favor of the suit.
- D:** They must have been directly physically injured by the government's action.
- E:** They must deposit £220,000 as security for costs.

Question 10 — [FLK1 / Legal System]

In a judicial review action, the High Court finds that a section of an Act of Parliament is incompatible with a right protected by the European Convention on Human Rights (ECHR). What is the legal effect of a Declaration of Incompatibility under Section 4 of the Human Rights Act 1998?

- A:** The Act of Parliament is immediately struck down and ceases to be law.
- B:** It does not affect the validity, continuing operation, or enforcement of the provision, but alerts Parliament to amend the law.
- C:** The case is referred automatically to the European Court of Justice in Luxembourg.
- D:** The monarch must immediately dissolve Parliament and call an election.
- E:** The claimant is automatically awarded £95,000 in damages.

Question 11 — [FLK1 / Legal System]

In a judicial review action, the High Court finds that a section of an Act of Parliament is incompatible with a right protected by the European Convention on Human Rights (ECHR). What is the legal effect of a Declaration of Incompatibility under Section 4 of the Human Rights Act 1998?

- A:** The Act of Parliament is immediately struck down and ceases to be law.
- B:** It does not affect the validity, continuing operation, or enforcement of the provision, but alerts Parliament to amend the law.
- C:** The case is referred automatically to the European Court of Justice in Luxembourg.
- D:** The monarch must immediately dissolve Parliament and call an election.
- E:** The claimant is automatically awarded £5,000 in damages.

Question 12 — [FLK1 / Tort Law]

An employee of Genesis Consulting Ltd negligently injures a customer (Katelyn) while driving a company delivery van to make a scheduled delivery. The customer sues Genesis Consulting 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 13 — [FLK1 / Contract Law]

A shopkeeper (Victoria) places a vintage watch in the shop window with a price tag of £7,500. A customer (Liam) 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 14 — [FLK1 / Dispute Resolution]

A claimant (Philip) has brought an action against a defendant (Charlie) in the County Court for breach of contract, claiming £5,000 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 / Tort Law]

A customer (Liam) is walking down a warehouse aisle when a heavy crate falls from a high shelf and injures them. The claimant has no evidence of what exactly caused the crate to fall. Can the claimant rely on the doctrine of 'Res Ipsa Loquitur'?

- A:** No, because the claimant must prove the exact negligent act to bring a claim.
- B:** Yes, if the thing causing the accident was under the sole control of the defendant, and the accident is one that does not occur in the ordinary course of things without negligence.
- C:** No, because Res Ipsa Loquitur only applies to breach of contract claims.
- D:** Yes, but the claimant's damages are automatically capped at £10,000.
- E:** No, unless the defendant has already been convicted in a criminal court.

Question 16 — [FLK1 / Dispute Resolution]

A claimant (Nora) has applied for summary judgment against a defendant (Zoe) 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 17 — [FLK1 / Tort Law]

An employee of Alpha Trading Ltd negligently injures a customer (Noah) while driving a company delivery van to make a scheduled delivery. The customer sues Alpha Trading 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 18 — [FLK1 / Tort Law]

A customer (Arthur) is walking down a warehouse aisle when a heavy crate falls from a high shelf and injures them. The claimant has no evidence of what exactly caused the crate to fall. Can the claimant rely on the doctrine of 'Res Ipsa Loquitur'?

- A: No, because the claimant must prove the exact negligent act to bring a claim.
- B: Yes, if the thing causing the accident was under the sole control of the defendant, and the accident is one that does not occur in the ordinary course of things without negligence.
- C: No, because Res Ipsa Loquitur only applies to breach of contract claims.
- D: Yes, but the claimant's damages are automatically capped at £10,000.
- E: No, unless the defendant has already been convicted in a criminal court.

Question 19 — [FLK1 / Dispute Resolution]

A claimant (Rose) has applied for summary judgment against a defendant (Penelope) 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 20 — [FLK1 / Dispute Resolution]

A business wants to apply for an interim injunction to prevent a competitor (Helen) from using its trade secrets. According to the guidelines in *American Cyanamid Co v Ethicon Ltd*, what is the first question the court must consider?

- A: Whether the applicant is willing to pay the court fees.
- B: Whether there is a serious question to be tried.
- C: Whether the defendant has a criminal record.
- D: Whether damages would be an adequate remedy for either party.
- E: Whether the trial can be completed within 6 months.

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