



Applaa SQE Practice Mock 27

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.
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Section 1: Practice Questions

Question 1 — [FLK1 / Business Law and Practice]

Prior to the formal incorporation of Epsilon Foods plc, a promoter (Liam) 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 Liam 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 2 — [FLK1 / Tort Law]

An employee of Delta Builders Ltd negligently injures a customer (Fredrick) while driving a company delivery van to make a scheduled delivery. The customer sues Delta Builders 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 3 — [FLK1 / Dispute Resolution]

A claimant (Mia) makes a valid CPR Part 36 settlement offer to the defendant (Kevin) of £7,500. The defendant rejects the offer. The case goes to trial, and the claimant wins, obtaining judgment of £8,625. 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 4 — [FLK1 / Tort Law]

A driver (Amelia) crashes into a pedestrian (Harry) 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 5 — [FLK1 / Contract Law]

A builder (Daniel) contractually agreed to construct a wall for a customer (Oliver) 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 6 — [FLK1 / Dispute Resolution]

A claimant (Philip) makes a valid CPR Part 36 settlement offer to the defendant (Mila) of £250,000. The defendant rejects the offer. The case goes to trial, and the claimant wins, obtaining judgment of £287,500. 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 7 — [FLK1 / Contract Law]

A builder (Rose) contractually agreed to construct a wall for a customer (Lucas) 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 8 — [FLK1 / Tort Law]

A customer (Julia) 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 9 — [FLK1 / Dispute Resolution]

A claimant (Amelia) has applied for summary judgment against a defendant (Edward) 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 10 — [FLK1 / Business Law and Practice]

Prior to the formal incorporation of Pinnacle Ventures Ltd, a promoter (Emma) 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 Emma 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 11 — [FLK1 / Dispute Resolution]

A claimant (Matthew) makes a valid CPR Part 36 settlement offer to the defendant (Katelyn) of £7,500. The defendant rejects the offer. The case goes to trial, and the claimant wins, obtaining judgment of £8,625. 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 12 — [FLK1 / Business Law and Practice]

Prior to the formal incorporation of Omega Holdings Ltd, a promoter (Lucas) 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 Lucas 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 13 — [FLK1 / Dispute Resolution]

A claimant (Samuel) has brought an action against a defendant (Ryan) in the County Court for breach of contract, claiming £95,000 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 14 — [FLK1 / Tort Law]

An employee of Summit Logistics Ltd negligently injures a customer (Olivia) while driving a company delivery van to make a scheduled delivery. The customer sues Summit Logistics 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 15 — [FLK1 / Contract Law]

A builder (Mila) contractually agreed to construct a wall for a customer (Fiona) 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 16 — [FLK1 / Tort Law]

A claimant was injured when a defendant (Oliver), who was engaged in speeding in a residential zone, 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 17 — [FLK1 / Dispute Resolution]

A claimant (Helen) has applied for summary judgment against a defendant (Daniel) 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 18 — [FLK1 / Contract Law]

A shopkeeper (Olivia) places a laptop in the shop window with a price tag of £7,500. A customer (Beatrice) 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 19 — [FLK1 / Dispute Resolution]

A claimant (Rose) makes a valid CPR Part 36 settlement offer to the defendant (Evelyn) of £15,000. The defendant rejects the offer. The case goes to trial, and the claimant wins, obtaining judgment of £17,250. 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 20 — [FLK1 / Dispute Resolution]

A claimant (Nora) makes a valid CPR Part 36 settlement offer to the defendant (Ian) of £15,000. The defendant rejects the offer. The case goes to trial, and the claimant wins, obtaining judgment of £17,250. 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.

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