

Sample Questions

Question 1

A solicitor appears in court on behalf of a client who is charged with assault. At the trial the prosecution fail to mention the most recent case on assault. The case would have greatly strengthened the prosecution's case against the client.

Which of the following statements best describes what the solicitor should do?

- A. Tell the court about the recent case
- B. Present the argument to the court without referring to the recent case.
- C. Cease to act.
- D. Follow the client's instructions about dealing with the case law.
- E. Tell the client that the solicitor can only continue to act until the client finds alternative representation.

Question 2

A private limited company has an accounting period from 1 April to 31 March. For the accounting period it has trading receipts of £750,000. It has made a gain from the sale of a piece of land of £25,000. It has spent £35,000 on raw materials, £345,000 on wages and £3,500 on general production costs.

What is the company's taxable profit for corporation tax purposes?

- A. £341,500
- B. £401,500
- C. £391,500
- D. £366,500
- E. £686,500

Question 3

In January a restaurant owner enters into a contract for a five year loan with a bank. The repayments are £3,000 a month. In June he is unable to keep up with the payments and is worried that the restaurant will have to close. He informs the bank of his financial problems and promises the bank that if it agrees he will pay £1,000 per month for the next 24 months. The bank agrees and he starts to make the new payments. In July the restaurant owner pays a decorator to repaint the restaurant to make it more attractive to potential customers. In August the bank demands an immediate return to the earlier agreement under which monthly payments of £3,000 are due.

Which of the following statements best describes whether the bank's demand is enforceable?

- A. The bank's demand of an immediate return to the earlier agreement is not enforceable because it is estopped from returning to the earlier agreement without giving reasonable notice.
- B. The bank's demand of an immediate return to the earlier agreement is not enforceable because the restaurant owner has received a benefit from the redecoration.
- C. The bank's demand of an immediate return to the earlier agreement is not enforceable because it has received a benefit in the promise to make the new payments.
- D. The bank's demand of an immediate return to the earlier agreement is enforceable because no consideration has been given for the new agreement.
- E. The bank's demand of an immediate return to the earlier agreement is enforceable because the earlier agreement was made between two commercial parties.

Question 4

A patient is claiming damages for negligence from a doctor. It is alleged that the doctor negligently failed to recognise the symptoms of the disease the patient was suffering from and therefore made the wrong diagnosis and prescribed inappropriate medication.

Which of the following statements best describes the standard of care that the doctor should have exercised in this case?

- A. The doctor must meet the highest professional standard of leading practitioners.
- B. The doctor must act in a manner acceptable according to the standards of a rational and responsible body of practitioners.
- C. The doctor must act as would the expert witnesses whose evidence is accepted by the judge.
- D. The doctor must act on the basis of the latest research findings.
- E. The doctor must act in the way that the majority of doctors would act.

Question 5

Four friends (all over 18 years old) bought an hotel which they planned to run together as a commercial enterprise. They each paid £100,000 towards the purchase price of £400,000.

Which of the following statements best explains how the parties hold the property?

- A. They are joint tenants in law and equity because they paid the same amount towards the purchase price.
- B. They are tenants in common in law and equity because they paid the same amount towards the purchase price.
- C. They are joint tenants in law but tenants in common in equity because they bought the property as a business.
- D. They are joint tenants in law but tenants in common in equity because they are all over 18 years old.
- E. They are tenants in common in law and equity because land cannot be held as joint tenants.

Question 6

As part of a package of cost saving measures, the government decides to close a hospital in a small town. The local residents are angered by this decision and stage public demonstrations which get national media coverage. However, they do not challenge the government's decision in the courts.

A retired hospital doctor sees this coverage and is angered by the government's policy. She lives 250 miles away from the hospital in question and has no personal or other connection with the town, but she thinks it is in the public interest to challenge the government. She decides to challenge the decision in the courts.

Will she receive permission from the courts to progress her challenge?

- A. No, because she is not a local resident directly affected by the decision.
- B. No, because she is not a member of a recognised pressure group.
- C. No, because she does not appear to have sufficient interest in the decision.
- D. Yes, because there is no challenge from the local residents.
- E. Yes, because she has knowledge and experience of the health care sector.

Question 7

A boy took a mobile phone from one of the girls in his school. He approached her and her group of friends and said "give me your phone". She refused. The boy then raised his voice and said "give me your phone or I will stab you with a knife." She handed her phone to the boy who ran away with it.

Which of the following best explains whether the boy is guilty of robbery?

- A. He is not guilty of robbery because although he stole the phone and he threatened force to do so no actual force was used by him to steal it.
- B. He is not guilty of robbery because although his intention was to steal the phone and he threatened force to do so he did not steal the phone because the girl agreed to hand it over.
- C. He is not guilty of robbery because although he took the phone and threatened force to do so he was not dishonest because he did not deceive the girl.
- D. He is guilty of robbery because he stole the phone and used a weapon to steal it.
- E. He is guilty of robbery because he stole the phone and threatened force immediately before and in order to steal the phone.

Question 8

Following a successful pitch by an entrepreneur, a client is keen to invest in a new business. He has been offered a number of shares in the entrepreneur's company and wishes to understand the significance of becoming a shareholder in a small private company.

Which one of the following best describes the client's role as a shareholder?

- A. He will be an adviser to the company on key decisions and be paid a salary.
- B. He will be an adviser to the company on key decisions and rewarded by way of dividend if profits allow.
- C. He will be one of the owners of the company involved in the day to day running of the company and paid a salary.
- D. He will be one of the owners of the company involved in certain key decisions and rewarded by way of dividend if profits allow.
- E. He will be one of the owners of the company rewarded by way of a dividend if profits allow but with no ability to influence the running of the company.

Question 9

An EU citizen is living in an EU state of which he is not a citizen. He is working part-time for a charity, in order to gain practical experience he needs to complete a qualification as a social worker. He receives free accommodation and meals and a cash allowance. He also receives financial assistance from a charitable foundation. The total value of the financial assistance, accommodation, meals and cash allowance is below the national minimum wage for the EU state where he is working.

Which of the following statements best describes the legal position in relation to this person's status as a 'worker' for EU law purposes?

- A. He is not a worker because he is receiving charitable support.
- B. He is a worker because he is doing work of economic value.
- C. He is not a worker because he receives less than the minimum wage.
- D. He is not a worker because his work is part-time.
- E. He is a worker because his work is required for his qualification.

Question 10

The Prime Minister and his Cabinet have decided ("the Decision") to deploy troops against a foreign sovereign state in a conflict abroad. A debate in the House of Commons ("the Commons") has been convened, following which MPs will be able to vote on the Decision.

Which of the following best explains the constitutional position?

- A. The Decision falls within the prerogative powers but the approval of the Commons is required by statute.
- B. The Decision falls within the prerogative powers but by convention the support of the Commons is sought.
- C. The Decision falls within the prerogative powers but the approval of the Commons and the House of Lords is required by statute.
- D. The Decision falls outside the prerogative powers and authority for it is, by statute, required from the Commons.
- E. The Decision falls outside the prerogative powers and authority for it is, by statute, required from the Commons and the House of Lords.

Question 11

A firm is acting on behalf of a client in a litigation matter. The claim by the client has now been settled and damages have been received by the firm. The firm retains the funds on client account for two weeks whilst the client has a holiday. The firm decides to pay the client interest for the two weeks it has held the funds.

Which of the following should be included in the postings that record the payment of interest?

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|----|----------------------------------|-------------------------------------|
| A. | Debit interest payable ledger | Credit cash sheet office account |
| B. | Credit interest payable ledger | Debit cash sheet office account |
| C. | Credit cash sheet client account | Debit cash sheet office account |
| D. | Credit interest payable ledger | Credit cash sheet client account |
| E. | Debit cash sheet office account | Credit client ledger client account |

Question 12

A man has taxable income of £30,000. In the same tax year, after the deduction of his annual exemption, he has chargeable gains of £20,000. He has no capital losses for capital gains tax (CGT) purposes. The basic rate tax band for the relevant tax year is £0 - £35,000. The two rates of CGT for the relevant tax year are 18% and 28%.

Based on the above information, what is the man's CGT liability?

- A. £3,600
- B. £4,100
- C. £5,100
- D. £5,600
- E. £8,400

Question 13

A man died on 7 August 2007 leaving an estate valued at £425,000 for Inheritance Tax purposes to his wife. The nil rate band in August 2007 was £300,000. His wife died on 6 May 2012 leaving an estate worth £750,000 to her children. The nil rate band in May 2012 was £325,000. Neither the man nor his wife made any lifetime gifts.

Which of the following correctly states the amount of nil rate band which can be set against the wife's estate?

- A. £300,000
- B. £325,000
- C. £600,000
- D. £625,000
- E. £650,000

Question 14

Two adjacent units on an industrial estate were occupied by a manufacturer of chutneys and pickles and a theatrical costumier. The costumier complains that odours from the spices used in the chutneys and pickles are making his employees feel nauseous, and also have led to complaints from customers about smells in costumes when they are hired out. The costumier now wants to bring a claim for private nuisance.

In a claim for private nuisance, what test will be applied to determine whether there has been an unreasonable interference?

- A. Is the odour unacceptable to the people working for the costumier?
- B. Is the odour unacceptable in the environment of an industrial estate?
- C. Has the pickle manufacturer acted maliciously?
- D. Has the odour caused physical injury?
- E. Is the odour more intense than it was a year ago?

Question 15

A man notices the front door of a house is open. He does not know the house owner and he enters the house without permission intending to steal. He does not have anything in his possession. As he searches the kitchen, the man sees another person at the front door and quickly leaves the house without taking anything or causing any damage.

Which one of the following best describes the criminal offence the man has committed?

- A. Aggravated burglary.
- B. Attempted burglary.
- C. Aggravated trespass.
- D. Burglary.
- E. Trespass.

Question 16

A solicitor is acting for a client who owns a piece of unregistered land. The client takes out a second legal charge over the land. This second legal charge is with a bank, and the solicitor is also acting for the bank.

How should the solicitor protect the bank's interest?

- A. The solicitor should register the interest at the Land Charges Registry as an estate contract.
- B. The solicitor should register the interest at the Land Charges Registry as a restrictive covenant.
- C. The solicitor should register the interest at the Land Charges Registry as a puisne mortgage.
- D. The solicitor should register the interest at the Land Charges Registry as a limited owner's charge.
- E. The solicitor should register the interest at the Land Charges Registry as a general equitable charge.

Question 17

A settlor transfers property to two trustees to hold on trust for her children. One trustee travels abroad for six months and appoints an attorney to act on her behalf whilst she is away. The trustee dies during this six month period while abroad. The trust deed contains no express powers dealing with the appointment of new trustees.

Who has the power to appoint an additional trustee to the trust?

- A. The deceased trustee's attorney.
- B. The deceased trustee's personal representatives.
- C. The beneficiaries.
- D. The surviving trustee.
- E. The settlor.

Question 18

A retail partnership has three partners. The Partnership Agreement requires contracts with a value in excess of £10,000 to be signed by two partners. One partner signs a contract for stock for the partnership for £12,000. He does not refer this to his fellow partners. The partnership is refusing to pay the supplier.

Is anyone liable to pay the supplier and, if so, who and how much?

- A. No-one is liable to pay the supplier.
- B. The partnership is liable to pay the supplier £10,000.
- C. The partnership is liable to pay the supplier £12,000.
- D. The partner who signed the contract is personally liable to pay the supplier £12,000.
- E. The partnership is liable to pay the supplier £10,000 and the partner who signed the contract is personally liable to pay the supplier £2,000.

Question 19

A decision is made by the Supreme Court on an appeal by a company that complains that its rights under an EU directive ("the Directive") have been infringed. The Supreme Court finds for the respondent. The appellant feels that the wrong interpretation of the Directive has been made by the Supreme Court.

Which of the following institutions could be asked to rule on the interpretation of the Directive?

- A. The European Council.
- B. The Court of Justice of the European Union.
- C. The European Commission.
- D. The House of Lords.
- E. The European Court of Human Rights.

Question 20

A potential new client wishes to instruct a firm of solicitors in respect of the new client's acquisition of another company. The lender who is providing the new client with funding for the acquisition is already being advised by the finance group of the same firm.

Both the lender and the new client are capable of understanding the potential issues and risks in relation to the firm acting for both of them. The benefits to the lender and the new client of the firm acting for both of them outweigh the relevant risks. The firm therefore approaches both clients and explains the issues and risks arising out of the firm acting for both of them in respect of the acquisition.

Which of the following best determines whether the firm can act for both the new client and the lender in this matter?

- A. Whether the lender will be prepared to give informed consent in writing to the firm advising the new client in this matter.
- B. Whether the new client will be instructing the same fee earner as the lender.
- C. Whether the new client will be instructing the corporate group or the finance group of the firm.
- D. Whether the new client will be prepared to give informed consent in writing to the firm advising the lender in this matter.
- E. Whether both the lender and the new client will be prepared to give informed consent in writing to the firm advising both clients in this matter.

Question 21

A distributorship agreement ('the agreement') between 2 undertakings in Poland includes provisions that directly fix selling prices. It is declared void because it is in breach of Article 101 of the Treaty on the Functioning of the European Union (TFEU). All provisions of the agreement were negotiated freely and agreed between the parties. The distributor now wishes to sue the principal for damages for losses suffered as a result of the breach of Article 101 TFEU.

Which of the following best describes whether under EU law the distributor is able to sue the principal for damages in these circumstances?

- A. No, because both parties were significantly responsible for the distortion of competition.
- B. No, because the contract was illegal.
- C. Yes, because the principal agreed to the inclusion of the offending provisions.
- D. Yes, because the principal is always deemed by the court to bear the responsibility for the distortion of competition.
- E. Yes, because both parties were significantly responsible for the distortion of competition.

Question 22

A couple booked a £3,000 wedding package at a hotel and paid a deposit of £500. The night before the wedding, the hotel was destroyed by fire. The hotel had spent £1,000 on food and flowers, all of which perished in the fire.

In a subsequent dispute over payment, what is the court most likely to order under the Law Reform (Frustrated Contracts) Act 1943?

- A. The hotel may keep the deposit and may claim the outstanding £2,500 from the couple.
- B. The hotel may keep the deposit and may claim an additional £1,000 from the couple.
- C. The hotel may keep the deposit and may claim an additional £500 from the couple.
- D. The hotel may keep the deposit but may not claim any additional payment from the couple.
- E. The hotel is not entitled to any payment and must return the couple's deposit.

Question 23

A man has a potential human rights claim. The leading authorities from the English courts appear to be highly unfavourable to the man's case, whereas the decisions of the European Court of Human Rights (the ECtHR) appear to be highly favourable. Therefore, if the man was able to take the claim directly to the ECtHR, without having to first go through the English courts, this might be in his best interests.

Can the man do this?

- A. Yes, provided he can establish to the ECtHR that going through the English courts would be a disproportionate and unnecessary cost burden.
- B. Yes, provided he can establish to the ECtHR that his case is arguable at face value.
- C. Yes, provided he obtains prior approval in the High Court.
- D. No, because he must first take his case to the High Court and, if he loses, he can then go to the ECtHR.
- E. No, because he must first exhaust all available domestic remedies.

Question 24

In his Will a man appointed trustees to hold his residuary estate on trust for his widow for life and on her death for his children in equal shares. The Will does not contain any express powers. The widow wanted to buy a house and asked the trustees to advance capital to help her to do this. The trustees advanced 60% of the trust fund to the widow for this purpose. The widow then changed her mind and used the money to set up a business.

Why is the payment to the widow a breach of trust?

- A. Because the trustees distributed more than 50% of the trust fund.
- B. Because a business is not a permitted investment.
- C. Because the trustees did not ensure that the widow used the funds to buy a house.
- D. Because the trustees do not have the power to advance capital to the widow.
- E. Because the widow did not share the capital advanced with the children.

Question 25

A firm of solicitors is acting for the seller of a property. The contract for the sale provides that on exchange of contracts the buyer should pay a 10% deposit to be held by the seller's solicitors as stakeholder. On exchange of contracts the firm receives a cheque payable to the firm from the buyer's solicitors in respect of the deposit.

How should the cheque be dealt with by the firm?

- A. The firm should pay the cheque into its office bank account.
- B. The firm should open a new stakeholder bank account and pay the cheque into that account.
- C. The firm should return the cheque to the buyer's solicitors and request a cheque made payable to stakeholder.
- D. The firm should pay the cheque into its client bank account.
- E. The firm should send the cheque to the seller.

Question 26

A solicitor in private practice has been acting for a client on a series of share transfers within a group of companies. The transactions have been complicated by the fact that the client has often instructed the solicitor to change the recipients of transfers at the last minute. Yesterday, the solicitor was surprised to hear from the firm's Nominated Officer that the client has been charged with an offence of money laundering in relation to these share transfers. At no time did the solicitor have any suspicions that the transactions were illegitimate.

Which one of the following offences might the solicitor have committed?

- A. Acquiring, using, or having possession of criminal property.
- B. Concealing or disguising criminal property.
- C. Entering into or becoming concerned in an arrangement which facilitates the retention, use, or control of criminal property by or on behalf of another person.
- D. Failing to report knowledge or suspicion of money laundering.
- E. Converting or transferring criminal property.

Question 27

Two months ago a council's planning committee gave permission under certain statutory powers for an old community building on the outskirts of town to be redeveloped into a night club. A member of the council's planning committee is the finance director of the company which will redevelop the building. The old community building had been used by local youth organisations to provide facilities for local children from deprived families. A local resident whose children, with others, were using the old community building wishes to bring judicial review proceedings to challenge the planning committee's decision.

Which of the following best explains why the local resident cannot bring judicial review proceedings?

- A. Because he does not have sufficient standing.
- B. Because judicial review proceedings can never be brought to challenge planning committee decisions.
- C. Because he has not complied with the time limit for bringing judicial review proceedings in this matter.
- D. Because judicial review proceedings cannot be brought in a private law matter.
- E. Because he does not have any grounds upon which to bring judicial review proceedings.

Question 28

A woman owns a house in her sole name and decides to give it to trustees to hold on behalf of her nephew. She prepares a written confirmation of the terms of the trust.

Who must sign the written confirmation in order to create a valid trust of the house?

- A. The woman only.
- B. The nephew only.
- C. The trustees only.
- D. The woman or the trustees.
- E. The woman or her lawfully appointed agent.

Question 29

A building company was in financial difficulty and trying to save money on equipment. A director of the company was at one of the company's construction sites when an employee complained to her that he did not have a safety helmet. The director told the employee to carry on working even though she was aware of the risk of death or serious injury by working without a helmet. Later that day the employee was killed when an iron bar fell onto his head as he was working. He would have survived if he had been wearing a safety helmet. Prosecutors are now considering an appropriate offence with which to charge the director.

Which of the following offences is most appropriate for the director to be charged with?

- A. Murder.
- B. Voluntary manslaughter.
- C. Gross negligence manslaughter.
- D. Corporate manslaughter as principal.
- E. Corporate manslaughter as accessory.

Question 30

A man died on 20 May 2017. By his will he left his entire estate to his daughter. The man was a bachelor and did not make any lifetime gifts. His estate comprised his house worth £95,000 which had been his only residence for 15 years, bank and building society accounts with balances totalling £400,000 and personal chattels worth £5,000. There was a mortgage of £15,000 over his house. His outstanding gas, electricity, water rates and council tax bills totalled £1,000. His other debts and funeral expenses totalled £17,000. In the 2017/18 tax year the nil-rate band is £325,000 and the main residence nil-rate band is £100,000.

Which of the following best describes the nil-rate bands available for the man's estate?

- A. A nil-rate band of £325,000 and an additional main residence nil-rate band of £100,000 only will be available.
- B. A nil-rate band of £325,000 and an additional main residence nil-rate band of £95,000 only will be available.
- C. A nil-rate band of £325,000 and an additional main residence nil-rate band of £85,000 only will be available.
- D. A nil-rate band of £325,000 and an additional main residence nil-rate band of £80,000 only will be available.
- E. A nil-rate band of £325,000 and an additional main residence nil-rate band of £79,000 only will be available.

Answers to Sample Questions

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|-------|-------|
| 1. A | 16. C |
| 2. C | 17. D |
| 3. A | 18. C |
| 4. B | 19. B |
| 5. C | 20. E |
| 6. C | 21. A |
| 7. E | 22. D |
| 8. D | 23. E |
| 9. B | 24. D |
| 10. B | 25. D |
| 11. A | 26. D |
| 12. C | 27. C |
| 13. E | 28. A |
| 14. B | 29. C |
| 15. D | 30. D |