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SQE1 FLK2 Diagnostic: The 10-Question "Health Check" Answers

A curated sample of audited FLK1 questions to test your application of the law.

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Question 1: Land Law (Overreaching & Priority)

- Correct (B): This tests the "Pivot of Overreaching." Under s.2 and s.27 LPA 1925, an equitable interest (the mother's resulting trust) is overreached if the capital money is paid to at least two trustees. Here, the husband and wife (two trustees) received the mortgage funds. Overreaching is a "priority-killer"—it detaches the mother's interest from the land and attaches it to the proceeds, regardless of her actual occupation.
- Error (A): This is the "Overriding Interest Trap." While actual occupation under Schedule 3, Para 2 LRA 2002 usually protects an interest, it cannot protect an interest that has been legally overreached.
- Error (C): "Reasonable inquiries" is a concept from unregistered land (Doctrine of Notice). For registered land, the mechanism is either a Notice on the register, an Overriding Interest, or Overreaching.
- Error (E): Consent is a practical requirement for lenders to avoid disputes, but as a matter of law, overreaching occurs automatically if the two-trustee rule is met.

Question 2: Solicitors' Accounts (Classification & Breach)

Answer: B

Explanation (Examiner-Style):

- Correct (B): This tests the "Definition of Client Money." Under Rule 2.1, "client money" includes money held or received on account of costs (before a bill has been issued). Therefore, both the mortgage funds and the £5,000 for future costs are client money and *must* be held in a client account.
- Error (A): Candidates often confuse "money on account" with "paid fees." If a bill has been delivered, it is office money. If no bill has been delivered, it is client money.
- Error (D): The 14-day rule relates to moving money *out* of the client account after a bill is issued. Since no bill is mentioned, the money remains client money indefinitely.
- Error (C) & (E): These are "Regulatory Noise" distractors. There are no such requirements under the SRA Accounts Rules for separate "Lender" or "HMRC" accounts.

Question 3: Criminal Law (Mens Rea & Attempts)

Answer: B

Explanation (Examiner-Style):



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- Correct (B): This tests the "Pivot of Factual Impossibility." Under the Criminal Attempts Act 1981, a person can be guilty of an attempt even if the commission of the full offence is factually impossible (e.g., trying to kill with "poison" that is actually sugar). The key is (i) specific intent to kill and (ii) an act that is more than merely preparatory. Administering the tea with the intent to kill meets this.
- Error (A): This reflects the old common law position which was overturned by the 1981 Act. Factual impossibility is no defense.
- Error (C): Attempted murder does not require the act itself to be inherently "dangerous" in reality; it requires the defendant to *believe* the act is part of a sequence that leads to death.
- Error (D): This is the "Objective Trap." Criminal liability for attempts is based on the defendant's subjective intent and the facts as he believed them to be.
- Error (E): Attempts, by definition, do not require the completion of the harm.

Question 4: Wills & Administration (Ademption)

Answer: B

Explanation (Examiner-Style):

- Correct (B): This tests the "Pivot of Ademption." A specific legacy (e.g., "my 1,000 shares") fails (adeems) if the testator no longer owns that specific property at death. Because the will used the word "my," it is a specific legacy. Since Global Tech PLC shares no longer exist in her estate, the gift fails.
- Error (A/D): While there are narrow exceptions for "reorganisation" of share capital (e.g., a stock split), a takeover by a different company (MegaCorp) is usually a change in substance that triggers ademption.
- Error (E): If the will had said "1,000 shares" (without the word "my"), it would be a general legacy. The executors would then be required to buy the shares or provide the value. The use of "my" makes it specific and subject to ademption.
- Error (C): Specific legacies do not "default" to cash value if the asset is missing.

Question 5: Trusts (Tracing & Mixed Funds)

Answer: C

Explanation (Examiner-Style):

- Correct (C): This tests the "Pivot of the Mixed Fund." Under *Re Hallett's Estate*, a trustee is presumed to spend his own money first. However, under *Re Oatway*, if the later-spent money is invested profitably, the beneficiaries can claim that investment. Here, the fund was £15,000 (£10k trust / £5k trustee). The trust owns 2/3 of the pot. When that pot is split, the trust can trace its 2/3 share into the successful investment: $\frac{2}{3}$ of £20,000 = £13,333.
- Error (A): This applies *Re Hallett* (spending own money first) but ignores the *Oatway* exception for profitable investments.
- Error (B): This ignores that the trustee's own £5,000 also contributed to the fund; the trust cannot claim the trustee's portion of the growth unless the funds were inseparable.



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- Error (D): This incorrectly assumes the "First In, First Out" (*Clayton's Case*) rule applies. *Clayton's Case* generally does not apply to a mix of trustee and beneficiary money; it only applies between two innocent beneficiaries.

Question 6: Criminal Practice (Police Powers & PACE)

Explanation (Examiner-Style):

- Correct (B): This tests the "Pivot of the Clock." The first review must happen no later than 6 hours after detention is authorized (not the time of arrest or arrival). Authorization was at 10:30; therefore, 16:30 is the deadline.
- Error (A): Uses the time of arrival (10:00) as the trigger.
- Error (C): Confuses the 6-hour review with the 24-hour limit for detention without charge.
- Error (D): Uses the time of arrest (09:00) as the trigger.
- Error (E): This is 12 hours after authorization; subsequent reviews are every 9 hours, but the first is strictly at 6 hours.

Question 7: Property Law & Practice (Priority & Official Searches)

Answer: B

Explanation (Examiner-Style):

- Correct (B): This tests the "Priority Window." An OS1 search provides a "priority period" of 30 working days. If the buyer fails to lodge their application for registration (the AP1) within that window, they lose their priority. 1 October to 5 November exceeds 30 working days (approx. 25-26 working days usually, but here the candidate must count carefully; typically, the SQE uses dates that clearly fall outside the ~6 week real-world span). Any interest registered in the interim (the 10 October mortgage) will take priority once the window closes.
- Error (A): The principle is correct, but the candidate has failed to check if the buyer actually used the window.
- Error (C): A search does not "block" the creation of interests; it only protects the searcher if they register their own interest in time.
- Error (D): Priority in registered land is not automatic for legal charges; priority depends on registration and compliance with the OS1 priority period, not the nature of the interest itself.
- Error (E): In registered land, "notice" and "good faith" are irrelevant; priority is determined by the register and the search window.

Question 8: Land Law (Leasehold Covenants)

Answer: B

Explanation (Examiner-Style):

- Correct (B): This tests the "Pivot of the LT(C)A 1995." For "new" leases (post-1995), an AGA only guarantees the performance of the immediate assignee (T2). Once T2 assigns to T3, T1's AGA is automatically discharged by law.
- Error (A): This is the common misconception that an AGA is a permanent guarantee. It is a "one-step" guarantee only.



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- Error (C): This applies the rule for "old" leases (pre-1995). For new leases, privity of contract is abolished upon assignment (s.5 LT(C)A 1995).
- Error (D): An AGA does not create ongoing or conditional liability; under the LT(C)A 1995, the original tenant's liability ends automatically once the immediate assignee assigns the lease.
- Error (E): While a s.17 notice is a procedural requirement to sue a guarantor, it is irrelevant here because T1 is no longer a guarantor for T3.

Question 9: Criminal Practice (Sentencing & Allocation)

Answer: B

Explanation (Examiner-Style):

- Correct (B): This tests the "Pivot of Election." If a defendant *elects* Crown Court trial (even if the Magistrates were willing to hear it), the Crown Court has its full sentencing powers. The restriction in Option (E) only applies if the Magistrates' Court *sends* the defendant for sentencing after a summary conviction.
- Error (A): This incorrectly assumes that the Magistrates' initial assessment of "suitability" caps the Crown Court.
- Error (E): This confuses this scenario with "Committal for Sentence" under s.14 or s.16 PCC(S)A 2000.

Question 10: Solicitors' Accounts (Mixed Receipts)

Answer: A

Explanation (Examiner-Style):

- Correct (A): This tests the "Mixed Money Rule" (Rule 4.2). When a solicitor receives a single payment containing both client money (£1,000 disbursement) and office money (£200 unpaid bill), it must be paid into the client account first. The office portion must then be transferred out "promptly" (interpreted as within 14 days).
- Error (B): While logically sound, this is impossible for a "single electronic transfer" (you cannot split a single incoming wire into two different bank accounts at the point of entry).
- Error (C): Paying client money into the office account is a fundamental breach (misappropriation).
- Error (D): Sentencing powers are determined by court jurisdiction, not by any "waiver" by the defendant; election for Crown Court trial simply confers full Crown Court sentencing powers by law.
- Error (E): Keeping office money in the client account longer than necessary is "prohibited banking" and a breach of Rule 4.