



---

# BUSINESS LAW

March 2019

---

## Time allowed

Three hours

## Instructions

- Write the question number next to each answer in your answer booklet.
- You are not required to rewrite the question in your answer booklet.
- Ensure that you pay particular attention to words in **bold**.

## Information

- Different questions may carry a different number of marks.
- Marks for each question are shown in [ ].

## Advice

- Read each question carefully before you start to answer it.
- Use the full time permitted and check all your answers.

## Materials

- No other computer equipment, notes or books are permitted.
- For those exams for which numeracy skills are required:
  - a) Non-programmable calculators are permitted.
  - b) Data tables are included at the back of the paper.



**ANSWER FIVE QUESTIONS FROM EIGHT.**

1. With regard to negligence:
- (a) Explain the '**neighbourhood test**' and how it is used to establish that a duty of care is owed. [10 marks]
- (b) Certain factors may affect whether standards have been breached, if a defendant has neglected their duty of care, as a result of failing to meet the standards of care of a reasonable man. Discuss these factors and how they influence the standard of care of a reasonable man. [10 marks]
2. Durkin Ltd was due to hold a general meeting on the 14th March. Prior to the general meeting, all four shareholders agreed to dismiss the company's auditor, Kacper, due to his lazy attitude towards work. Therefore, Tamsin, a shareholder and director of the company, wrote to Kacper notifying him that his contract as the company's auditor was to be terminated. Tamsin then also wrote to the Registrar of Companies 20 days before they were due to remove Kacper as the auditor. Despite them inviting Kacper to the meeting he is unhappy about the way that Durkin Ltd have acted but they argue that they have acted legitimately.
- (a) Describe what powers and duties Kacper holds as an auditor.
- (b) Discuss, with examples, whether the removal of Kacper as an auditor was lawful and discuss the reasons why. [20 marks]
3. (a) Describe the function of the jury in the criminal justice system. Include discussion of how a juror may be appointed. [10 marks]
- (b) The jury play a circuital part in the criminal justice system. Discuss the advantages and disadvantages of a jury in a criminal trial. [10 marks]
4. Agency is the fiduciary relationship between a principal and an agent. With regard to agency:
- (a) Discuss the different types of agents that there are.
- (b) Explain how an agent may be appointed. [20 marks]
5. A contract is a mutual agreement between parties which is legally enforceable. Explain the **common law** and **equitable** remedies for a breach of contract. [20 marks]

6. The sale of goods is regulated in the UK and forms a binding contract between the seller and consumer. Compare and contrast the **Sale and Supply of Goods to Consumers Regulations 2002** with the **Supply of Goods and Services Act 1982**, highlighting the key changes that the SSGCR introduced. [20 marks]
7. Tribunals are used to settle some forms of dispute. Discuss the structure of **employment tribunals** and the advantages of them compared to **civil court**. [20 marks]
8. There are many forms of business ownership.
- (a) Discuss what is meant by a **business partnership**.
- (b) Describe the requirements to form a partnership.
- (c) Explain the circumstances when a partnership may be dissolved. [20 marks]

**END OF QUESTIONS**