



**CILEX Level 6 Single Subject Certificate/CILEX Level 6 Professional Higher Diploma in Law and Practice/CILEX Level 6 Graduate Fast-Track Diploma**

**Unit 5 – Equity and Trusts**

**Question paper**

**June 2025**

**Time allowed: 3 hours and 15 minutes (includes 15 minutes reading time)**

**Instructions and information**

- It is recommended that you take **fifteen** minutes to read through this question paper before you start answering the questions. However, if you wish to, you may start answering the questions immediately.
- There are **two** sections in this question paper — Section A and Section B. Each section has four questions.
- You must answer **four** of the eight questions — at least **one** question must be from **Section A** and at least **one** question must be from **Section B**.
- This question paper is out of 100 marks.
- The marks for each question are shown — use this as a guide as to how much time to spend on each question.
- Write in full sentences — a yes or no answer will earn no marks.
- Full reasoning must be shown in your answers.
- Statutory authorities, decided cases and examples should be used where appropriate.
- You are allowed to make notes on your scrap paper during the examination.
- A basic calculator is provided should you require the use of one.
- You can use your own unmarked copy of the following designated statute book – ***Blackstone's Statutes on Property Law 31st edition, 2022-2023 Meryl Thomas, Oxford University Press, 2023***
- You must comply with the CILEX Exam Regulations – Online Exams at Accredited Centres/CILEX Exam Regulations – Online Exams with Remote Invigilation.

**Turn over**

## SECTION A

Answer at least one question from this section.

1. Critically evaluate the different ways in which the courts have justified upholding the validity of a gift to an unincorporated association.  
**(25 marks)**
2. Critically evaluate the principles applied by the courts in identifying the intention of cohabiting couples as to how the beneficial interest in the family home is to be shared between them.  
**(25 marks)**
3. *'[These orders] potentially involve serious inroads on principles which [underpin notions of] English liberty, such as the presumption of innocence, the right not to be condemned unheard, protection against arbitrary searches and seizures, the sanctity of the home...'* (per Hoffman J in Lock v Beswick [1989] 1 WLR 1268).

In light of this statement, critically analyse the jurisdiction of the courts to grant:

- (a) search orders;  
**(13 marks)**
  - (b) freezing orders.  
**(12 marks)**
- (Total: 25 marks)**

4. *'... for liability as an accessory to arise the defendant must himself appreciate that what he was doing was dishonest by the standards of honest and reasonable men'* (per Lord Hutton in Twinsectra Limited v Yardley and Others (2002) at para 20).

Critically evaluate this statement.

**(25 marks)**

## SECTION B

Answer at least one question from this section.

### Question 1

Aurora died recently. Her Will was validly executed in 2015 and witnessed by Boris (Aurora's accountant) and Cariad (Boris's assistant). It appointed Dwayne, Aurora's brother, as executor.

Aurora's Will contains the following provisions:

- (a) I give £250,000 jointly to my nieces Electra and Fleur
- (b) I give my house to my brother Dwayne to be held on trust.

Aurora had emailed Dwayne on the day that she executed her Will. Aurora had asked Dwayne if he would be willing to hold Aurora's house on trust after she died. Dwayne had replied immediately, indicating that he was happy to do so. Aurora had then sent a further email to Dwayne with an attached document. Aurora had asked Dwayne not to open the document, which contained details of the intended trust, until after Aurora's death. Dwayne agreed.

Fleur had visited Aurora on the day before she died. While Fleur was there, Aurora had mentioned that she had left £150,000 to Electra and Fleur in her Will. Aurora had explained that she wanted this money to be held on trust for the charitable donkey sanctuary of which Aurora had been a lifelong supporter. Fleur had told Aurora that she would tell Electra about Aurora's wishes but that it would have to wait until Electra returned from her two-week holiday in the Seychelles. Unfortunately, Fleur was killed in a car crash as she was driving home from the meeting with Aurora. When Dwayne was going through Aurora's papers after her death, he found a diary entry for the day of Fleur's visit in which Aurora had written 'Fleur visited. Told her about the gift to the sanctuary. All good.'

Dwayne has opened the email attachment and discovered that Aurora's house is to be held on trust for Boris (with whom Aurora had had a secret relationship for many years). Electra wishes to keep the £250,000 legacy for herself.

Advise Dwayne in relation to each of the above matters.

**(25 marks)**

**Turn over**

## Question 2

Gautam died in April 2024, leaving a trust fund of £750,000 to his trustees (Harbajan, a lawyer, and Irfan, a bank manager) on trust for his nieces, Jiya and Kali, on condition that they each graduate from university. The fund currently produces an income of £75,000 each year. Jiya is aged 16 and Kali is aged 19.

Jiya is a talented musician and has been awarded a place at a prestigious conservatoire in Paris at a cost of £15,000 per year for her tuition. Her attendance would be for four years but the school has demanded that the full £60,000 fees be paid before she starts. Jiya has received no money from the trust so far but she has asked Harbajan and Irfan if they can use her share of present and accumulated income from the trust to pay the fees.

Jiya's mother (who is widowed) is reluctant for Jiya to live in Paris unaccompanied. She has asked Harbajan and Irfan if they will agree to the trust paying the rent for a flat in Paris in which she and Jiya could live while Jiya attends the conservatoire. The annual rent for the flat would be £20,000.

Kali has just completed her first year at university. She has not received any income from the trust to date but Harbajan and Irfan did advance £30,000 from her share of the capital of the fund to pay her tuition and accommodation fees, as well as to contribute towards her general living expenses. In fact, Kali spent most of the advance on clothes and parties; she is now being pressed by the university to pay the fees that she still owes plus next year's fees. Consequently, Kali has asked for all her present and accumulated share of income to cover these fees.

Kali has also decided that she does not want to live on campus next year. She has found a flat that she wishes to purchase and is asking for £300,000 from the capital of the fund for this purpose.

Advise Harbajan and Irfan in relation to the above matters.

**(25 marks)**

### Question 3

Letitia died recently. She was a highly successful businesswoman who had decided, shortly before her death, that she would like to dispose of some of her assets.

A few years previously, Letitia had set up a Foundation to provide financial assistance to aspiring young female entrepreneurs. Letitia was one of the trustees of the Foundation. At a recent meeting of the board of trustees, Letitia announced that she was going to give her valuable collection of bronze sculptures to the Foundation and that she would sort everything out once she had recovered from a routine operation that she was planning to undergo in a few days' time.

Immediately after the meeting, Letitia spoke to Moira, one of the executors and trustees of Letitia's late father's estate and said 'You are currently holding 5,000 ordinary shares in the family company on trust for me. I want you to hold them on trust for my sister, Natalie, instead.' The next day, Letitia telephoned Moira and said 'I've changed my mind about the shares for Natalie because I've something different in mind for her. I want you to have them.'

The day before the planned operation, Letitia went for a drink with Natalie. Letitia told Natalie that she wanted to give Natalie the diamond bracelet that had belonged to their late mother and which had been left to Letitia in her mother's Will. Unfortunately, one of the diamonds had recently fallen out of the bracelet and so Letitia had sent it to a jeweller so that a replacement could be fitted. However, Letitia told Natalie that she would give authority for the jeweller to allow Natalie to collect the bracelet once the repair work had been completed.

Letitia had her planned operation yesterday. Unfortunately, she suffered post-surgery complications and died.

Letitia's Will, which was validly executed, appoints Natalie as her executor and leaves her entire estate to charity.

Advise Natalie as to the validity of the gifts of:

- (a) the collection of sculptures to the Foundation;

**(9 marks)**

- (b) the 5,000 ordinary shares to Moira;

**(8 marks)**

- (c) the diamond bracelet to Natalie.

**(8 marks)**

**(Total: 25 marks)**

**Turn over**

#### Question 4

In October 2024, Oscar died and left his entire estate to his young niece, Patricia. Oscar's stepson, Quincy, is the executor of Oscar's estate.

Quincy was unhappy about the terms of his stepfather's Will and so he decided to redistribute some of the estate:

- He paid £50,000 into his personal current account ('the Account'). Prior to this, the Account was overdrawn by £10,000.
- He donated £25,000 from Oscar's estate to a local children's hospice, a charity to which he knew that Oscar had made donations in the past. The charity spent £15,000 from the donation in refurbishing some of the bedrooms in the hospice. The remaining £10,000 is still in the charity's bank account.

Quincy is also the trustee of a trust set up for the benefit of his nephew, Romeo. Having lost his job in November 2024, Quincy soon found that he was running out of money so he withdrew £50,000 from Romeo's trust, which he paid into the Account.

He then used £25,000 from the Account to pay some bills.

In March 2025, Quincy won £60,000 on the National Lottery and paid the money into the Account. He decided to invest £30,000 in a cryptocurrency. That investment is now worth £40,000.

In April 2025, Quincy withdrew £80,000 from the Account to pay off the mortgage on his home.

Quincy continued to use money from the Account to pay bills and is now overdrawn again.

Quincy has recently been declared bankrupt.

Advise Patricia and Romeo of any claims they may have.

**(25 marks)**

**End of Examination Paper**

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