



ACCG614

Business and Corporation Law

MQC S1 Day 2014

Dept of Accounting & Corporate Governance

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Disclaimer

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General Information

Unit convenor and teaching staff

Unit Convenor

Florentia Bishop

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Contact via florentia.bishop@mq.edu.au

Please check Support Class timetable posted on iLearn

Michael Quilter

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Credit points

4

Prerequisites

Admission to MAcc(CPA) or MAcc(Prof) or MCom or MEc or MAcc(Prof)MCom or MBioTechMCom

Corequisites

Co-badged status

Unit description

The aim of this unit is to introduce students to the Australian legal system, including relevant commercial legal principles and corporate law and regulation. After dealing with core aspects of rights and liabilities, and the characteristics of business organisations generally, the unit focuses on Australian company law. Students develop an understanding of the nature and function of a company, as well as the important issues concerning shareholder rights and the duties of directors. The unit also addresses issues relevant to companies and individuals in financial difficulty and the law as to insolvency. Seminars will include consideration of relevant legal issues, case law, and important sections of the Corporations Act 2001 (Cth) and other relevant legislation.

Important Academic Dates

Information about important academic dates including deadlines for withdrawing from units are available at <https://www.mq.edu.au/study/calendar-of-dates>

Learning Outcomes

On successful completion of this unit, you will be able to:

Identify and comprehend the concepts, characteristics and legal principles that apply to

Australian business, business organisations and corporate legislative framework;
Understand how companies are formed, different types of companies and the relevance of the company constitution
Effectively recognize and gain knowledge of corporate management issues, in particular the role and obligation of directors;
Gain the capability to understand how shareholders rights are protected and how the Corporations Act regulates acquisition and disposal of shares;
Critically assess corporate insolvency in the current regulatory environment;
Analyse the legal aspects of particular sets of facts or case studies relevant to corporations law and identify and solve the legal problems associated with these.

Assessment Tasks

Name	Weighting	Due
<u>Class Participation</u>	20%	Ongoing (seminar classes)
<u>Class Test</u>	10%	Held in Week 5 Seminars
<u>Quiz</u>	20%	Week 10
<u>Final Exam</u>	50%	Exam Period

Class Participation

Due: **Ongoing (seminar classes)**

Weighting: **20%**

This assessment task has two components i.e., i) class participation and ii) class presentation. Class participation and presentation has 20% marks altogether. For the detailed assessment criteria of these components (class participation and presentation), see the unit assessment guide on iLearn.

Penalty:

For non-attendance in a class, students will lose the class participation mark for that particular class and no additional class or other assessment tasks will replace it.

General Guidelines for Class Presentation:

In week 1 tutor's will seek volunteers to fill in the presentation slots for the first 4 weeks of classes. In week 5, students will be allocated a seminar in which to give a presentation. The presentation allocations will be posted on iLearn. The presentations should be no longer than **10 minutes**.

Presentation topics will be posted on iLearn but students who choose their own relevant presentation topic have the opportunity to earn bonus marks. If you decide to choose your own topic, the topic must be something that is relevant to the topic area for that week's class. You cannot get 10 out of 10 if you rely on the given topics.

Students should regard the class presentation as an opportunity to develop an important workplace skill as well as an opportunity to prepare a particular area of the unit in more detail. Marks for class presentations will be determined by the lecturer based upon their perception of the presentation as having achieved its purpose (this purpose being to inform and interest the class, showing capability with the requisite area of the law and an ability to communicate and engage).

Examples of the type of matters that may be taken into account in grading this assessment include: structure, clarity, content covered at the appropriate level, evidence of research, use of resources or aids, showing and engendering interest in the area, timing (particularly as to the duration of the presentation), currency of the material used, originality/creativity.

Penalty:

1. Students **MUST** bring their presentation marking form on the day of their presentation. Failure to do so will result in a deduction of 3 marks.
2. For missing class presentation, students must have to apply for special consideration. If granted, **only one special presentation session** can be organised (for all such students) by the convener before the final exam.

On successful completion you will be able to:

- Identify and comprehend the concepts, characteristics and legal principles that apply to Australian business, business organisations and corporate legislative framework;
- Understand how companies are formed, different types of companies and the relevance of the company constitution
- Effectively recognize and gain knowledge of corporate management issues, in particular the role and obligation of directors;
- Gain the capability to understand how shareholders rights are protected and how the Corporations Act regulates acquisition and disposal of shares;
- Critically assess corporate insolvency in the current regulatory environment;
- Analyse the legal aspects of particular sets of facts or case studies relevant to corporations law and identify and solve the legal problems associated with these.

Class Test

Due: **Held in Week 5 Seminars**

Weighting: **10%**

Questions of this test will be drawn from Australian legal system and business law topics which are covered in weeks 1, 2, 3 and 4 inclusive. The quiz will be 35 minutes and consist of 5 short answer format questions.

The test will take place in your seminar class and you will only be able to take the test in the seminar you are enrolled in.

Penalty:

Students should apply for special consideration immediately if they fail to attend the class test. If granted, **only one special test** can be organised for all students who missed the test.

On successful completion you will be able to:

- Identify and comprehend the concepts, characteristics and legal principles that apply to Australian business, business organisations and corporate legislative framework;

Quiz

Due: **Week 10**

Weighting: **20%**

This online quiz test will open up in week 10 for 72 hours. However, once a student starts the test, s/he will get only 30 minutes to complete the test. It will be a multiple choice exam of only 10 questions (3 minutes for each question) and each question will have 2 marks. In case of any change in the format of the test, students will be notified through iLearn.

The exam will be drawn from topic areas 5-8. Since it is an online test, students will get an immediate feedback after the test. If you do not perform as well as you would have liked (or merely want to improve your performance) you should:

- (a) ensure that you focus on your remaining classes, prepare prior to each class and test your understanding by participating in class discussion;
- (b) ensure your notes are clear and concise
- (c) test your understanding of an area by simulating exam conditions, that is try to do questions without looking at books or notes;
- (d) because the final exam also includes multiple-choice questions practice understanding the concept behind their preparation by drafting your own questions;
- (e) read all material prescribed for each topic Area;
- (f) consult your lecturer if, once you have completed the reading for an area, you have any questions.

Penalty:

If any student fails to do this online quiz within the scheduled time, s/he will lose this mark and there is no re-test for this assessment task.

On successful completion you will be able to:

- Understand how companies are formed, different types of companies and the relevance of the company constitution
- Effectively recognize and gain knowledge of corporate management issues, in particular the role and obligation of directors;
- Gain the capability to understand how shareholders rights are protected and how the Corporations Act regulates acquisition and disposal of shares;

Final Exam

Due: **Exam Period**

Weighting: **50%**

You must pass the final exam to pass this course. The exam will cover Topic area 9 – 12 inclusive. The exam will include both problem-style and multiple-choice questions to be attempted in 3 hours – to succeed in this exam you will need to have a good grasp of the relevant unit content (the law), be able to analyse and distinguish between alternatives in multiple-choice questions and to be able to identify, analyse and resolve issues arising in a problem-solving format.

Supplementary Exam/Test/Late Assessment Task

(1) If a Supplementary Examination is granted as a result of the Special Consideration process, the examination will be scheduled as per the Supplementary Examination timetable of the Faculty. Please note that the supplementary examination will be of the similar format as the final examination.

(2) Only one supplementary test/exam (there will be no re-supplementary exam for the class tests or final exam) will be scheduled.

On successful completion you will be able to:

- Understand how companies are formed, different types of companies and the relevance of the company constitution
- Effectively recognize and gain knowledge of corporate management issues, in particular the role and obligation of directors;
- Gain the capability to understand how shareholders rights are protected and how the Corporations Act regulates acquisition and disposal of shares;
- Critically assess corporate insolvency in the current regulatory environment;
- Analyse the legal aspects of particular sets of facts or case studies relevant to corporations law and identify and solve the legal problems associated with these.

Delivery and Resources

There will be 13 seminars in this unit with each seminar of being 3 hours in length. The seminars progress through the various **Topic areas** referred to in this Unit Guide.

The timetable for classes can be found on the MQC Student Portal at: <http://student.mqc.edu.au/>

REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS

Required Text:

Corporations Law (4th Edition), by Colin Anderson (et al), (2014), Published by *Lexis Nexis Butterworths*

And

Business and Corporations Law - Contracts (2014) Published by *Lexis Nexis Butterworths*

(Note these two books are available as a bundle from the Co-op Bookshop)

Recommended extra reading/research texts:

Intermediate level:

1. *Michael Quilter, Company Law Perspectives* (2012) (Publisher: Thomson Reuters)
2. *Lipton and Herzberg, Understanding Company Law* (16th ed. 2012 or 17th ed. 2014) (Publisher: Thomson Reuters)

Advanced level:

Austin R P; Ramsay I M, Ford's Principles of Corporations Law (15th ed, 2012) (Publisher Lexisnexis Butterworths)

Note that in terms of delivery, there is not substantial change in the unit since last offering but there do have some changes in the assessment tasks and procedures. Students are advised to check the assessment tasks carefully from the the unit guide and the unit assessment guide.

This unit is taught by way of seminars. Two main types of questions are discussed in seminars – knowledge questions and problem questions. Knowledge questions are not designed to be analytical but are used, rather, to test your knowledge of a particular topic area. Problem questions are longer and more involved. They require several skills including reading and comprehension, problem identification and problem solving. The second class test and the main parts of the final exam will be in the format of problem questions.

What is expected of students – criteria for success

Students should take responsibility for their own learning and this will incorporate reading as required, attendance at seminars and reflection on their abilities. The capacity of each student to

digest material will vary and accordingly self-assessment is necessary. The amount of focussed and effective effort a student puts in to preparation and study will generally be reflected in their performance. There are 2 main components of successful law (particularly company law) study: one is that students must have some knowledge of the core issues of the relevant topics [take short clear notes in seminars, think about your task, involve yourself in classes], the second is that students will only be successful if they can apply what they have learned, that is, in your exam you have to be able to use the law to solve problems [either multiple-choice or written answer style].

Classes should be used by students to test their understanding of the unit in an environment where immediate feedback is available from the lecturer – students should be prepared to respond to, and ask, questions – being active is an important aspect of both study and professional practice and classes will be of more benefit to all students if they are willing to participate.

Students are expected to attend classes. Where any issue arises as to a student's performance it may be necessary to consider whether the issue of their attendance is relevant. In a simple economic sense students pay for instruction and should attend classes to get the benefit and help of their lecturer.

Unit Schedule

TOPIC AREAS

Please Note: The seminar questions for each topic area that you must complete each week are posted on iLearn and will be discussed in the week following the topic area reading.

Week 1

(Week commencing Monday 3 March)

Topic Area 1 Readings:

An Introduction to the Australian Legal System

See iLearn

Seminar Activities

Class Discussion and Introduction

Week 2

(Week commencing Monday 10 March)

Topic Area 2 Readings:

Contract Law I

Business and Corporations Law – Contracts – Chapter 1

Seminar Activities:

Seminar Questions Topic Area 1

Week 3

(Week commencing Monday 17 March)

Topic Area 3 Readings:

Contract Law II

Business and Corporations Law – Contracts – Chapter 2

Seminar Activities:

Seminar Questions Topic Area 2

Week 4

(Week commencing Monday 24 March)

Topic Area 4 Readings:

Contract Law III

Business and Corporations Law – Contracts – Chapter 3 and 4

Seminar Activities:

Seminar Questions Topic Area 3

Week 5

(Week commencing Monday 31 March)

PLEASE NOTE 'CLASS TEST ' TO BE HELD IN CLASS THIS WEEK

Topic Area 5 Readings:

Forms of Business Ownership and their Regulation; Corporate Regulation in Australia: History and Framework

Corporations Law (4th ed) – Chapters 1 and 2

Seminar Activities:

Seminar Questions Topic Area 4

Week 6

(Week commencing Monday 7 April)

Topic Area 6 Readings:

The Company as a Separate Legal Person

Corporations Law (4th ed) Chapters 3 and 4

Seminar Activities:

Seminar Questions Topic Area 5

Midsemester Break 14 April – 24 April (Note: Public Holiday Friday 25 April – classes recommence on Monday 28 April)

Week 7

(Week commencing Monday 28 April)

Topic Area 7 Readings:

Individuals involved with a corporation: Who are they? What do they do? And how are they related to each other?

Corporations Law (4th ed) – Chapters 5 and 6

Seminar Activities:

Seminar Questions Topic Area 6

Week 8

(Week commencing Monday 5 May)

Topic Area 8 Readings:

Corporate Governance: Internal Audits and Auditors liability

Corporations Law (4th ed) – Chapter 9

Seminar Activities:

Seminar Questions Topic Area 7

Week 9

(Week commencing Monday 12 May)

Topic Area 9 Readings:

Corporate governance: directors duties I

Corporations Law (4th ed) – Chapters 10 and 11

Seminar Activities:

Seminar Questions Topic Area 8

Week 10

(Week commencing Monday 19 May)

PLEASE NOTE "ONLINE QUIZ TEST" TO BE COMPLETED IN THIS WEEK

Topic Area 10 Readings:

Corporate governance: directors duties II

Corporations Law (4th ed) – Chapters 10 and 11

Seminar Activities:

Seminar Questions Topic Area 9

Week 11

(Week commencing Monday 26 May)

Topic Area 11 Readings:

Shareholder Rights and Remedies

Corporations Law (4th ed) – Chapters 18 and 19

Seminar Activities:

Seminar Questions Topic Area 10

Week 12

(Week commencing Monday 2 June)

Topic Area 12 Readings:

Bankruptcy; Corporate insolvency

Receivership – Chapter 20

Voluntary Administration – *Chapter 21*

Liquidation – *Chapter 22*

Seminar Activities:

Seminar Questions Topic Area 11

Week 13

(Week commencing Tuesday 10 June)

Revision

Policies and Procedures

Macquarie University policies and procedures are accessible from [Policy Central](#). Students should be aware of the following policies in particular with regard to Learning and Teaching:

Academic Honesty Policy http://mq.edu.au/policy/docs/academic_honesty/policy.html

Assessment Policy <http://mq.edu.au/policy/docs/assessment/policy.html>

Grading Policy <http://mq.edu.au/policy/docs/grading/policy.html>

Grade Appeal Policy <http://mq.edu.au/policy/docs/gradeappeal/policy.html>

Grievance Management Policy http://mq.edu.au/policy/docs/grievance_management/policy.html

Disruption to Studies Policy http://www.mq.edu.au/policy/docs/disruption_studies/policy.html *The Disruption to Studies Policy is effective from March 3 2014 and replaces the Special Consideration Policy.*

In addition, a number of other policies can be found in the [Learning and Teaching Category](#) of Policy Central.

Student Code of Conduct

Macquarie University students have a responsibility to be familiar with the Student Code of Conduct: https://students.mq.edu.au/support/student_conduct/

Grades

Macquarie University uses the following grades in coursework units of study:

- HD - High Distinction
- D - Distinction
- CR - Credit
- P - Pass
- F – Fail

Grade descriptors and other information concerning grading are contained in the Macquarie University Grading Policy which is available at:

<http://www.mq.edu.au/policy/docs/grading/policy.html>

For further information, please refer to page 71 of the 2013 Calendar of Governance, Legislation and Rules- Postgraduate Rules at

http://universitycouncil.mq.edu.au/pdfs/2013-Postgraduate_rules.pdf

Grade Appeals and Final Examination Script Viewing

If, at the conclusion of the unit, you have performed below expectations, and are considering lodging an appeal of grade and/or viewing your final exam script please refer to the following website which provides information about these processes and the cut off dates in the first instance. Please read the instructions provided concerning what constitutes a valid grounds for appeal before appealing your grade.

<http://www.city.mq.edu.au/reviews-appeals.html>

Special Consideration Policy

The University is committed to equity and fairness in all aspects of its learning and teaching. In stating this commitment, the University recognises that there may be circumstances where a student is prevented by unavoidable disruption from performing in accordance with their ability. A special consideration policy exists to support students who experience serious and unavoidable disruption such that they do not reach their usual demonstrated performance level. The policy is available at: http://www.mq.edu.au/policy/docs/special_consideration/policy.html

The University defines serious and unavoidable disruption to studies as resulting from an event or set of circumstances that:

- could not have reasonably been anticipated, avoided or guarded against by the student; **and**
- was beyond the student's control; **and**
- caused substantial disruption to the student's capacity for effective study and/or the completion of required work; **and**
- substantially interfered with the otherwise satisfactory fulfilment of unit or course requirements; **and**
- was of at least three (3) consecutive days duration within a study period and/or prevented completion of the final examination.

A Special Consideration application is deemed to be valid if all the following criteria have been satisfied:

- The Special Consideration application is completed by the student and submitted online through www.ask.mq.edu.au within five (5) working days after the due date of the associated assessment task / final examination.
- The application contains supporting evidence to demonstrate the severity of the circumstance(s) and that substantial disruption has been caused to the student's capacity for effective study. (The University will not follow up on outstanding evidence, nor contact any person or body on behalf of the student. The application will be considered as submitted.)
- The original supporting documentation has been sighted by MQC reception staff within five (5) working days after the due date of the associated assessment task.
- Where the particular circumstances are medical in nature, a *Professional Authority Form* including the health professional's Medicare Provider Number is included. (If a *Professional Authority Form* cannot be obtained, an original medical certificate indicating the severity (serious / not serious) and impact of the circumstances must be included with the application.)
- Where the particular circumstances are non-medical in nature, appropriate supporting evidence indicating the severity (serious / not serious) and impact of the circumstances is

included with the application.

· The student was performing satisfactorily in the unit up to the date of the unavoidable disruption. (If a student's work in the unit was previously unsatisfactory, subsequent unavoidable disruption will not overcome the fact that the earlier work was unsatisfactory).

Unacceptable grounds for Special Consideration

The University has determined that some circumstances are not acceptable grounds for claiming Special Consideration. These grounds include, but are not limited, to:

- routine demands of employment
- routine family problems such as tension with or between parents, spouses, and other people closely involved with the student
- difficulties adjusting to university life, to the self-discipline needed to study effectively, and the demands of academic work
- stress or anxiety associated with examinations, required assignments or any aspect of academic work
- routine need for financial support
- routine demands of sport, clubs and social or extra-curricular activities.

Acute Problems

The University defines acute problems as those involving fewer than three (3) consecutive days within a study period. In these cases, students should not apply for special consideration via ask.mq.edu.au, but contact their Unit Convenor within 5 working days of the assessment due date so that a local solution may be discussed, except where the disruption affects completion of a final examination. (If a final examination is affected, the student should submit a special consideration application via ask.mq.edu.au.)

Prior Conditions Conditions existing prior to commencing a unit of study are not grounds for Special Consideration, except in the event of unavoidable deterioration of the condition. The student is responsible for managing their workload in light of any known or anticipated problems. Students with a pre-existing disability/ chronic health condition may contact the [Disability Service](#) for information on available support.

In submitting a request for Special Consideration, the student is acknowledging that they may be required to undertake additional work and agreeing to hold themselves available so that they can complete any extra work as required. The time and date, deadline or format of any required extra assessable work as a result of an application for Special Consideration is not negotiable.

Attendance

All Students are required to attend at least 80% of the scheduled course contact hours each Session. Additionally MQC monitors the course progress of international students to ensure that the student complies with the conditions of their visa relating to attendance.

This minimum level of attendance includes all lectures and tutorials. Tutorial attendance will be recorded weekly. If any scheduled class falls on a public holiday this will be rescheduled as advised by your Lecturer. Attendance at any mid-Session or in-class test is compulsory unless otherwise stated.

Unavoidable non-attendance due to illness or circumstances beyond your control must be supported by appropriate documentation to be considered for a supplementary test. Other non-attendance will obtain zero for the test. You should refer to the section below on Special Consideration for more details about this.

Student Support

Macquarie University provides a range of support services for students. For details, visit <http://students.mq.edu.au/support/>

Learning Skills

Learning Skills (mq.edu.au/learningskills) provides academic writing resources and study strategies to improve your marks and take control of your study.

- [Workshops](#)
- [StudyWise](#)
- [Academic Integrity Module for Students](#)
- [Ask a Learning Adviser](#)

Student Services and Support

Students with a disability are encouraged to contact the [Disability Service](#) who can provide appropriate help with any issues that arise during their studies.

Student Enquiries

For all student enquiries, visit Student Connect at ask.mq.edu.au

Student Support

Students who require assistance are encouraged to contact the Student Services Manager at Macquarie City Campus. Please see reception to book an appointment.

Macquarie University provides a range of Academic Student Support Services. Details of these services can be accessed at <http://students.mq.edu.au/support/>

At any time students (or groups of students) can book our Student Advising rooms on Level 6 by emailing info@city.mq.edu.au with a day and time and nominated contact person. There are

additional student study spaces available on Level 1.

Macquarie University Campus Wellbeing also has a presence on the City Campus each week. If you would like to make an appointment, please email info@city.mq.edu.au or visit their website at: <http://www.campuslife.mq.edu.au/campuswellbeing>

StudyWISE provides:

- Online learning resources and academic skills workshops http://www.mq.edu.au/learning_skills
- Personal assistance with your learning & study related questions

IT Help

For help with University computer systems and technology, visit <http://informatics.mq.edu.au/help/>.

When using the University's IT, you must adhere to the [Acceptable Use Policy](#). The policy applies to all who connect to the MQ network including students.

IT Help

If you wish to receive IT help, we would be glad to assist you at <http://informatics.mq.edu.au/help/> or call 02 9850-4357.

When using the university's IT, you must adhere to the Acceptable Use Policy. The policy applies to all who connect to the MQ network including students and it outlines what can be done.

Students must use their Macquarie University email addresses to communicate with staff as it is University policy that the University issued email account is used for official University communication.

Students are expected to act responsibly when utilising Macquarie City Campus IT facilities. The following regulations apply to the use of computing facilities and online services:

- Accessing inappropriate web sites or downloading inappropriate material is not permitted.
- Material that is not related to coursework for approved unit is deemed inappropriate.
- Downloading copyright material without permission from the copyright owner is illegal, and strictly prohibited. Students detected undertaking such activities will face disciplinary action, which may result in criminal proceedings.

Non-compliance with these conditions may result in disciplinary action without further notice.

If you would like to borrow headphones for use in the Macquarie City Campus computer labs (210, 307, 311, 608) at any point, please ask at Level 2 Reception. You will be required to provide your MQC Student ID card. This will be held as a deposit while using the equipment.

For assistance in the computer labs, please see a Lab Demonstrator (usually they can be found in Lab 311, otherwise ask at Level 2 Reception).

Research and Practice

Students should go beyond the prescribed text and seek to find, read and understand a broad range of research materials. From news articles to peer reviewed professional journals, students should seek out and engage with a variety of materials in this field. Some of these materials can be accessed at:

Journals:

Australian Journal of Corporate Law –

(Access full journal through Macquarie University Library databases)

<http://www.lexisnexis.com.au/en-au/products/australian-journal-of-corporate-law.page>

Company and Securities Law Journal –

(Access full journal through Macquarie University Library databases)

<http://www.thomsonreuters.com.au/catalogue/ProductDetails.asp?ID=829>

News:

Australia:

Business Review Week – <http://www.brw.com.au/>

Financial Review – <http://afr.com/>

Sydney Morning Herald Business – <http://www.smh.com.au/business>

International:

Financial Times – <http://www.ft.com/home/uk>

Wall Street Journal – <http://asia.wsj.com/home-page>