# ACCG614
## Business and Corporation Law
### S1 Day 2016

*Dept of Accounting & Corporate Governance*

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## Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Information</td>
<td>2</td>
</tr>
<tr>
<td>Learning Outcomes</td>
<td>2</td>
</tr>
<tr>
<td>Assessment Tasks</td>
<td>3</td>
</tr>
<tr>
<td>Delivery and Resources</td>
<td>6</td>
</tr>
<tr>
<td>Unit Schedule</td>
<td>7</td>
</tr>
<tr>
<td>Policies and Procedures</td>
<td>10</td>
</tr>
<tr>
<td>Graduate Capabilities</td>
<td>12</td>
</tr>
<tr>
<td>Research and Practice, Global and Sustainability</td>
<td>15</td>
</tr>
</tbody>
</table>
General Information

Unit convenor and teaching staff
Unit Convenor
Zaman Khorseduzzaman
khorsed.zaman@mq.edu.au
Contact via accg614@mq.edu.au
E4A316
see iLearn

Credit points
4

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

Corequisites

Co-badged status

Unit description
This unit introduces 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 insolvency law. Classes 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 http://students.mq.edu.au/student_admin/enrolmentguide/academicdates/

Learning Outcomes

1. Examine the characteristics of the commercial legal environment and the Australian corporate legislative framework.

2. Effectively recognise corporate management issues, in particular formulate an understanding of the role and obligations of directors.
3. Appraise and evaluate how shareholders rights are protected and how the Corporations Act regulates acquisition and disposal of shares.
4. Critically assess corporate insolvency in the current regulatory environment.
5. Analyse the legal aspects of particular sets of facts or case studies relevant to commercial and corporations law and investigate and appraise the legal problems associated with these.

Assessment Tasks

<table>
<thead>
<tr>
<th>Name</th>
<th>Weighting</th>
<th>Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>Presentation</td>
<td>10%</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Class Test</td>
<td>10%</td>
<td>Week 4 beginning 21 March 2016</td>
</tr>
<tr>
<td>Assignment</td>
<td>20%</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Final Examination</td>
<td>60%</td>
<td>University Examination Period</td>
</tr>
</tbody>
</table>

Presentation

Due: Ongoing
Weighting: 10%

Each student will deliver a presentation in class - presentations must contain accurate content and have clear structure; the student must effectively communicate and engage with the class. More information as to the presentation is available in the Assessment Guide on iLearn.

This Assessment Task relates to the following Learning Outcomes:

- Examine the characteristics of the commercial legal environment and the Australian corporate legislative framework.
- Effectively recognise corporate management issues, in particular formulate an understanding of the role and obligations of directors.
- Appraise and evaluate 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 commercial and corporations law and investigate and appraise the legal problems associated with these.

Class Test
Due: Week 4 beginning 21 March 2016
Weighting: 10%

The test will be administered in your seminar class in the week beginning 21 March 2016. Students must take the test in their allocated/scheduled seminar.

See Assessment Guide on iLearn for more information.

This Assessment Task relates to the following Learning Outcomes:
• Examine the characteristics of the commercial legal environment and the Australian corporate legislative framework.
• Analyse the legal aspects of particular sets of facts or case studies relevant to commercial and corporations law and investigate and appraise the legal problems associated with these.

Assignment
Due: Ongoing
Weighting: 20%

This assignment will summarize and analyse your class presentation. It must show evidence of research. It must be submitted at the time of your allocated/scheduled seminar class immediately following the class in which the presentation was given (that is, the next week). No extensions will be granted. There will be a deduction of 10% of the total available marks made from the total awarded mark for each 24 hour period or part thereof that the submission is late (for example, 25 hours late in submission – 20% penalty). This penalty does not apply for cases in which an application for disruption of studies is made and approved.

See Assessment Guide on iLearn for more information.

This Assessment Task relates to the following Learning Outcomes:
• Examine the characteristics of the commercial legal environment and the Australian corporate legislative framework.
• Effectively recognise corporate management issues, in particular formulate an understanding of the role and obligations of directors.
• Appraise and evaluate 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 commercial and corporations law and investigate and appraise the legal problems associated with these.

Final Examination
Due: University Examination Period
Weighting: 60%

Examination Conditions: Formal, invigilated examination. See Assessment Guide on iLearn for more information.

Note: there is a requirement that to be awarded a final grade of a Pass, or a higher grade, a student must pass the final exam.

Supplementary Exam:
If a Supplementary Examination is granted as a result of the Disruption to Studies process the examination will be scheduled as per the Supplementary Examination timetable of the Faculty. Please note that the supplementary examination will be of a similar format to the final examination.

This Assessment Task relates to the following Learning Outcomes:
• Effectively recognise corporate management issues, in particular formulate an understanding of the role and obligations of directors.
• Appraise and evaluate 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 commercial and corporations law and investigate and appraise the legal problems associated with these.
Delivery and Resources

Classes

Classes will progress through the various Lecture Areas referred to in this Unit Guide. Students will attend one seminar (time allotted 3 hours) each week. There may be some reorganisation, overlapping, and/or integration of areas to accommodate assessment and unit structure. Note that together with the designated practice questions, the classes may cover other issues relevant to the unit.

The timetable for classes can be found on the University web site at:
http://www.timetables.mq.edu.au/

Students must remain in their allocated classes.

Prizes

• There is a prize for the most successful student in this unit.
http://www.businessandeconomics.mq.edu.au/undergraduate_degrees/prizes_scholarships

Required and Recommended Texts and/or Materials

Quilter, *Company Law Perspectives*, 2nd ed. 2014, Thomson Reuters (Lawbook Co.)

Lipton, Herzberg and Welsh, *Understanding Company Law*, 18th ed. 2015 Thomson Reuters (Lawbook Co.)

Both of the above texts can be purchased from the Macquarie University Co-op Bookshop, and are available in the Macquarie University library.

Note that certain material relevant to the first 3 classes will be made available on iLearn.

After considering the Australian legal framework and aspects of general commercial law the unit will focus on corporate issues and the relevance and effect of the Corporations Act. Note that certain relevant sections of the Corporations Act are set out in *Company Law Perspectives* 2nd ed. 2014. Statutes may be viewed in full at www.austlii.edu.au

Also note that the law is constantly changing and evolving, and you will be alerted to any substantial changes that are relevant to the unit or the texts.

Useful websites

• www.asic.gov.au
• www.asx.com.au
• www.takeovers.gov.au
• www.camac.gov.au

By using www resources students are able to gain a perspective on their studies and be aware of real world situations where company law is relevant. Newspaper coverage of company law gives depth and realism to the formal explanations of the law in texts.
Seminars may make use of PowerPoint; overhead projectors; visualisers.

Unit material is available on the learning management system (iLearn)

There is a web page for this unit.

This unit is taught by way of seminars. Practice questions are discussed to enable application of content.

Students should take responsibility for their own learning and this will incorporate reading as required, attendance at seminars, developing effective study strategies, reflection on their abilities, and a task oriented approach to assessment – that is, do not think solely about gathering information - think about what will be required - what makes for successful performance in tests and exams - how you will use the law you have studied. There are 2 main components of successful commercial and company law study: one is that students must have some knowledge of the core issues of the relevant topics [take short clear notes in classes, 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 test, presentation, or exam, you have to be able to use the law to solve problems, communicate, analyse and explain.

Students should be ready to allocate at least 150 hours during semester time for ACCG 614. This includes all classes, assessment, personal study and other learning activities. Here is a sample breakdown of a student workload:

<table>
<thead>
<tr>
<th>Activities</th>
<th>Hours</th>
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<tbody>
<tr>
<td>1 Weekly Seminars including required assessment (3×13)</td>
<td>39</td>
</tr>
<tr>
<td>2 Assessment Task 1 (self-study plus preparation)</td>
<td>20</td>
</tr>
<tr>
<td>3 Assessment Task 2 (Self-study plus preparation)</td>
<td>21</td>
</tr>
<tr>
<td>3 Assessment Task 3 (self-study plus preparation)</td>
<td>20</td>
</tr>
<tr>
<td>4 Assessment Task 4 (self-study plus preparation)</td>
<td>50</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>150</strong></td>
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**Unit Schedule**

<table>
<thead>
<tr>
<th>Week</th>
<th>Lecture Areas</th>
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</table>
1  **LEGAL FRAMEWORK AND LEGAL SYSTEM**
   
   **LAW OF TORT**
   
   see materials on iLearn

2  **CONTRACT LAW**
   
   see materials on iLearn

3  **CONTRACT LAW**
   
   **CONSUMER PROTECTION AGENCY**
   
   see materials on iLearn

   Quilter, *Company Law Perspectives*, 2nd ed, 2014 Thomson Reuters (Lawbook Co.) [referred to herein as "Q"] Ch. 1 and 31

4  **COMPARISON OF BUSINESS ORGANISATIONS**
   
   Associations; Sole Traders; Partnerships
   
   Q Ch. 2

   Lipton, Herzberg and Welsh, *Understanding Company Law*, 18th ed, 2015 Thomson Reuters (Lawbook Co.) [referred to herein as "L&H"] Ch.2


   **CORPORATE HISTORY AND LEGISLATIVE FRAMEWORK**
   
   Evolution of modern company and Australian developments: Q Ch. 3 L & H Ch.1

5  **REGISTRATION AND TYPES OF COMPANIES**
   
   Applying for registration and the consequences of incorporation: Q Ch. 5 L & H Ch.2

   Types of Companies: Q Ch. 4 L & H Ch.3


   **THE COMPANY CONSTITUTION AND THE RELATIONSHIP BETWEEN THE COMPANY AND OUTSIDERS**
   
   The company constitution and the replaceable rules: Q Ch. 6 L&H Ch 4

   Company liability in contract, tort and crime: Q Chs. 7 and 8 L&H Ch 5
<table>
<thead>
<tr>
<th>6</th>
<th>CORPORATE FINANCING and DIVIDENDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disclosure to Investors – fundraising: Q Ch. 11 L&amp;H Ch 7</td>
<td></td>
</tr>
<tr>
<td>Share capital: Q Ch. 12 L&amp;H Ch 8</td>
<td></td>
</tr>
<tr>
<td>Membership: Q Ch. 10 L&amp;H Ch 9</td>
<td></td>
</tr>
<tr>
<td>Debentures and Loan Capital: Q Ch. 14 L&amp;H Ch 11</td>
<td></td>
</tr>
<tr>
<td>Dividends: Q Ch. 13 L&amp;H Ch 10</td>
<td></td>
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<tr>
<th>7</th>
<th>DIRECTORS and MANAGEMENT</th>
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<tbody>
<tr>
<td>Q Ch. 15 L&amp;H Ch 12</td>
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<thead>
<tr>
<th>8</th>
<th>DIRECTORS DUTIES and CORPORATE GOVERNANCE</th>
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<tbody>
<tr>
<td>Q Chs. 16, 17 and 18 L&amp;H Ch 13</td>
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<thead>
<tr>
<th>9</th>
<th>DIRECTORS DUTIES (cont.); FINANCIAL and REPORTING OBLIGATIONS; AUDIT</th>
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</thead>
<tbody>
<tr>
<td>Duties of directors and other officers (continued): Q Chs. 16, 17 and 18 L&amp;H Ch. 13</td>
<td></td>
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<tr>
<td>Financial and Reporting Obligations of Directors: Q Ch. 19 L&amp;H Ch. 15</td>
<td></td>
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<tr>
<td>The Role of Auditors and Issues of Audit Liability: Q Ch. 20 L&amp;H Ch. 16</td>
<td></td>
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<tr>
<td>ASIC Investigation: Q Ch. 21 L&amp;H Ch 21</td>
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<tr>
<th>10</th>
<th>MEETINGS AND MEMBERS RIGHTS</th>
</tr>
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<tbody>
<tr>
<td>Members Meetings: Q Ch. 23 L&amp;H Ch.14</td>
<td></td>
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<tr>
<td>Members Rights and the position of the Minority: Q Ch. 22 L&amp;H Ch. 17</td>
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</table>

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<thead>
<tr>
<th>11</th>
<th>TAKEOVERS; FINANCIAL SERVICES AND MARKETS</th>
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</thead>
<tbody>
<tr>
<td>Takeovers: Q Ch. 24 L&amp;H Ch. 18</td>
<td></td>
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<tr>
<td>Financial Services and Markets: Q Ch. 25 L&amp;H Ch. 19</td>
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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:


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/](https://students.mq.edu.au/support/student_conduct/)

Results

Results shown in iLearn, or released directly by your Unit Convenor, are not confirmed as they are subject to final approval by the University. Once approved, final results will be sent to your student email address and will be made available in eStudent. For more information visit [ask.mq.edu.au](http://ask.mq.edu.au).
Academic Honesty

The nature of scholarly endeavour, dependent as it is on the work of others, binds all members of the University community to abide by the principles of academic honesty. Its fundamental principle is that all staff and students act with integrity in the creation, development, application and use of ideas and information. This means that:

- all academic work claimed as original is the work of the author making the claim
- all academic collaborations are acknowledged
- academic work is not falsified in any way
- when the ideas of others are used, these ideas are acknowledged appropriately.

Further information on the academic honesty can be found in the Macquarie University Academic Honesty Policy at [http://www.mq.edu.au/policy/docs/academic_honesty/policy.html](http://www.mq.edu.au/policy/docs/academic_honesty/policy.html)

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:


Grading 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.


Disruption to Studies Policy

The University is committed to equity and fairness in all aspects of its learning and teaching. It recognises that students may experience disruptions that adversely affect their academic performance in assessment activities. To assist students through their studies, the University provides support services. Whilst advice and recommendations may be made to a student, it is ultimately the student’s responsibility to access these services as appropriate.

[http://unitguides.mq.edu.au/unit_offerings/54668/unit_guide/print](http://unitguides.mq.edu.au/unit_offerings/54668/unit_guide/print)
Graduate Capabilities

Discipline Specific Knowledge and Skills

Our graduates will take with them the intellectual development, depth and breadth of knowledge, scholarly understanding, and specific subject content in their chosen fields to make them competent and confident in their subject or profession. They will be able to demonstrate, where relevant, professional technical competence and meet professional standards. They will be able to articulate the structure of knowledge of their discipline, be able to adapt discipline-specific knowledge to novel situations, and be able to contribute from their discipline to inter-disciplinary solutions to problems.

This graduate capability is supported by:
Learning outcomes

• Examine the characteristics of the commercial legal environment and the Australian corporate legislative framework.
• Effectively recognise corporate management issues, in particular formulate an understanding of the role and obligations of directors.
• Appraise and evaluate 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 commercial and corporations law and investigate and appraise the legal problems associated with these.

Assessment tasks

• Presentation
• Class Test
• Assignment
• Final Examination

Critical, Analytical and Integrative Thinking

We want our graduates to be capable of reasoning, questioning and analysing, and to integrate and synthesise learning and knowledge from a range of sources and environments; to be able to critique constraints, assumptions and limitations; to be able to think independently and systemically in relation to scholarly activity, in the workplace, and in the world. We want them to have a level of scientific and information technology literacy.

This graduate capability is supported by:

Learning outcomes

• Examine the characteristics of the commercial legal environment and the Australian corporate legislative framework.
• Effectively recognise corporate management issues, in particular formulate an understanding of the role and obligations of directors.
• Appraise and evaluate how shareholders rights are protected and how the Corporations Act regulates acquisition and disposal of shares.
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Assessment tasks

• Presentation
• Class Test
• Assignment
• Final Examination

Problem Solving and Research Capability

Our graduates should be capable of researching; of analysing, and interpreting and assessing
data and information in various forms; of drawing connections across fields of knowledge; and
they should be able to relate their knowledge to complex situations at work or in the world, in
order to diagnose and solve problems. We want them to have the confidence to take the initiative
in doing so, within an awareness of their own limitations.

This graduate capability is supported by:

Learning outcomes

• Effectively recognise corporate management issues, in particular formulate an
  understanding of the role and obligations of directors.
• Appraise and evaluate 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
  commercial and corporations law and investigate and appraise the legal problems
  associated with these.

Assessment tasks

• Presentation
• Class Test
• Assignment
• Final Examination

Effective Communication

We want to develop in our students the ability to communicate and convey their views in forms
effective with different audiences. We want our graduates to take with them the capability to
read, listen, question, gather and evaluate information resources in a variety of formats, assess,
write clearly, speak effectively, and to use visual communication and communication
technologies as appropriate.

This graduate capability is supported by:
Learning outcomes

• Examine the characteristics of the commercial legal environment and the Australian corporate legislative framework.
• Critically assess corporate insolvency in the current regulatory environment.
• Analyse the legal aspects of particular sets of facts or case studies relevant to commercial and corporations law and investigate and appraise the legal problems associated with these.

Assessment tasks

• Presentation
• Class Test
• Assignment
• Final Examination

Research and Practice, Global and Sustainability

This unit addresses global and sustainability issues as direct areas of study and as necessary implications arising from the materials, assessment and academic discussion and debate in classes/seminars. We promote sustainability by developing ability in students to research and locate information within accounting discipline. We aim to provide students with an opportunity to obtain skills which will benefit them throughout their career.

The unit materials have a reference list at the end of each chapter/module/text containing all references cited by the author. These provide some guidance to references that could be used to research particular issues.

Both texts for this unit (Company Law Perspectives and Understanding Company Law) are the result of research in relation to the area of company law. The material in these texts provides you with a thorough coverage of the relevant issues. Interested students can pursue further research into any of the areas of this unit via the various scholarly journals focussing on company law. Examples of journals that can be consulted to follow up matters of interest are: Australian Journal of Corporate Law; Company and Securities Law Journal.