



ACCG2051

Business and Corporations Law

Session 1, Weekday attendance, North Ryde 2020

Department of Accounting & Corporate Governance

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General Information

Unit convenor and teaching staff

Moderator

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Credit points

10

Prerequisites

50cp at 1000 level or above

Corequisites

Co-badged status

Unit description

This unit introduces students to the Australian legal system, including contract law, and focuses on corporate law and regulation. The relationship between the law and the role of accounting and business professionals is an underlying theme and students are encouraged to develop critical thinking skills as they analyse and evaluate legal issues in a commercial context. The unit will provide students with perspectives on a range of commercially important legal issues such as forming a business, management responsibilities, investor/shareholder protection, and insolvency. Topics include contract law, agency, partnerships, characteristics of companies, director's duties, rights of shareholders, voluntary administration, and liquidation. At the conclusion of the unit students will be aware of legal regulation applicable to different types of business organisations, particularly companies, and be able to identify and evaluate a range of corporate legal issues.

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:

ULO1: Identify the features of the Australian legal system including the law of contract and distinguish business organisations based on their legal characteristics.

ULO2: Explain how companies are formed, differentiate between types of companies, and analyse and evaluate the role and obligations of directors.

ULO3: Examine how shareholders rights are protected and how the Corporations Act regulates acquisition and disposal of shares.

ULO4: Analyse insolvency mechanisms and issues, and critically assess corporate insolvency in the current regulatory environment.

Assessment Tasks

Coronavirus (COVID-19) Update

Assessment details are no longer provided here as a result of changes due to the Coronavirus (COVID-19) pandemic.

Students should consult [iLearn](#) for revised unit information.

[Find out more about the Coronavirus \(COVID-19\) and potential impacts on staff and students](#)

Delivery and Resources

Coronavirus (COVID-19) Update

Any references to on-campus delivery below may no longer be relevant due to COVID-19.

Please check here for updated delivery information: https://ask.mq.edu.au/account/pub/display/unit_status

Classes will progress through the various Lecture Areas referred to in this Unit Guide. There may be some reorganisation, overlapping, and/or integration of areas to accommodate assessment, holiday scheduling, unit structure or class management. Note that together with the designated tutorial 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/>

Required Text: Quilter, *Company Law Perspectives*, 4th ed. 2020, Thomson Reuters (Lawbook Co.) – [referred to as CLP 4th ed] - note that students may take the hard copy required text CLP 4th ed (not the electronic version) into the final examination.

CLP 4th ed will be available in the Macquarie University library. It can be purchased from the Macquarie University Co-op Bookshop and directly from the publishers Thomson Reuters via their website <https://legal.thomsonreuters.com.au/student/university/macquarie/>

Suggested reading: The following texts in Library Reserve may be useful references:

- Gibson, Andy (2017) *Business Law* (10th Edition), Pearson Education Australia, Australia. ISBN: 9781488611803. (Reference for Weeks 1-3).
- Lipton, Herzberg and Welsh (2019) *Understanding Company Law 19e/Corporations Legislation 2019*, Thomson Reuters (Lawbook Co.). ISBN 9780455242156 .(Reference for Weeks 4-12)

After considering the Australian legal framework, tort law and contract 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 CLP 4th ed. Statutes may be viewed in full at www.austlii.edu.au

Useful websites

- www.asic.gov.au
- www.asx.com.au
- www.takeovers.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 the text.

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

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 two 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 tutorials, assignment, 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 session (in total) to ACCG2051. This includes all classes, assessment (estimates for assessment allocation are set out above under “Assessment Tasks”), personal study and other learning activities.

Unit Schedule

Coronavirus (COVID-19) Update

The unit schedule/topics and any references to on-campus delivery below may no longer be relevant due to COVID-19. Please consult [iLearn](#) for latest details, and check here for updated delivery information: https://ask.mq.edu.au/account/pub/display/unit_status

Note: Lectures commence in Week 1 and Tutorials commence in Week 2. Each tutorial topic/s is based on the Lecture topic/reading scheduled in the week prior. eg Tutorial 2 reading and topics is based on Week 1 reading and topics. The unit is divided into 5 integrated areas. All of these areas are important for an understanding of the commercial and corporate issues that have a relationship to the role and responsibilities of accounting and business professionals.

Legal system and core concepts legal and commercial:

Relevance for accounting and business professionals: Exposure to basic rights and commercial responsibilities to inform both personal transactions and professional advice to clients; employment relations; duty of care in delivery of services; objectivity in assessment of performance; basic business organisation and structure.

Note: As indicated, CLP 4th ed. 2020 is the required text – however if students wish to read further, references to the corresponding chapters in *Business Law* [herein “BL”] are included from Week 1-3 [see the Delivery and Resources section in this Unit Guide].

Week	Lecture/ Tutorial	Tutorial	Topic and reading
Week 1	Lecture 1/	No tutorial	<ul style="list-style-type: none"> • Legal framework • Law of tort <p>Reading: <i>Company Law Perspectives</i>, 4th ed. 2020 [this is the required text and is referred to herein as “CLP 4th ed”]: Ch.1 and 3.</p> <p>[BL Ch. 1-4)</p>
Week 2	Lecture 2	Tutorial 1	<p>Contract law</p> <p>CLP 4th ed: Ch. 2</p> <p>[BL Ch. 6-11]</p>
Week 3	Lecture 3	Tutorial 2	<ul style="list-style-type: none"> • Contract law • Consumer protection • Agency <p>CLP 4th ed: Ch. 2, 4 and 34</p> <p>[BL Ch. 12-18]</p>

Business Organisations and the Corporate Framework

Relevance for accounting and business professionals: Informed as to the choice of profit-making structure; importance of exposure and extent of business failure and personal liability; understanding key business advice and strategy; entrepreneurial interrelationships; knowledge of role and functions of corporate regulator.

Note: As indicated, CLP 4th ed. 2020 is the required text – however if students wish to read further, references to the corresponding chapters in *Understanding Company Law* [herein “UCL”] are included from Week 4 forward [see the Delivery and Resources section in this Unit Guide]. Where chapter numbers between the current and older editions of UCL are different this has been noted.

Week 4	Lecture 4	Tutorial 3	<ul style="list-style-type: none"> • Comparison of business organisations • Partnership • Registration of companies – the role of ASIC • Types of companies • Consequences of registration <p>CLP 4th ed: Chs.5, 6, 7, 8 and 24</p> <p>[UCL Ch.2 and 3]</p>
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Week 5	Lecture 5	Tutorial 4	<ul style="list-style-type: none"> • The nature of Trusts and the role of corporate trustees • The company constitution and the relationship between the company and outsiders – the role of directors as agents and company liability in contract, tort and crime • Financing - Share capital and fundraising; loan capital • Dividends <p>CLP 4th ed: Ch. 9, 10, 11, 13, 14, 15, 16 and 17</p> <p>[UCL Ch. 4, 5, 7, 8, 10, and 11]</p>
Corporate Management and governance responsibility <p>Relevance for accounting and business professionals: Developing the ability to advise corporate clients, including individual directors and other managers; relevant foundation knowledge for personal future entrepreneurship; importance of financial and ethical obligations and downsides of failure; recognising the relationship between company directors and accounting professionals; becoming alert to problems of financial oversight.</p>			
Week 6	Lecture 6	Tutorial 5	<ul style="list-style-type: none"> • Directors and corporate management • Directors fiduciary duties <p>CLP 4th ed: Ch.18 and 19</p> <p>[UCL 20th ed Ch. 12 to 20; older eds Ch. 12 and 13]</p>
Week 7	Lecture 7	Tutorial 6	<ul style="list-style-type: none"> • Directors statutory duties • Corporate governance • Financial and reporting obligations • Audit <p>CLP 4th ed: Ch. 20, 21, 22, 23</p> <p>[UCL 20th ed Ch. 12 to 20 and 22 and 23; older eds Ch.13, 15 and 16]</p>
Lecture/Tutorials Recess 14th April to 26th April inclusive			
<u>Shareholders and the corporate market</u> <p>Relevance for accounting and business professionals: Ability to advise clients on the nature of the corporate marketplace; foundation information for providing professional investment advice to clients; awareness of key issues in company meetings; grounding for professional advisory role and introduction to current market issues in the acquisition and disposal of shares; introduction to shareholder equity issues including protection of rights.</p>			
Week 8	Lecture 8	Tutorial 7	<ul style="list-style-type: none"> • Members rights • Company meetings • CLP 4th ed: Ch. 25 and 26 <p>[UCL 20th ed Ch. 21 and 24; older eds Ch. 14 and 17]</p>
Week 9	Lecture 9	Tutorial 8	<ul style="list-style-type: none"> • Takeovers • Financial services and markets – regulation and prohibited conduct <p>CLP 4th ed: Ch. 27 and 28</p> <p>[UCL 20th ed Ch. 25 and 26; older eds Ch. 18 and 19]</p>

Insolvency

Relevance for accounting and business professionals: Exposure to key accounting and business issues in insolvency practice and the place of insolvency practitioners in the accounting and legal professions; understanding important signs and warnings of insolvency for both personal and business advisory use; being alert to insolvency options; understand legal alternatives and advise companies and their directors on effective insolvency planning and remedial action.

Week 10	Lecture 10	Tutorial 9	<ul style="list-style-type: none"> • The concept of insolvency and the importance of insolvency regulation • Restructuring <p>CLP 4th ed: Ch. 29, 30, 31 and 32</p> <p>[UCL 20th ed Ch. 29, 30 and 31; older eds Ch. 22, 23 and 24]</p>
Week 11	Lecture 11	Tutorial 10	<ul style="list-style-type: none"> • Liquidation • The role and responsibilities of liquidators <p>CLP 4th ed: Ch.31</p> <p>[UCL 20th ed Ch.32 and 18; older eds Ch. 25 and 13]</p>
Week 12	Lecture 12	Tutorial 11	Summary and Revision
Week 13	No Lecture	Tutorial 12	

Policies and Procedures

Macquarie University policies and procedures are accessible from [Policy Central \(https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central\)](https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central). Students should be aware of the following policies in particular with regard to Learning and Teaching:

- [Academic Appeals Policy](#)
- [Academic Integrity Policy](#)
- [Academic Progression Policy](#)
- [Assessment Policy](#)
- [Fitness to Practice Procedure](#)
- [Grade Appeal Policy](#)
- [Complaint Management Procedure for Students and Members of the Public](#)
- [Special Consideration Policy](#) (**Note:** *The Special Consideration Policy is effective from 4 December 2017 and replaces the Disruption to Studies Policy.*)

Students seeking more policy resources can visit the [Student Policy Gateway \(https://students.mq.edu.au/support/study/student-policy-gateway\)](https://students.mq.edu.au/support/study/student-policy-gateway). It is your one-stop-shop for the key policies you need to know about throughout your undergraduate student journey.

If you would like to see all the policies relevant to Learning and Teaching visit [Policy Central \(https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/p\)](https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/p)

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Student Code of Conduct

Macquarie University students have a responsibility to be familiar with the Student Code of Conduct: <https://students.mq.edu.au/study/getting-started/student-conduct>

Results

Results published on platform other than [eStudent](#), (eg. iLearn, Coursera etc.) 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 or if you are a Global MBA student contact globalmba.support@mq.edu.au

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 help you improve your marks and take control of your study.

- [Getting help with your assignment](#)
- [Workshops](#)
- [StudyWise](#)
- [Academic Integrity Module](#)

The Library provides online and face to face support to help you find and use relevant information resources.

- [Subject and Research Guides](#)
- [Ask a Librarian](#)

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

If you are a Global MBA student contact globalmba.support@mq.edu.au

IT Help

For help with University computer systems and technology, visit http://www.mq.edu.au/about_us/offices_and_units/information_technology/help/.

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

Late Submission of Assessments

Late Submission(s): Where assessment is to be submitted through Turnitin, late assessment must also, where applicable, be submitted through Turnitin. 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 incurs a 20% penalty). Late submissions will not be accepted after solutions have been discussed and/or made available. This penalty does not apply for cases in which an application for [Special Consideration](#) is made and approved. Note: applications for [Special Consideration Policy](#) must be made within 5 (five) business days of the due date and time.