



ACCG6014

Business and Company Law

Session 1, Weekday attendance, North Ryde 2020

Department of Accounting & Corporate Governance

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General Information

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Credit points

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Prerequisites

Admission to MAccg or MAccLead or MProfAcc or MProfAccgLead

Corequisites

Co-badged status

Unit description

This unit introduces students to the Australian legal system, relevant commercial legal principles, and corporate law and regulation. At the beginning of the unit students will identify core aspects of rights and liabilities, and the characteristics of business organisations generally. Thereafter, the unit focuses on Australian company law. Students develop an understanding of the nature and function of a company and will analyse important issues concerning the duties of directors, shareholder rights, takeovers and share market regulation, and corporate insolvency. Classes will include consideration of relevant legal issues, case law, and important sections of the Corporations Act. Completing this unit will equip students with relevant insights into the regulation of the commercial environment and the ability to critically assess and appraise the rights and obligations arising in the formation, management and functioning of a company.

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:** Describe the nature of the Australian commercial legal environment and recognise and evaluate the principles of the law of contract and tort
- ULO2:** Identify and evaluate corporate characteristics including articulating and critically analysing the role and obligations of directors
- ULO3:** Appraise and evaluate how shareholders rights are protected and how the Corporations Act regulates acquisition and disposal of shares.
- ULO4:** Compare corporate mechanisms for dealing with insolvency and critically assess the nature of corporate insolvency in the current regulatory environment.
- ULO5:** Produce and deliver written and oral material suitable for the purposes of engaging and informing an academic audience

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 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.

Required Text: Quilter, *Company Law Perspectives*, 4th ed. 2020, Thomson Reuters (Lawbook Co.) - note that students may take the hard copy required text **CLP 4th ed. 2020** (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/>

The following is recommended for further reading: Lipton, Herzberg and Welsh, *Understanding Company Law*, Thomson Reuters (Lawbook Co.).

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 4th ed. 2020***. 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)

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, assignments, presentations 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, assignment, 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 session (in total) to ACCG6014. 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

Lecture Areas The required text for the unit is Company Law Perspectives 4th ed. 2020 - published by Thomson Reuters [referred to herein as CLP 4th ed. 2020]
1 <u>LEGAL FRAMEWORK AND LEGAL SYSTEM</u> <u>LAW OF TORT</u> CLP 4th ed. 2020 - Ch. 1 and 3
2 <u>CONTRACT LAW</u> CLP 4th ed. 2020 - Ch. 2
3 <u>CONTRACT LAW</u> <u>CONSUMER PROTECTION</u> <u>AGENCY</u> CLP 4th ed. 2020 - Ch.2, Ch. 34, Ch.4

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COMPARISON OF BUSINESS ORGANISATIONS

Associations; Sole Traders; Partnerships

CLP 4th ed. 2020 - Ch. 5

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.

Partnership Act: www.austlii.edu.au/au/legis/nsw/consol_act/pa1892154/

CORPORATE HISTORY AND LEGISLATIVE FRAMEWORK

Evolution of modern company and Australian developments: **CLP 4th ed. 2020 - Ch. 6; UCL Ch.1**

5

REGISTRATION AND TYPES OF COMPANIES

Applying for registration and the consequences of incorporation: **CLP 4th ed. 2020 - Ch.8; UCL Ch.2**

Types of Companies: **CLP 4th ed. 2020 - Ch. 7; UCL Ch.3**

Corporations Act: www.austlii.edu.au/au/legis/cth/consol_act/ca2001172/

THE COMPANY CONSTITUTION AND THE RELATIONSHIP BETWEEN THE COMPANY AND OUTSIDERS

The company constitution and the replaceable rules: **CLP 4th ed. 2020 - Ch. 9; UCL Ch 4**

Company liability in contract, tort and crime: **CLP 4th ed. 2020 - Ch. 10 and 11; UCL Ch 5**

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CORPORATE FINANCING and DIVIDENDS

Disclosure to Investors – fundraising: **CLP 4th ed. 2020 - Ch. 14; UCL Ch 7**

Share capital: **CLP 4th ed. 2020 - Ch. 15; UCL Ch 8**

Membership: **CLP 4th ed. 2020 - Ch. 13; UCL Ch 9**

Debentures and Loan Capital: **CLP 4th ed. 2020 - Ch. 17; UCL Ch 11**

Dividends: **CLP 4th ed. 2020 - Ch. 16; UCL Ch 10**

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DIRECTORS and MANAGEMENT

CLP 4th ed. 2020 - Ch. 18; UCL 20th ed Ch 12 to 20; older eds Ch 12

8

DIRECTORS DUTIES and CORPORATE GOVERNANCE

CLP 4th ed. 2020 - Ch. 19, 20 and 21; UCL 20th ed Ch 12 to 20; older eds Ch 13

9	<p><u>DIRECTORS DUTIES (cont.); FINANCIAL and REPORTING OBLIGATIONS; AUDIT</u></p> <p>Duties of directors and other officers (continued): CLP 4th ed. 2020 - Ch. 19, 20 and 21; UCL 20th ed Ch 12 to 20; older eds Ch 13</p> <p>Financial and Reporting Obligations of Directors: CLP 4th ed. 2020 - Ch. 22; UCL 20th ed Ch 22; older eds Ch. 15</p> <p>The Role of Auditors and Issues of Audit Liability: CLP 4th ed. 2020 - Ch. 23; UCL 20th ed Ch 23; older eds Ch. 16</p> <p>ASIC Investigation: CLP 4th ed. 2020 - Ch. 24; UCL 20th ed Ch 28; older eds Ch 21</p>
10	<p><u>MEETINGS AND MEMBERS RIGHTS</u></p> <p>Members Meetings: CLP 4th ed. 2020 - Ch. 26; UCL 20th ed Ch 21; older eds Ch.14</p> <p>Members Rights and the position of the Minority: CLP 4th ed. 2020 - Ch. 25; UCL 20th ed Ch 24; older eds Ch. 17</p>
11	<p><u>TAKEOVERS; FINANCIAL SERVICES AND MARKETS</u></p> <p>Takeovers: CLP 4th ed. 2020 - Ch. 27; UCL 20th ed Ch 25; older eds Ch. 18</p> <p>Financial Services and Markets: CLP 4th ed. 2020 - Ch. 28; UCL 20th ed Ch 26; older eds Ch 19</p>
12	<p><u>INSOLVENCY and RESTRUCTURING</u></p> <p>Insolvency Arrangements and Reconstructions; Receivership; Voluntary Administration CLP 4th ed. 2020 - Ch. 29, 30, 31 and 32; UCL 20th ed Ch 29, 30 and 31; older eds Ch 22, 23, and 24</p>
13	<p><u>LIQUIDATION</u></p> <p>Liquidation - Insolvent trading CLP 4th ed. 2020 - Ch. 33; UCL 20th ed Ch 32 and 18; older eds Ch 25 and Ch 13</p>

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](http://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central) (<http://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/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/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 Assessment

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.