# ACCG2051

## Business and Corporations Law

Session 1, Weekday attendance, North Ryde 2021

*Department of Accounting & Corporate Governance*

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## Disclaimer

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## Notice

As part of Phase 3 of our return to campus plan, most units will now run tutorials, seminars and other small group activities on campus, and most will keep an online version available to those students unable to return or those who choose to continue their studies online.

To check the availability of face-to-face activities for your unit, please go to timetable viewer. To check detailed information on unit assessments visit your unit’s iLearn space or consult your unit convenor.
General Information

Unit convenor and teaching staff
Convenor and Lecturer
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Moderator
Kay-Wah Chan
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Contact via Email

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://students.mq.edu.au/important-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.

General Assessment Information
Together with the information provided in this Unit Guide there will be additional, and if required updated, information and detail in relation to assessment, and the unit generally, available on iLearn.

Late Submission of Assessment

Late Submission(s): Where the assessment is to be submitted through Turnitin, the 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.

Assessment Tasks

<table>
<thead>
<tr>
<th>Name</th>
<th>Weighting</th>
<th>Hurdle</th>
<th>Due</th>
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<tr>
<td>Tutorial participation</td>
<td>20%</td>
<td>No</td>
<td>Throughout Session</td>
</tr>
<tr>
<td>Final Examination</td>
<td>60%</td>
<td>No</td>
<td>30/04/2021 Friday 5 pm Week 8</td>
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## Tutorial participation

**Assessment Type ¹:** Participatory task  
**Indicative Time on Task ²:** 20 hours  
**Due:** Throughout Session  
**Weighting:** 20%

Tutorial participation involves evidence of preparation for, participation in, and contribution to the tutorial.

On successful completion you will be able to:

- Identify the features of the Australian legal system including the law of contract and distinguish business organisations based on their legal characteristics.
- Explain how companies are formed, differentiate between types of companies, and analyse and evaluate the role and obligations of directors.
- Examine how shareholders rights are protected and how the Corporations Act regulates acquisition and disposal of shares.
- Analyse insolvency mechanisms and issues, and critically assess corporate insolvency in the current regulatory environment.

## Final Examination

**Assessment Type ¹:** Examination  
**Indicative Time on Task ²:** 40 hours  
**Due:** 30/04/2021 Friday 5 pm Week 8  
**Weighting:** 60%

A two-hour closed book final examination for this unit will be held during the University Examination period.

On successful completion you will be able to:

- Identify the features of the Australian legal system including the law of contract and distinguish business organisations based on their legal characteristics.
• Explain how companies are formed, differentiate between types of companies, and analyse and evaluate the role and obligations of directors.
• Examine how shareholders rights are protected and how the Corporations Act regulates acquisition and disposal of shares.
• Analyse insolvency mechanisms and issues, and critically assess corporate insolvency in the current regulatory environment.

Media Assignment
Assessment Type 1: Qualitative analysis task
Indicative Time on Task 2: 20 hours
Due: University Exam Period
Weighting: 20%

This assessment involves a 1000 word written analysis of a current Australian newspaper/media article that relates to an aspect (topic, area, issue) of the material covered in the unit from Lecture 4 forward.

On successful completion you will be able to:
• Identify the features of the Australian legal system including the law of contract and distinguish business organisations based on their legal characteristics.
• Explain how companies are formed, differentiate between types of companies, and analyse and evaluate the role and obligations of directors.

1 If you need help with your assignment, please contact:
• the academic teaching staff in your unit for guidance in understanding or completing this type of assessment
• the Learning Skills Unit for academic skills support.

2 Indicative time-on-task is an estimate of the time required for completion of the assessment task and is subject to individual variation

Delivery and Resources
DELIVERY and RESOURCES
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, delivery or class management.
The timetable for classes can be found on the University web site at:
http://www.timetables.mq.edu.au/


*CLP 4th ed* will be available in the Macquarie University library. It can be purchased from the publishers Thomson Reuters via their website https://legal.thomsonreuters.com.au/student/university/macquarie/

The following is not required but may be useful: Lipton, Herzberg and Welsh, *Understanding Company Law*, Thomson Reuters (Lawbook Co.).

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

Students should be ready to allocate at least 150 hours during session (in total) to ACCG2051. This includes all classes, assessment, personal study and other learning activities.

**Technology Used and Required:**

**Technology:** learning management system (https://ilearn.mq.edu.au/login/index.php). Students have to frequently access this Unit’s iLearn site (https://ilearn.mq.edu.au/login/index.php) for relevant unit material (if any), announcements and detailed information regarding the Unit.

**Unit Schedule**

**UNIT SCHEDULE**

Note that Lectures start in Week 1 and Tutorials start in Week 2

The Unit is divided into 5 integrated areas. All of these areas are important to 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 legal and commercial concepts**

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.

**Week 1 (Lecture 1)**
Legal framework

Law of tort

Company Law Perspectives, 4th ed. 2020 [this is the required text and is referred to herein as "CLP 4th ed"]: Ch.1 and 3

Week 2 (Lecture 2)

Contract law

CLP 4th ed: Ch. 2

Tutorial 1

Week 3 (Lecture 3)

Contract law

Consumer protection

Agency

CLP 4th ed: Ch. 2, 4 and 34

Tutorial 2

Business Organisations and the Corporate Framework

Relevance for accounting and business professionals: Informed as to the choice of profit-making structure; the 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 the corporate regulator.

Week 4 (Lecture 4)

Comparison of business organisations

Partnership

Registration of companies – the role of ASIC

Types of companies

Consequences of registration

CLP 4th ed: Chs.5, 6, 7, 8 and 24

Tutorial 3

Week 5 (Lecture 5)

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

CLP 4th ed: Ch. 9, 10, 11, 13, 14, 15, 16 and 17

Tutorial 4

Corporate management and governance responsibilities

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; the 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.

Week 6 (Lecture 6)

Directors and corporate management

Directors fiduciary duties

CLP 4th ed: Ch. 18 and 19

Tutorial 5

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Mid-Session Break (5 April 2021 - 16 April 2021)

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Week 7 (Lecture 7)

Directors statutory duties and corporate governance

Financial and reporting obligations

Audit

CLP 4th ed: Ch. 20, 21, 22, 23

Tutorial 6

Shareholders and the corporate market

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.

Week 8 (Lecture 8)
Members rights
Company meetings
CLP 4th ed: Ch. 25 and 26
Tutorial 7

Week 9 (Lecture 9)
Takeovers
Financial services and markets – regulation and prohibited conduct
CLP 4th ed: Ch. 27 and 28
Tutorial 8

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)
The concept of insolvency and the importance of insolvency regulation
Restructuring
CLP 4th ed: Ch. 29, 30, 31 and 32
Tutorial 9

Week 11 (Lecture 11)
Liquidation
The role and responsibilities of liquidators
CLP 4th ed: Ch.31
Tutorial 10

Week 12 (Lecture 12)
Summary and Revision
Tutorial 11
Policies and Procedures

Macquarie University policies and procedures are accessible from Policy Central (https://policies.mq.edu.au). 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

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

To find other policies relating to Teaching and Learning, visit Policy Central (https://policies.mq.edu.au) and use the search tool.

Student Code of Conduct

Macquarie University students have a responsibility to be familiar with the Student Code of Conduct: https://students.mq.edu.au/admin/other-resources/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 Enquiry Service

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

Equity 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.

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.

Changes from Previous Offering

In Session 1 2021 delivery of this unit will be structured to include both on-campus and online classes.