



BL611 Organisations Law

Unit Outline

School/Division: Business

Unit Title: Organisations Law

Unit Code: BL611

Level: **Introductory**

Advanced

Prerequisites: BL502 Fundamentals of Law
BL503 Commercial Law

Corequisites: Nil

Exclusion(s): Nil

Credit Points: 15

ASCED Code: 091103

Objectives:

Knowledge

- Gain knowledge of the various business structures available for conducting business and not-for-profit activities and the different governance issues that arise as a result
- Understand, in particular, the differences between the creation and operation of partnerships compared with companies and thus the effect on their owners, operators and outsiders
- Understand the regulatory framework of the Corporations Law so that when change occurs the changes can be understood, explained and critiqued
- Engage in debates about the meaning of 'good corporate governance'
- Explain the legal requirements for setting up a company and the consequences of incorporation
- Explain the ongoing administrative requirements of a company
- Understand the legal effects when a company interacts with 'outsiders', in particular, the ways in which companies 'make' contracts
- Understand and be able to critique how companies are managed and, in particular, the duties of directors



- Understand the role of members (shareholders) of companies and their rights and remedies
- Understand the Australian financial reporting system and the role and liability of auditors
- Understand the regulatory framework of financial products and services
- Appreciate the legal issues surrounding corporate fundraising
- Understand the possible consequences if a company becomes insolvent

Skills

- Be able to see how to use your knowledge of company law to enhance the ethical and effective management of companies and balance the interests of all stakeholders
- Be able to use your knowledge to enhance your professional practice as an accountant/auditor if that is your chosen career path
- Further develop comprehension, problem-solving and analytical skills
- Further develop an ability to undertake independent research

Values

- Develop an attitude to learning which views pre-reading, curiosity and reflection and group discussion as essential to learning
- Appreciate creative and innovative ways of thinking and working
- Appreciate a sense of law's interconnection with other disciplines
- Develop a better understanding of your learning strengths and weaknesses
- Appreciate that learning is a life-long endeavour

Content:

Topic One – Business entities

- What types of legal structures can be used to carry on commercial and not-for-profit activities?
- What governance issues arise from these different structures?
- How are partnerships formed and what obligations do partners have to each other and to outsiders – compared to owners and managers of companies?

Topic Two – Regulatory framework of companies and corporate governance issues

- What is the 'corporate structure' and what are some of the issues surrounding its use in commercial and not-for-profit activities?
- What are the sources of company law?
- By whom and how is company law administered?
- What corporate governance issues arise from the corporate structure?

Topic Three – Incorporation of companies and its effect

- How are companies created?
- What is the effect of companies having a separate legal entity and limited liability?
- When can the 'corporate veil' be lifted?
- What types of companies can be created?
- How are the company's internal rules determined and how can they be changed?

Topic Four – Company's relations with 'outsiders'

- What is the legal capacity of the company when it deals with 'outsiders'?
- How do companies make contracts?
- When is the company (and its officers and employees) liable in tort?
- When is the company (and its officers and employees) liable for crimes committed by the company or its officers/employees?



Topic Five – Management of companies

- How are companies managed?
- What are the duties of directors and officers of the company?

Topic Six – Financial reporting and audits

- What is the ‘Australian Financial Reporting System’?
- What financial and directors’ reports and annual returns must the company officers prepare?
- When must companies comply with the continuous disclosure requirements and what are they?
- What are the role, responsibility and potential liability of auditors?

Topic Seven – Members’ (shareholder) role, rights and remedies

- What role do shareholders, the owners of the company, have?
- What personal and statutory rights do they have?
- What statutory remedies are available?

Topic Eight – Finance

- How does the company raise funds through borrowing (loan capital)?
- How does the company raise funds from the public (equity capital) and what disclosure issues arise as a result?
- What is the regulatory framework of financial products and services and how does this impact on companies and financial service providers?

Topic Nine – Insolvency

- What are the options when a company becomes insolvent?
 - Deeds of company arrangement?
 - Receivership?
 - Voluntary administration?
 - Liquidation/winding up?

Learning Tasks & Assessment: To pass the unit all learning tasks must be attempted unless there are exceptional circumstances and the Unit Coordinator or Moderator agrees in writing to an exemption or a substitute task and product.

To achieve a pass in this unit all assessable tasks must be submitted.

Learning Task	Assessment	Weighting
Reading, summarising, reflecting, preparing for class, participating in class discussion by asking questions, answering questions, listening to others and offering views, relating the unit material to current events, revising content	Test	10 – 20%
Researching texts, articles, online materials,	Essay or Assignment	30 - 40%



comprehending and understanding, writing drafts, critical thinking and analysis, problem solving		
Revising lecture and tutorial notes, textbooks and other readings, reflecting on how the law applies in practice, problem solving	Examination	50%

Adopted Reference Style

APA Australian MLA Chicago

Other (please specify)

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