

## MODULE DESCRIPTOR

<b>MODULE TITLE</b>	<b>COMPANIES AND THE LAW</b>		
<b>MODULE CODE</b>	AC2155 (L5)	<b>CREDIT VALUE</b>	20 CREDITS
<b>SCHOOL</b>	SCHOOL OF BUSINESS AND MANAGEMENT		

### MODULE AIMS

The aims of this module are to explain the basic principles of company law, to encourage students to consider the practical problems which the legal rules are endeavouring to resolve and to enable students to be in a position whereby they can critically evaluate the extent to which the rules achieve the desired effect.

### MODULE CONTENT

Introduction - consideration of different registered forms, e.g. public limited company and private limited company, closely controlled company and dispersed ownership company, company limited by guarantee and company limited by shares

Agency-principle problem – introduction to agency theory and governance problem in dispersed ownership companies.

Corporate social responsibility – What is the main aim of the company – maximise shareholder wealth or be a socially responsible force in the community with review of which might include reporting on s.172 of the Companies Act 2018, reporting on modern slavery and corporate tax strategy.

Incorporation – procedure for incorporation, with focus on how technology can be used to streamline the process. Review of the role of the promoter and the legal standing of pre-incorporation contracts.

Corporate personality – lifting the veil: consideration of economic reasons for allowing a company to be a separate legal entity: common law and statutory measures to prevent abuse including a review of recent case law in this area.

Directors – functions: rights and duties, especially rules governing potential conflict of interests.

Corporate governance – review of the UK corporate governance code and its value with focus on topical corporate issues.

Company constitution – articles of association and rules for decision-making, focussing on active shareholder engagement.

Corporate finance – basic legal principles and rules around debt and equity finance including different share classes and fixed and floating charge debentures.

Corporate insolvency – basic legal procedures and rules around administration and liquidation.

Corporate criminal behaviour – focus on wrongful/ fraudulent trading, money laundering, bribery and anti-money laundering.

### INTENDED LEARNING OUTCOMES

On successful completion of this module a student will be able to:

1. Apply knowledge of company law and corporate governance codes to practical situations.

2. Critique the available governance mechanisms (regulation, soft-law, internal rules) and their effectiveness in managing the 'power struggle' that can arise in companies.
3. Explain the legal rules relating to the way in which companies are financed
4. Compare the mechanisms available when a company is facing insolvency.
5. Present logical, structured and substantiated written and verbal arguments.

## TEACHING METHODS

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The module will be delivered via lectures and seminars.

The purpose of lectures is to introduce a topic, define its scope and illustrate the principles of law concerned through case analysis and exposition as well as the use of illustrative examples. The lecture equips students with a broad sketch of the main issues of pertaining to a topic, which provides a framework to develop on, and answer seminar questions prior to the seminar. Further, a discussion of past examination questions is a must upon the completion of each legal topic, enabling students to understand how the legal principles can be applied to given legal situations.

The aim of seminars is to demonstrate preparation and understanding of a topic through guided reading, preparation of set questions, and discussion and argument with peers in small group situations. Students are encouraged to lead discussions to develop their ability to contribute confidently to class discussions. There are additional support sessions, which are timetabled.

The assessment strategy – 30% coursework and a 70% end of the year examination – is designed to allow students to gain proficiency in the fundamental technical and computational aspects of the subject. It is also designed to meet the Accountancy Professional Bodies exemption criteria as well as test the width and depth of a student's knowledge.

During this module, students will develop and enhance the graduate attributes of numeracy, problem-solving and planning. This will aid employability with the accounting profession and careers in general business management.

Formative feedback on seminar and practice questions is provided to students on a weekly basis, with additional support available in the timetabled Technical Support Workshops.

## ASSESSMENT METHODS

This module is assessed through a poster presentation (30%) and a written exam (70%).