

**City University of Hong Kong**

**Information on a Course  
offered by School of Law  
with effect from Semester A in 2014/2015**

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**Part I**

<b>Course Title:</b>	Law Relating to Business and Companies
<b>Course Code:</b>	LW5962
<b>Course Duration:</b>	One Semester
<b>Credit Units:</b>	3
<b>Level:</b>	P5
<b>Medium of Instruction:</b>	English
<b>Prerequisites:</b>	Nil
<b>Precursors:</b>	Nil
<b>Equivalent Courses:</b>	Nil
<b>Exclusive Courses:</b>	LW5924 Law Relating to Business Environment LW5942 Law of Business and Organisation

## Part II

### Course Aims

This course aims to:-

1. develop students' appreciation of the HK legal system and the external regulatory bodies in relation to the work of an accountant so that they are able to use the knowledge to perform their professional tasks competently.
2. demonstrate the basic principles of contract, tort, agency and business organisations law and an appreciation of the application of such in business and professional context.
3. analyse, evaluate and critically comment on HK companies law so that students have the ability to creatively use the comprehensive knowledge to solve most problems generally encountered in their practice.

### Course Intended Learning Outcomes (CILOs)

*Upon successful completion of this course, students should be able to:*

No.	CILOs	Weighting (if applicable)
1.	Describe and explain the basic principles of business organisations (with particular reference to companies registered under the Companies Ordinance) and extract legal principles from decided cases.	N/A
2.	Interpret legal materials such as ordinances, case authorities and legal documents and identify legal principles from those materials.	N/A
3.	Apply legal rules to issues and problems raised in case studies and practical situations particularly in the context of the student's future occupation in the accounting profession thereby developing problem solving and application skills.	N/A
4.	Recognise the limitations of the law as a means of regulating economic and social activities.	N/A

*Alignment of CILOs with PILOs:*

PILOs (Postgraduate Certificate in Professional Accounting)		CILOs
1.	Apply discovery and critical thinking, analytical, qualitative and quantitative skills to business problem solving with special reference to accounting and related functions.	1, 2, 3, 4
2.	Explain, analyze and apply relevant rules and regulations in respect to accounting and related issues.	1, 2, 3, 4

PILOs (Master of Science in Professional Accounting and Corporate Governance)		CILOs
1.	Apply creative and critical thinking, analytical, qualitative and quantitative skills to business problem solving with special reference to accounting and governance functions.	1, 2, 3, 4
2.	Explain, analyze and apply relevant rules and regulations related to accounting and corporate governance issues.	1, 2, 3, 4
3.	Recognize ethical dilemmas and legal issues and respond appropriately by applying relevant ethical and legal concepts and codes of ethics issued by relevant authorities.	1, 2, 3, 4
4.	Apply creative and critical thinking in solving accounting, corporate governance and related business problems using a multi-disciplinary approach.	1, 2, 3, 4

PILOs (Master of Arts in International Accounting)		CILOs
1.	Apply creative and critical thinking to business problem-solving and the conceptual and practical aspects of mainstream accounting disciplines from an international perspective.	1, 2, 3, 4
3.	Identify and demonstrate legal and ethical concepts and the code of ethics issued by the International Federation of Accountants (IFAC) and HKICPA, and their application in accounting practices.	1, 2, 3, 4

## Teaching and Learning Activities (TLAs)

### *TLA 1: Seminars*

The course leader will present and explain the substantive law on the topics listed below in the course syllabus.

### *TLA 2: Class participation*

Students will be expected to work through problem type questions in class, apply the relevant principles discussed in the seminar, analyze and then hypothesize on the projected answer to the problem.

Students will make discovery based oral presentations on the impact of business law in HK and pay special attention to relevant company news.

### *TLA 3: Research*

Students will undertake a problem based assignment containing not less than 1500 words.

CILO No.	TLA 1	TLA 2	TLA 3	Hours/week (if applicable)
CILO 1	✓	✓	✓	N/A
CILO 2	✓	✓	✓	N/A
CILO 3	✓	✓	✓	N/A
CILO 4	✓	✓	✓	N/A

## Assessment Tasks/Activities

CILOs	Type of Assessment Tasks/Activities	Weighting (if applicable)	Remarks
1, 2, 3, 4	Assignment	50%	This paper will be a problem based assignment to assess students' understanding of the topics discussed up to and including the seminars when the assignment is distributed in class. Students will be graded on their understanding and application of the law, as well as their ability to provide the reader with evidence of a persuasive legal argument. Logic, use, application and understanding of case law will also be graded.
1, 2, 3, 4	Examination	50%	It will be a 3-hour open book examination. It will test students' ability to apply legal principles to problem style questions on topics not covered in the assignment.

**Grading of Student Achievement:** Grading pattern: Standard (A+, A, A-...F)

Grading is assigned based on student performance in assignment and examination. A student must obtain a minimum mark of 40% in both assignment and examination and an overall mark of 40% in order to pass the course.

## Part III

### Keyword Syllabus

Corporate personality, limited liability company, shareholder, director, liquidation, takeover

### Detailed Syllabus

1. Hong Kong legal system and framework; Contract and tort law
2. Corporate personality and the nature of the limited liability company
3. Constitution of a company
4. Capital and finance of companies
5. Management and administration of a company

6. Professional negligence and the accountant
7. Takeovers
8. Company liquidation
9. External regulatory bodies

PS: This course meets the syllabus of the law paper of Practising Certificate Examinations of HK Institute of Certified Public Accountants (HKICPA).

### **Recommended Reading**

#### **Text(s):**

1. Srivastava, D K, *Business Law in Hong Kong*, (2<sup>nd</sup> ed, 2007) Sweet & Maxwell, HK.
2. Stott, V, *Hong Kong Company Law*, (13<sup>th</sup> ed, 2011) Pearson, HK.
3. Cheng, Po Wah & Ors, *The Hong Kong Company Secretary's Handbook: Practice and procedure*, (8<sup>th</sup> ed, 2008) Pearson, HK. (9<sup>th</sup> ed is coming soon)
4. Kwan, S, *Company Law in Hong Kong: Practice and procedure*, (Loose leaf, 2007-) Sweet & Maxwell Asia, HK.

#### **Online Resources:**

1. Judgments and Legal Reference of Hong Kong Judiciary  
(available at [http://www.judiciary.gov.hk/en/legal\\_ref/judgments.htm](http://www.judiciary.gov.hk/en/legal_ref/judgments.htm))
2. Department of Justice: Bilingual Laws Information System  
(available at <http://www.legislation.gov.hk/eng/index.htm>)
3. Hong Kong Legal Information Institute: Free access to legal information in Hong Kong  
(available at <http://www.hklii.org/>)