

Company Law: An Introduction

HIGHER NATIONAL DIPLOMA

公司法概论

【英】苏格兰学历管理委员会 (SQA)

Unit Student Guide

BUSINESS

DE5H 35



 中国时代经济出版社



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1

Introduction to the Scottish Qualifications Authority

This Unit **DE5H 35 Company Law: An Introduction** has been devised and developed by the Scottish Qualifications Authority (SQA). Here is an explanation of the SQA and its work:

The SQA is the national body in Scotland responsible for the development, accreditation, assessment, and certification of qualifications other than degrees.

Its website can be viewed on: www.sqa.org.uk.

SQA's functions are to:

- devise, develop and validate qualifications, and keep them under review
- accredit qualifications
- approve education and training establishments as being suitable for entering people for these qualifications
- arrange for, assist in, and carry out, the assessment of people taking SQA qualifications

- quality assure education and training establishments which offer SQA qualifications
- issue certificates to candidates.

In order to pass SQA Units, students must complete prescribed assessments. These assessments must meet certain standards.

The Unit Specification outlines the **four** Outcomes that students must complete in order to achieve this Unit. The Specification also details the knowledge and/or skills required to achieve the Outcome or Outcomes. The Evidence Requirements prescribe the type, standard and amount of evidence required for each Outcome or Outcomes.

2

Introduction to the Unit

2.1

What is the Purpose of this Unit?

This Unit is designed to provide students with basic knowledge about company law. It is intended for candidates who expect to take up a career in accounting or business.

This Unit is based on the awarding body's domestic legal jurisdiction and therefore UK companies' statutes and Scottish common law are utilised.

2.2

What are the Outcomes of this Unit?

There are four separate Outcomes covering company law. On completion of the Unit the candidate should be able to:

1. Describe the separate legal personality of a company, the various forms of corporate body and procedures for company formation
2. Describe the capital and financing of a company
3. Describe the management and administration of a company
4. Describe the ways in which insolvent companies may be dealt with.

Further details can be found in Appendix 1 — Unit Specifications.

2.3

What Do I Need
to be Able to
Do in Order to
Achieve this
Unit?

Access to this Unit is at the discretion of the centre. Although no formal entry requirements are stated, SQA determines that good levels of written English language skills are required.

To achieve this Unit, you will need to provide evidence that you have attained a basic knowledge of company law. This means that you will be able to:

1. Describe the separate legal personality of a company, exhibit an understanding of the various forms of corporate body and the procedures necessary for the formation of a company
2. Describe the capital of a company and options for financing
3. Describe the management and administration of a company
4. Describe the possible procedures for dealing with insolvent companies.

2.4

Approximate
Study Time
for this Unit

The notional study time for this Unit is 40 hours but actual time allocated is at the discretion of the centre.

2.5 Equipment/ Material Required for this Unit

These study notes cover the subjects to be assessed. Supplementary material from textbooks can prove useful.

Access to a computer and the Internet may prove helpful for research.

2.6 Symbols Used in this Unit

The various Learning Materials sections are designed so that you can work at your own pace, with tutor support. As you work through the Learning Materials (see Section 5), you will encounter symbols. These symbols indicate that you are expected to complete a task. **These tasks are not Outcome Assessments.** They are exercises designed to consolidate learning or encourage thought, in preparation for the Outcome Assessment (see Section 3 — Assessment Information for this Unit).

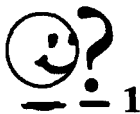
Activity



This symbol indicates an Activity. Usually, Activities are used to improve or consolidate your understanding of the subject in general or a particular feature of it.

In this Unit, you are asked to undertake four Activities to assist you with the assessments.

Self-Assessed Question



This symbol indicates a Self-Assessed Question. Using a Self-Assessed Question helps you check your understanding of the content that you have already covered. The Self-Assessed Questions in this guide will often take the form of short essay answers with a maximum word count indicated in brackets.

Everything is provided for you to check your own responses. Answers to the Self-Assessed Questions and Activities are to be found at the back of the Unit Student Guide. Where suggested responses to Self-Assessed Questions and Activities are provided in the Unit Student Guide, **you are strongly discouraged from looking at these responses before you attempt the Self-Assessed Questions and**

Activities. The Self-Assessed Questions and Activities throughout the Unit Student Guide will help you to prepare yourself for the formal assessments, and to identify topic areas in which you will require clarification and additional tutor support. The Self-Assessed Questions and Activities will not serve this purpose if you look at the answers before trying them!

Self-Assessed Questions and Activities are designed to be checked by you. No tutor input is necessary at this stage unless special help is requested, although from time to time your tutor may wish to view your responses to Self-Assessed Questions to see how you are progressing.

3

Assessment Information for this Unit

3.1 What Do I Have to Do to Achieve this Unit?

In order to achieve a pass in this Unit, you must demonstrate your ability to pass the four Outcomes detailed earlier.

The Unit is assessed by two closed-book examinations and two open-book case studies.

Outcome 1

Assessment takes the form of a short case study providing information about an organisation which is considering becoming a registered company. From this information you should produce a report detailing:

- a. the legal formality of a company
- b. forms of corporate body
- c. procedures for company formation.

You will be able to use your books and notes. The average time to complete by students will normally be two hours; however, you may take longer.

To achieve this Outcome, it is necessary to attain 70% of the available marks.

Outcome 2

Assessment takes the form of a closed-book examination which will, on average, take two hours to complete.

The exam uses further information relating to the development of the company from Outcome 1.

Students will be asked to give extended response answers to three questions based on the company scenario and covering the following areas of knowledge.

The capital and financing of the company:

- a. Share Capital (ordinary and preference)
- b. Loan Capital (debentures and company charges)
- c. Company power to borrow money, both secured and unsecured.

To achieve this Outcome, it is necessary to attain 70% of the available marks.

Outcome 3

Assessment takes the form of a closed-book examination which will, on average, take two hours to complete.

The exam uses further information relating to the development of the company from Outcomes 1 and 2.

Students will be asked to give extended response answers to four questions based on the company scenario and covering the following areas of knowledge.

The management and administration of the company:

- a. Director: appointment, termination, duties and powers
- b. Company Secretary: appointment, duties and powers
- c. Company meetings (Annual General Meeting, Extraordinary Meeting)
- d. Types of resolution (ordinary, extraordinary, special).

To achieve this Outcome, it is necessary to attain 70% of the available marks.

Outcome 4

Assessment takes the form of a case study providing information on the further development of the company from Outcomes 1, 2 and 3. From this information, students should produce a report which describes the ways in which insolvent companies may be dealt with.

You will be able to use your books and notes. The average time to complete by students will normally be two hours; however, you may take longer.

To achieve this Outcome, it is necessary to attain 70% of the available marks.