

**THE INSTITUTE OF CHARTERED  
ACCOUNTANTS (GHANA)**



**MAY 2012 EXAMINATIONS  
(PROFESSIONAL)**

**PART 2**

**BUSINESS AND CORPORATE LAW**

**(Paper 2.3)**

**Attempt**

**Two questions from Section A,**

**Two questions from Section B, and**

**One question from Section C**

**TIME ALLOWED:**

**Reading & Planning - 15 Minutes**

**Workings - 3 Hours**

## **SECTION A: BUSINESS LAW**

### **Answer two (2) questions from this section**

#### **QUESTION 1**

- (a) Explain the doctrine of judicial precedent. *(8 marks)*
- (b) Explain how a contract is discharged. *(12 marks)*

**(Total: 20 marks)**

#### **QUESTION 2**

- (a) Explain redundancy and the procedures for it under the Labour Act, 2003 (Act 651). *(12 marks)*
- (b) Describe what constitutes professional negligence. *(8 marks)*

**(Total: 20 marks)**

#### **QUESTION 3**

Explain the following:

- (a) Capacity of minors to enter into contracts. *(10 marks)*
- (b) Intention to create legal relations. *(10 marks)*

**(Total: 20 marks)**

## SECTION B: COMPANY LAW

### Answer two (2) questions from this section

#### QUESTION 4

- (a) When a person who is not a director acts as such what does the law say about the company and the person who acted as director? *(6 marks)*
- (b) What are the fiduciary duties directors of a company are required to perform? *(8 marks)*
- (c) What are the consequences of not performing those duties? *(6 marks)*

**(Total: 20 marks)**

#### QUESTION 5

Outline procedures for the appointment and removal of auditors.

**20 marks**

#### QUESTION 6

Explain **five (5)** of the general duties of a liquidator in the administration of company property under the Bodies Corporate (Official Liquidations) Act, 1963 (Act 180)

**20 marks**

## **SECTION C: PARTNERSHIP LAW**

### **Answer one (1) question from this section**

#### **QUESTION 7**

- (a) What are the requirements for accounts keeping on a partnership?
- (b) Explain the powers of the Registrar in respect of the keeping of accounts.

*(15 marks)*

*(5 marks)*

**(Total: 20 marks)**

#### **QUESTION 8**

Explain the liabilities of incoming and outgoing partners in a partnership.

**20 marks**