

**NOVEMBER 2021 PROFESSIONAL EXAMINATION
BUSINESS & CORPORATE LAW (PAPER 1.3)
CHIEF EXAMINER'S REPORT, QUESTIONS & MARKING SCHEME**

EXAMINER'S GENERAL COMMENTS AND PERFORMANCE OF CANDIDATES

The performance by candidates from a pass rate of 83.95% in May 2021 declined to 54.77% in November 2021. However, the general performance of candidates was good. Out of 241 candidates who registered, 132 passed the paper. The average marks for most of the questions answered in November 2021 were 55%, compared to the last diet in May 2021 of about 60%.

STANDARD OF THE PAPER

The standard of the paper was good and was not over-burdening on the candidates. The depth and weight of questions, the time allocation and the clarity of the questions met the requirements of the syllabus. There was no correction of typographical mistake during the coordination of the examination, and the marks allocated in the suggested solutions provided were maintained.

NOTABLE STRENGTHS & WEAKNESSES OF CANDIDATES

Strengths

In this diet, candidates performed better with the scenario questions than in the previous examination. Candidates had the opportunity to analyze and discuss scenario questions, but their strength mainly was attempting questions that required short answers. The questions that required short answers were popular even though some candidates deviated. This means if the Institute should consider objective questions in future, candidates will perform well.

Most candidates have a fair appreciation of the law of contract and the court system than the areas of Constitutional law, Companies Act and Labour Law which were also tested in this diet.

Weaknesses

Several candidates did not follow the instruction that candidates should 'Answer All Questions'. The point here is that the questions unanswered make the candidate automatically lose marks and reduce their chance of passing. This can be largely attributed to candidates' inadequate preparation for the examinations or learning only some topics in the syllabus.

Most candidates were not very familiar with the Companies Act, covering about 45% of the syllabus. The candidate should therefore cover the entire syllabus to be able to attempt at least all the questions and should also be encouraged to practice time management during examinations.

QUESTION ONE

- a) Describe the stages of appeal and how the appellate system of adjudication operates in the judicial system of Ghana under the following:
- Criminal matters
 - Civil matters
- (10 marks)**
- b) Koo Mensah from the Wata District of Ghana sought health service at the Kumpu Religious Clinic. A clinic devoted only to group members and situated in the Gidigidi District. Koo Mensah was on an audit field trip in Gidigidi District when he was taken ill. His neighbours assisted him to the clinic, but he was denied access. The reason was that he was not a member of the religious group and so did not have the right to be attended to at the clinic. Koo Mensah was aggrieved that his fundamental rights had been violated.

Required:

- In reference to the 1992 constitution of Ghana, state **TWO (2)** fundamental human rights of Koo Mensah, which may have been violated? **(6 marks)**
- Justify which of the superior courts Koo Mensah may apply to seek redress. **(4 marks)**

(Total: 20 marks)

QUESTION TWO

- a) The primary purpose of agency relationships is to bring the principal and third party into contractual relations. Thus, the underlying principle of agency is the power of an agent to alter his principal's legal relations with third parties.

Required:

- Describe **TWO (2)** types of agency relationship. **(4 marks)**
- Explain **FOUR (4)** ways in which agency relationships can be terminated. **(4 marks)**
- State **TWO (2)** rights of an Agent **(2 marks)**

- b) Santor Gh. Ltd entered into an agreement with the Controller and Accountant-General's Department, by which monies were deducted at source on the salaries of workers who had benefited from its Christmas credit sales scheme by way of Hire Purchase. Unfortunately, Mr Zat got infected with the coronavirus and passed away shortly after enjoying the credit sales.

Required:

You are the only law student in the accounts department, and your boss has asked you to:

- Explain the nature of a Hire Purchase arrangement and the implication of Mr Zat's death. **(6 marks)**
- In **TWO (2)** ways, differentiate between a *Hire Purchase* and a *Deferred Payment*. **(4 marks)**

(Total: 20 marks)

QUESTION THREE

- a) Kofi Nti, the CEO of your company, is preparing for a top management meeting scheduled for 1st December 2021. One of the issues to be discussed is the effect of COVID-19 on holding shareholders' meetings. There are views that the Annual General Meeting (AGM) must be in-person so that members can vote on resolutions to be passed. Others believe that the AGM should be virtual or hybrid.

Some shareholders believe that the items on the agenda are too many and that they would need two days to have a meaningful discussion. Kwasi Mensa, a shareholder has decided not to attend the AGM if it is organized virtually.

Required:

As a business law student, your boss has requested you to present to him the following:

- i) The requirement of the Companies Act, 2019 (Act 992) on the interval between which AGM are to be held. **(3 marks)**
- ii) **THREE (3)** things that should be covered in the notice for an AGM. **(3 marks)**
- iii) **TWO (2)** consequences of not holding an annual general meeting in accordance with the Companies Act. **(4 marks)**
- iv) Justify whether or not decisions taken at the AGM will be binding on Kwasi Mensa. **(5 marks)**
- b) What is meant by the doctrine of "*Privity of contract*" and identify **TWO (2)** exceptions allowed under the Contract Act, 1960 (Act 25) in Ghana? **(5 marks)**

(Total: 20 marks)

QUESTION FOUR

- a) Two members of a Workers' Union, Regina Frimpong and Edna Narh were employees of Asua Community Bank. They had their employment terminated by a letter dated 30th April 2011 on the grounds of redundancy. The bank indicated that workers were being declared redundant because of the negative effect of COVID-19 on their operations. The company has therefore had significant changes in its operations, thus the skills and competencies required will differ for the delivery of current objectives. The bank, however, resisted the payment of compensation to the two workers, arguing that their services had always not been useful to the bank.

Required:

Advise the two aggrieved workers in accordance with the Labour Act, 2003 (Act 657), whether they will succeed in action against the bank. **(10 marks)**

- b) For a company to be established, it must be registered at the Registrar of the companies. Then, an application for incorporation shall be made in the prescribed form and delivered to the Registrar. Kofi and Ama have decided to register a company, and they have approached you for assistance.

Required:

- i) List **EIGHT (8)** basic requirements needed for Kofi and Ama to register a company. **(4 marks)**
- ii) Explain **THREE (3)** legal effects of incorporation they have to deal with. **(6 marks)**

(Total: 20 marks)

QUESTION FIVE

- a) Kwasi Kodua believes that Debenture holders though not being shareholders, deserve to be issued certificates. This is because, without their funds, the company cannot survive.

Required:

Explain if you agree or disagree with Kofi Kodua on his view on the issue of certificates to debenture holders. **(4 marks)**

- b) Identify **FOUR (4)** stages of involuntary liquidation and explain the consequence of each stage identify. **(10 marks)**
- c) Explain **THREE (3)** characteristics of a floating charge. **(6 marks)**

(Total: 20 marks)

SOLUTION TO QUESTIONS

QUESTION ONE

a) The appellate system of adjudication in respect of final judgments in the judicial system of Ghana operates as follows:

i) In Civil matters, the judicial system works as follows:

The Supreme Court is the final appellate Court; Therefore, appeals started at the lower Appellate Courts end up at the Supreme Court. **(1.5 mark)**

An appeal from the Court of Appeal goes to the Supreme Court. **(1 mark)**

Appeals from the High Court and the Circuit Court go to the Court of Appeal. **(1 mark)**

An appeal from the District Court goes to the High Court. **(1 mark)**

ii) In Criminal matters, the adjudication system works as follows:

The Supreme Court is the final appellate Court. Therefore, the criminal appeal started at the Appellate Court below terminated at the Supreme Court. **(1.5 mark)**

An appeal from the Court of Appeal goes to the Supreme Court. **(1 mark)**

An appeal from the High Court goes to the Court of Appeal. **(1 mark)**

An appeal from the Circuit court goes to the High Court. **(1 mark)**

An appeal from the District Court goes to the High Court. **(1 mark)**

b)

i) Koo Mensah's right as a sick person was violated under article 30 of the Constitution of the Republic of Ghana, 1992. The article provides that a person who by reason of sickness or any other cause is unable to give consent shall not be deprived by any other person of medical treatment among others by reason only of religious or other beliefs.

His general beneficiary right as a citizen of Ghana within the territorial jurisdiction of Ghana was also Article violated under article 12 of the Constitution. Article 12(2) provides fundamental rights coverage to every person without distinction to his religious affiliation, among others.

(6 marks)

ii) He must proceed to the High Court. Under article 33 of the Constitution, The High Court has the mandate to hear matters relating to violating fundamental human rights and freedoms in the first instant. **(4 marks)**

(Total: 20 marks)

EXAMINER'S COMMENTS

Candidates well understood the first part of question one. They highlighted the appellate process except that the distinction between the Criminal and Civil matters did not come out clearly for many of them. The relevant references to obtain full marks are from Article 129(1), 131(1) (2) (3), 137(1) (2) (3) & 140(1).

The second part of the question tested candidates on their knowledge of fundamental human rights and freedom and the court with the requisite jurisdiction in such matters. The solutions with the correct answers were referenced from Article 12(2), 15(1), 17(1) (2), 30 and 33 of the 1992 Constitution of the Republic of Ghana. The average pass mark for both parts of the question was about 14 out of 20 marks.

QUESTION TWO

a)

i) Agents are broadly classified under the following:

Universal agents - are agents with unrestricted authority to contract on behalf of their principal. These categories of agents are not common and have to be appointed by deed and in the form of power of attorney.

General agents - have the authority to act for their principals in all matters connected with a particular trade or business. A general agent has implied power to bind his principal in all matters of ordinary business in the enterprise of the relationship.

Special agents - are appointed to act in respect of a particular transaction or a series of transactions and usually have only limited powers or authority.

(Any 2 points @ 2 marks each = 4 marks)

ii) Agency is terminated by:

- Agreement.
- Operation of law (death, insanity, insolvency).

Termination by agreement

- Ways by which agency can be terminated through *agreement*:
- By mutual agreement between the principal and the agent.
- By notice of revocation given by the principal to the agent.
- By notice of renunciation given by the agent to the principal.
- Breach of Duty.
- Novation.

Termination by operation of law

- Ways by which agency can be terminated through *operation of law*:
- The principal or agent dies.
- The principal or agent becomes insane.

- The principal becomes bankrupt, or the agent becomes bankrupt, and this interferes with their position as agent.
- By completion of assigned duty.
- By the expiration of the period stipulated in the contract of agency.
- By subsequent illegality.

(Any 4 points @ 1 mark each = 4 marks)

iii) Rights of an agent

- Right to remuneration or commission
- Right to indemnity
- Right to exercise a lien

(Any 2 points @ 1 mark each = 2 marks)

b)

- i) Hire-purchase is a form of secured credit sale. It is a special system of purchase and sale or of retail business under which goods are delivered to the purchaser immediately on signing the hire purchase agreement, but the price is recovered or collected in future in periodic instalments with regular intervals.

This form of purchase is regularly used by various individuals as a method of purchasing goods on credit while paying them back in agreed installments.

(6 marks)

- ii) Difference between hire purchase and deferred payment

Hire-purchase	Deferred payment
Ownership of the goods is vested in the seller until the last instalment is paid.	Ownership of the good is transferred to the buyer immediately he/she makes an initial deposit.
Goods are deemed to be on hire.	Goods are the property of the buyer.
Under certain conditions, the seller can repossess the goods when the buyer defaults in payment.	The seller cannot repossess the goods when the buyer defaults in payment; the only remedy the seller can take is to sue the buyer.

(4 marks)

(Total: 20 marks)

EXAMINER'S COMMENTS

Candidates did better in the first part of question 2, which was on the Law of Agency. The short answers required on the termination of agency relationship was best answered. Some candidates clearly articulated the termination of agency by the acts of the parties (including agreement, breach of duty, revocation etc.) and those that were by operation of law (including death, bankruptcy, proven insanity, etc.). The rights of

an Agent were straightforward and covered entitlements to the commission, indemnity, lien, right to enter a binding contracts and act on behalf of the principal.

The second part of the question was generally difficult for most candidates. It was a scenario question that required some analysis after explaining the nature of the Hire Purchase. The answer must highlight the need for a written form of the Hire Purchase agreements, the determined price and periodic payments required, the conditions and possibility of repossession of items, aspects of protected goods etc. The distinction between Hire Purchase and Deferred Payment was directed from the ownership of the items being sold, the timing of transfers of ownership and the repossession rights. Generally, the performance of candidates in answering this question was at an average of 11 out of 20 marks.

QUESTION THREE

a)

i) The First Annual General Meeting should be within 18 months of incorporation Not more than 15 months shall elapse between the date of one annual general meeting and the next. **(3 marks)**

ii) A valid notice of meeting for an annual general meeting requires that the notice:

- It must be in writing.
- Must be given to every person entitled to receive it.
- Must be adequate and properly given in accordance with the Company Constitution or the Act.
- Must be clear and explicit, and where a member is entitled to appoint a proxy to attend and vote in his/her stead, the notice must contain with reasonable prominence a statement to this effect and also that the proxy need not be a member of the company.
- Must specify the place, date, hour of the meeting, and the general nature of the business to be transacted at the meeting.
- Where the meeting is to consider a special resolution, the notice must set out the terms of the resolution.

(Any 3 points @ 1 mark each = 3 marks)

iii) The Registrar, per Section 157, when the AGM has not been held in the normal course and the Registrar, on his/her own motion, or application of any member or officer of the company, may call or direct the calling of an AGM and give ancillary or consequential directions as he deems fit. The court, under Section 162, may order that a general meeting be called, held or conducted and may give such ancillary or consequential directions as it thinks fit. **(4 marks)**

iv) Decisions taken at the meeting will be binding on Kwasi Mensa as there is a quorum of members.

(5 marks)

b) A person who is not a party to a contract is not entitled to enforce or rely on a provision in the contract. If a third party gets a benefit under a contract, it does not have the right to go against the parties to the contract beyond its entitlement to a benefit.

Section 5 of Contract Act 25 allows that a person who is not a party to the contract, whether as a designated person or as a member of a class of persons, may, (subject to rules in Section 5, 6 & 7 of the Act), be enforced or relied on by that person as though that person were a party to the contract.

(5 marks)

(Total: 20 marks)

EXAMINER'S COMMENTS

The requirement of the Companies Act on the interval for holding Annual General Meetings was not correctly given by many candidates. Section 157(2) & (3) stipulates that for the first Annual General Meeting (AGM), it should be within 18 months and subsequently, not more than 15 months interval.

The understanding expressed on the contents of the notice of AGM was adequate, but a good number of candidates missed the consequence of not holding a meeting. Section 157 of the Companies Act highlights that the Registrar, on his/her motion, or an officer of the company, may call or direct for an AGM to be held. The court under Section 162 may also order that a general meeting be called, held or conducted.

The last part of the question was on privity of contract. Section 5, 6, 7 and 10 of the Contract Act 1960 (Act 25) provide for exceptional situations that vary the common law position of having third parties being barred from enforcing a contract. In Ghana, therefore, by the authority of Act 25, parties who are beneficiaries, or members of a class of persons with certain legal or equitable rights within the contemplation of the contract, have some level of authority to enforce the contract to the extent that it affects him/her/them.

QUESTION FOUR

- a) The question deals with the termination of the appointment of two (2) members of the Workers' Union, who were employees of a Community bank. The bank resisted the payment of any form of compensation to them.

From the facts of the case, the reason for the termination of the appointment of the two (2) Union workers was because of the structural or technological changes envisaged by the bank in the delivery of its objectives.

The skills and compensation of the two (2) workers may not march the envisaged technological changes, hence their termination.

(2 marks)

It is to be mentioned that the case of the two (2) workers fall under Section 65(1) of the Labour Act, Act 657, which deals with redundancy.

Section 65 of Act 657 provides as follows:

“65. When an employer contemplates the introduction of major changes in production, programme organization, structure or technology of an undertaking that likely entails terminations of employment of workers in the undertaking, the employer.....”

(2) Without prejudice to subsection (1) where an undertaking is closed down, or undergoes an arrangement or Amalgamation, and the close down arrangement or amalgamation

The worker is entitled to be paid by the undertaking at which the worker was immediately employed prior to the close down, arrangement or amalgamation compensation in this section referred to as “Redundancy pay”

From the facts, the workers have been declared redundant due to the introduction of technology, among other things, which could make them unusable in the bank.

(2 marks)

The bank's resistance not to pay their compensation, called redundancy pay, is unlawful.

(2 marks)

Reading **section 65(1)** viz-as-viz the contents of the termination letter, it can only be understood that the appointments of the two (2) workers were terminated because of the structural or technological changes envisaged by the bank.

(2 marks)

The workers' action for the payment of compensation is likely to succeed given the provisions of **Section 65(1)** of Act 657.

(2 marks)

b)

i) The application shall include:

- the name of the company as required by section 21;
- an indication of the type of proposed company;
- the nature of the proposed business in the case of a company registered with an object;
- the address of the proposed registered office and principal place of business of the company in the Republic, the telephone number and the post office box, private mailbag or digital address of the registered office of the company;
- the electronic mail address and website of the company, if available;
- the following particulars of each subscriber:
 - the date and place of birth;
 - the present full name and any former name;
 - the residential, occupational, postal and electronic mail addresses and telephone contact; and
 - the nationality;
- the following particulars of each proposed director of the proposed company:
 - the present full name and any former name;
 - the particulars of any business occupation and other directorships held by the director as provided by section 215; and
 - the residential, occupational, postal and electronic mail addresses and telephone contact;
- a statutory declaration by each proposed director of the proposed company indicating that within the preceding five years, that proposed director has not been
 - charged with or convicted of a criminal offence involving fraud or dishonesty;
 - charged with or convicted of a criminal offence relating to the promotion, incorporation or management of a company; or
 - declared insolvent or if that proposed director has been insolvent, the date of the insolvency and the particulars of that company;
- the consent of each proposed director;
- the following particulars of the proposed Company Secretary of the proposed company:
 - the present full name and any former name;
 - the usual postal, occupational and electronic mail address;
 - the residential address in the case of an individual; and
 - the business occupation as provided by section 215.
- the following particulars of the proposed auditor of the proposed company:
 - the present full name and any former name;
 - the postal and electronic mail addresses and telephone number;
 - the residential address in the case of an individual; and
 - the consent of the auditor;
 - the following particulars of each subscriber for a proposed company with shares:
 - the full name and any former or other names;
 - the date and place of birth;
 - the telephone number;

- the nationality and proof of identity;
- the residential, postal or email address, if any;
- place of work and position held;
- the following particulars in respect of each beneficial owner of the proposed company:
 - the full name and any former or other names;
 - the date and place of birth;
 - the telephone number;
 - the nationality, national identity number, passport number or other appropriate identification and proof of identity;
 - the residential, postal or email address, if any;
 - place of work and position held;
 - the nature of the interest, including the details of the legal, financial, security, debenture or informal arrangement giving rise to the beneficial ownership; and
 - confirmation as to whether the beneficial owner is a politically exposed person; the following details in the case of a company that has shares:
 - the amount of proposed stated capital, as defined in section 68;
 - the number of authorized shares of the company for each class; and

(Any 8 points @ 0.5 marks each = 4 marks)

ii) The Effect of Incorporation

- From the date of incorporation, the company becomes a body corporate by the name contained in the application for incorporation.
- Incorporating a company means establishing a legal identity for the company that is separate from the legal identity of its directors or shareholders. It empowers the company to contract in its name,
- By completing the incorporation of a company, there must be obtained Tax Identification Number (TIN) for the company and its intended Directors and Secretary.
- The incorporation is evidence that all requirements of the Act regarding registration have been complied with.
- The certificate of incorporation, or a copy of that certificate, certified as correct by the Registrar and the notice in the gazette, is conclusive evidence that the company has been duly incorporated. Proceedings shall not be brought in a court to cancel or annul the incorporation except for proceedings to wind up the company in accordance with section 274.
- The effect of incorporation is to endow the company with attributes of a body corporate that can sue and be sued.
- There is perpetual succession under common seal, capable of exercising all the functions of the company as duly registered to ensure continuity of the company in the event of the death or bankruptcy of a shareholder.

(Any 3 points @ 2 marks each = 6 marks)

(Total: 20 marks)

EXAMINER'S COMMENTS

The question on the requirements to register a company was like a bonus. Many Candidates listed more points than was needed, and the marks allocated was four (4) for every eight (8) points listed. Some candidates seem to have spent too much time on this part.

The effect of incorporation is to endow the company with capacity to sue and be sued; to have perpetual succession under common seal to ensure continuity of the company in the event of death or bankruptcy of a shareholder; to establish a legal entity separate from the legal identity of its directors or shareholders and references could be made to Section 5, 14, 15 of Act 992. The average mark for this question was about 13 over 20.

QUESTION FIVE

- a) Debenture is defined by Section 383 (First Schedule) of the Companies Act, Act 992, as a written acknowledgement of indebtedness by a company in respect of a loan made or to be made to it or any other person, or money deposited or to be deposited with the company, etc., setting out the terms and conditions of a loan.

Debenture holders, non-membership of the company, are no bar against the issue to them debenture certificates or the debenture stock, which are, after all, documents of title to the amount lent to the company.

Section 85(1) of the Companies Act, Act 992, provides that within two (2) months after the allotment of any of its debentures, a company shall deliver to the registered holder thereof, the debentures or a certificate of the debenture stock under the common seal of the company. **(4 marks)**

b) Consequences of a winding-up process

- The winding-up process may be defined as the death certificate of the company and the striking of the company's name off the register by the Registrar and notify the same in the gazette under Section 288 of the Act as representing the burial of the company.
- The company is obliged to cease operations from the commencement of the winding-up except insofar as may be required for the beneficial winding up of the company. The corporate state of the company, that is, its legal personality as well as its corporate powers, continue until the company is dissolved.
- Where a company is being wound up by way of a private liquidation, every invoice, order or business letter bearing the name of the company, issued by or on behalf of the company or any liquidator of the company or any receiver or manager of any property of the company must contain a statement that the company is being wound up.
- A private liquidation is deemed to commence at the time of the passing of the requisite resolution. Within 14 days after the passing of the resolution, the Registrar

must be furnished with a copy of the resolution, which has to be published in the gazette. *Section 276*

- Where a company passes a resolution for a private liquidation, the company shall, within fourteen days after the passage of the resolution, send to the Registrar a copy of the resolution and the Registrar shall publish the resolution in the Companies bulletin.
- The appointment of a liquidator for a private liquidation automatically implies the cessation of all the powers and authority of the board of directors and the vesting of such powers and authority in the liquidator (282), who is deemed to stand in a fiduciary relationship as if he were a director of the company – *section 281*.
- A liquidator appointed for a private liquidation stands in a fiduciary relationship to the company as if that liquidator were a director of the company. Accordingly, sections 190 to 217 shall, with the necessary modifications, apply.
- On the appointment of a liquidator for a private liquidation, the powers of the board of directors shall vest in the liquidator, and the powers and authority of every director shall cease, except in so far as
- The company in general meeting or the liquidator may sanction the continuance of the directors' powers and authority only to enable the directors to prepare statements of account of the company.

(Any 4 points @ 2.5 marks each = 10 marks)

- c) There is the need for the candidate to first state what floating charges are, as found in **section 90(1)** of the **Companies Act, Act 992**.

According to **section 90(1)** of the Companies Act, a "Floating Charge" is an equitable charge over the whole or a specified part of a Company's undertaking and assets, both present and future. It is, however, that the charge shall not preclude the company from dealing with such assets until the security becomes enforceable or a court appoints a receiver/manager of such assets on the application of the holder, or the company goes into liquidation.

Three (3) characteristics of a floating charge are;

- A floating charge implies an equitable charge on the assets of a company for the time being.
- It attaches to the property in varying conditions.
- It remains dormant until it crystallizes.
- It does not prevent the company from dealing with the property charged in the ordinary course of business.

(6 marks)

(Total: 20 marks)

EXAMINER'S COMMENTS

The question on debenture required the reference of Section 83, 85(1) 90(1) & 383 of the Companies Act 2019 (Act 992). The Act provides that within two (2) months after the allotment of any of its debentures, a company shall deliver to the registered holder

thereof the debentures or a certificate of the debenture stock under the common seal of the company.

Also, the floating charge is to be described as an equitable charge over the whole or specified part of an undertaking or assets of the company, both present and future. The charge does not prevent the company from dealing with the asset. Until the floating charge crystallizes into a fixed charge, the property will have a varying condition that remains dormant.

The part of the question that requires the identification of stages of the involuntary liquidation was not very popular. Still, some candidates who attempted it answered the consequences of the stages very well. The involuntary liquidation, also known as official liquidation, covers conversion from a private liquidation, the grant of a petition to the court, or a petition addressed to the Registrar of Companies. However, most candidates failed to highlight critical provisions specified under Section 190-217, 274, 276, 281, 288 of Act 992.

CONCLUSION

Some lessons learnt and look ahead to future examinations are as follows:

The Institute should have a special session to engage Business Law candidates on how to answer law scenario case questions. In particular, they must state the areas of law, deduce the relevant principles and apply the law to the case before giving advice where necessary.

At this foundation level, it is important to note that candidates found it easier to state, list or identify than to explain, describe, and analyze, as was exhibited in answering question 4 b) i). The lesson here is that the questions set for this level of candidates should be simplified to best assess their knowledge base and understanding of the legal principles and the foundations of laws in Ghana that affect businesses and accountancy practice

The Institute should encourage students to familiarize themselves with the learning materials on Business and Corporate Law. This material provides an overview and details of the entire syllabus. It should also be used to guide the Examiners in setting questions so that the suggested solutions could be easily referenced from the book.