



# SYLLABUS ADMINISTRATIVE PRACTICE

1. **PURPOSE**  
Administration of a company and a close corporation.
2. **OBJECTIVE**  
To inform the student thoroughly of current legal and administrative principles:
  - 2.1 for the proper administration of a company and close corporation.
  - 2.2 For the proper directing of a company

## SOURCES OF REFERENCE

- A. South African Corporate Business Administration

## RECOMMENDED TEXTBOOKS

- B. Corporate Law, by Cilliers, Benade, Botha, Oosthuizen and De La Rey: Butterworths latest.
- C. Entrepreneurial Law, by Cilliers: Butterworths.

SYLLABUS		
1. Close Corporations (10%) <u>Objectives:</u> Students must be able to form and administer a close corporation  Characteristics and juristic personality. Procedure for formation Members and their liability Members' interest and transfer of interests Dividends and loans to members Management: Internal and external relations. Accounting officer, accounting records and financial statements Comparison with private companies Procedure for conversion from and to a company Winding-up and deregistration		
Companies <u>Objectives:</u> Students must be able to form and administer companies.		

<p>Types of companies: (10%)</p> <p>1.1 Incorporation</p> <p>1.2 Private and public companies</p> <p>1.3 Memorandum and Articles</p> <p>1.4 Holding and subsidiary companies</p>		
<p>Capital: (20%)</p> <p>2.1 Classes of/and changes in capital</p> <p>2.2 Regeneration of capital</p> <p>2.3 Prospectus and underwriting</p> <p>2.4 Application for and allotment of shares</p> <p>2.5 Members and members' register</p> <p>2.6 Transfer and conversion of shares</p> <p>2.7 Duplicate certificates</p> <p>2.8 Declaration of dividends</p> <p>2.9 Rights offer</p> <p>2.10 Capitalisation issues</p>		
<p>Loans: (10%)</p> <p>3.1 Short-and-long-term</p> <p>3.2 Sale and leaseback</p> <p>3.3 Debentures</p> <p>3.4 Trusts and trustees for debenture holders</p>		
<p>Directors: (15%)</p> <p>4.1 Executive and non-executive</p> <p>4.2 Managing Director</p> <p>4.3 Remuneration</p> <p>4.4 Appointment and removal</p> <p>4.5 Registers</p> <p>4.6 Powers</p>		
<p>Auditor and Annual Financial Statements: (10%)</p> <p>5.1 Appointment and removal</p> <p>5.2 Annual audit</p> <p>5.3 Directors' report</p> <p>5.4 Interim and provision report</p>		
<p>Secretary (10%)</p> <p>6.1 Appointment</p> <p>6.2 Duties</p> <p>6.3 Advice to directors-corporate code</p> <p>6.4 The first board meeting and administrative matters to attend to</p> <p>6.4 Registration of documents</p>		

Stock Exchange (5%) 7.1 Application 7.2 Advantages		
Take-over and reconstruction (5%) 8.1 Amalgamations		
Winding-up and judicial management (5%)		

## **EXAMINATION**

Open-book examination. Students may use unmarked copies of the Companies Act (South Africa), also the Close Corporations Act. No textbook or commentary will be allowed in the examination room. A three-hour paper will be set on theory and practical application.

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