Syllabus and study guide

Business Law South Africa (K3 ZAF)



December 2027 to June 2028

Designed to help with planning study and to provide detailed information on what could be assessed in any examination session.

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1. Overall aim of the syllabus

The overall aim of the syllabus is to develop knowledge and understanding of the general legal framework, and of specific legal areas relating to business, recognising the need to seek further specialist legal advice where necessary.

2. Introduction to the syllabus

The syllabus for K3 ZAF, Business Law, starts with an introduction to law and the South Africa legal system such as types of law, the court system and sources of law. It then leads into the area of contract law which underpins business transactions.

The syllabus then covers a range of specific legal areas relating to various aspects of business of most concern to accounting and finance professionals: labour law and business and company law. These laws include the formation and constitution of companies, capital and the financing of companies, the management and administration of companies, and the legal and regulatory framework for audit. The syllabus also covers insolvency law.

Next aspects of criminal law relevant to accounting and finance professional are covered including insider trading, money laundering, bribery and corruption.

The syllabus concludes with a focus on intellectual property law.

3. Main capabilities

On successful completion of this exam, candidates should be able to:

- Understand the South Africa legal system and different types of law
- Explain contract law, including the formation of contract and breach of contract
- Understand labour law, including the contract of employment, dismissal, unfair labour practices and redundancy
- Understand specific legal areas relating to business law and company law, including agency law and partnerships, the formation and constitution of companies, the financing and capital of companies, the management and administration of companies, the legal and regulatory framework for audit, and legal aspects of insolvency law
- Understand criminal law relevant to accounting and finance professionals, including insider trading, money laundering, bribery and corruption
- Explain intellectual property law, which includes the protection of intellectual property

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4. Intellectual levels

This course of study assesses both knowledge and skills within an accounting or business context. The assessment of knowledge is denoted by a superscript ^{K} and the assessment of skills is denoted by the superscript ^{S} shown at the end of each learning outcome.

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5. The syllabus

A Law and the legal system

1. Types of law
2. Sources of law

B Contract law and delict law

1. Formation of contract
2. Content of contracts
3. Breach of contract and remedies
4. The law of delict and professional negligence

C Labour law

1. Contract of employment
2. Dismissal, unfair labour practices and redundancy

D Business and company law

1. Agency law and partnerships
2. Corporations and legal personality
3. The formation and constitution of companies
4. Capital and the financing of companies
5. The management and administration of companies
6. Legal and regulatory framework for audit

E Insolvency law and business rescue proceedings

1. Company liquidation
2. Insolvency and business rescue proceedings

F Fraudulent and criminal behaviour

1. Insider trading and market abuse
2. Money laundering
3. Bribery and corruption

G Intellectual property law

1. The protection of intellectual property law

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6. Detailed study guide

A Law and the legal system

1. Types of law

a) Define law and explain different types of law.[K]

b) Explain the structure, operation and jurisdiction of the courts.[K]

2. Sources of law

a) Explain the various sources of law.[K]

b) Explain what is meant by case law and precedent.[K]

c) Explain legislation and delegated legislation.[K]

d) Explain how to interpret a court judgement.[K]

B Contract law and delict law

1. Formation of contract

a) Define a contract, the essentials of a contract and explain the factors affecting the validity of a contract.[S]

b) Explain the meaning of offer and acceptance, and how an offer differs from an invitation to do business.[S]

c) Explain how an offer is terminated.[2]

d) Explain the concept of the intention to be bound by a contract.[S]

e) Explain the capacity to perform juristic acts.[K]

f) Explain possibility and certainty of performance.[K]

2. Content of contracts

a) Explain terms and representations.[K]

b) Define the various contractual terms.[K]

c) Explain the various conditions that can be attached to a contract.[K]

3. Breach of contract and remedies

a) Explain the ways in which a contract may be breached.[S]

b) Explain the remedies for breach of contract.[S]

4. The law of delict and professional negligence

a) Explain the meaning of delict.[K]

b) Explain and analyse the duty of care of accountants and auditors.[S]

C Labour law

1. Contract of employment

a) Explain the differences between employees and the self-employed.[S]

b) Explain the nature, and termination of the contract of employment.[S]

2. Dismissal, unfair labour practices and redundancy

a) Explain the following dismissals and the remedies available:[S]

(i) summary dismissal.
(ii) constructive dismissal.
(iii) wrongful dismissal.
(iv) unfair dismissal (including automatically unfair dismissals).

b) Explain the meaning of redundancy.[S]

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D Business and company law

1. Agency law and partnerships

a) Define the role of the agent and illustrate such relationships with examples, paying particular regard to partners and company directors.[S]

b) Explain the formation of the agency relationship.[S]

c) Define the authority of the agent and explain the potential liability of both principal and agent.[S]

d) Explain the law governing partnerships.[K]

e) Explain the formation of a partnership.[S]

f) Explain the authority of partners in relation to partnership activity, and the liability of various partners for partnership debts.[S]

2. Corporations and legal personality

a) Summarise the differences between sole traders, partnerships and companies. [K]

b) Explain the meaning of limited liability and the effect of separate personality and explain instances where the veil of incorporation will be lifted.[K]

c) Explain different types of companies, including profit (private and public) and non-profit companies.[K]

d) Explain the effect of legislation on the existence of close corporations.[K]

3. The formation and constitution of companies

a) Describe the procedure for the registration and incorporation of companies, both private and public.[K]

b) Describe the criteria and registration of company names and the changing of company names.[K]

c) Describe the statutory books, records and returns that companies must keep or make.[K]

d) Explain whether a company should have its financial statements audited, and the particulars which should be included in the financial statements for those companies.[S]

e) Explain the content and effect of the memorandum of incorporation and the rules of a company.[S]

f) Explain how the memorandum of incorporation can be amended.[S]

g) Explain whether a company should appoint a social and ethics committee.[S]

4. Capital and the financing of companies

a) Summarise the different types of capital.[K]

b) Summarise the differences between various classes of shares.[S]

c) Explain the procedure for the authorisation of shares.[S]

d) Explain when financial assistance for subscription of shares can be granted and what will qualify as financial assistance.[S]

e) Explain the meaning of debentures.[S]

f) Explain the differences between loan capital and share capital.[S]

g) Explain the meaning of dividends as distributions.[S]

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5. The management and administration of companies

a) Explain the role of directors in the operation of a company, including the operation of board committees.[S]

b) Explain the different types of directors, such as executive/non-executive directors or *de jure*, *de facto* and shadow directors.[S]

c) Explain the ways in which directors are appointed, can lose their office, and the disqualification of directors.[S]

d) Summarise the differences between the powers of the board of directors, the managing director, and individual directors to bind their company.[S]

e) Explain duties of company directors and officers, and the remedies available in case of a breach of duty.[S]

f) Explain the appointment procedure relating to, and the duties and powers of, a company secretary.[S]

g) Explain the appointment procedure relating to, and the duties and rights of, a company auditor, and their subsequent removal.[S]

h) Summarise the differences between types of company meetings: general meetings and annual general meetings.[K]

i) Summarise the differences between types of resolutions: ordinary and special resolutions.[S]

6. Legal and regulatory framework for audit

a) Explain the need for the legal and professional framework including: [S]

(i) public oversight of the audit and assurance practice.

(ii) the role of audit committees including who are eligible to be members, the duties of the audit committee and the impact on audit.

E Insolvency law and business rescue proceedings

1. Company liquidation

a) Explain the meaning of, and procedure involved in, voluntary liquidation.[S]

b) Explain the meaning of, and the procedure involved in, compulsory liquidation.[S]

2. Insolvency and business rescue proceedings

a) Explain business rescue proceedings as an alternative to liquidation.[S]

F Fraudulent and criminal behaviour

1. Insider trading and market abuse

a) Explain the nature of, and legal control over, insider trading.[S]

b) Explain the nature of, and legal control over, market abuse. [S]

2. Money laundering

a) Explain the nature of, and legal control over, money laundering.[S]

3. Bribery and corruption

a) Explain the nature of, and legal control over, bribery and corruption.[S]

b) Explain potential criminal activity in the operation, management and liquidation of companies.[S]

c) Explain the nature of, and legal control over, reckless and fraudulent trading.[S]

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G Intellectual property law

1. The protection of intellectual property law

a) Explain intellectual property rights including copyright, patents, trademarks, designs and the law of passing off. [S]

b) Explain the remedies for the unlawful use of intellectual property. [S]

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7. Reading list

General Principles of Commercial Law (9th ed, 2019), Schulze, H et al.
Commercial Law (2019), Chris Nagel
New Entrepreneurial Law (2021), Piet Delport

Legislation can be accessed here (please refer to the list of examinable documents for what is examinable):
https://www.gov.za/about-government/legislation-and-policies

8. Approach to examining the syllabus

The syllabus is assessed by a two-hour computer-based examination.

The examination will consist of 50 two-mark multiple choice questions.

All questions are compulsory.

9. Guide to ACCA examination structure and delivery mode

The structure of examinations varies, depending on the level of the qualification.

The Knowledge examinations contain 100% compulsory questions to encourage candidates to study across the breadth of each syllabus.

All Knowledge examinations are assessed by two-hour computer-based examinations.

The pass mark for all Knowledge examinations is 50%.

10. Guide to ACCA examination assessment

ACCA reserves the right to examine anything contained within the study guide at any examination session. This includes knowledge, techniques, principles, theories, and concepts as specified.

For specified financial accounting, audit and tax examinations, except if indicated otherwise, ACCA will publish examinable documents once a year to indicate exactly what regulations and legislation could potentially be assessed within identified examination sessions. Regulation issued, or legislation passed on or before 31 August annually, will be assessed from 1 September of the following year to 31 August of the year after. Please refer to the examinable documents for the exam (where relevant) for further information.

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For most examinations (not tax), regulation issued or legislation passed in accordance with the above dates may be examinable even if the effective date is in the future. The terms 'issued' or 'passed' relate to when regulation or legislation has been formally approved.

The term 'effective' relates to when regulation or legislation must be applied to entity transactions and business practices.

The study guide offers more detailed guidance on the depth and level at which the examinable documents will be examined. The study guide should therefore be read in conjunction with the examinable documents list, where applicable.

11. Learning hours and education recognition

The ACCA Qualification does not prescribe or recommend any particular number of learning hours for examinations because study and learning patterns and styles vary greatly between people and organisations. This also recognises the wide diversity of personal, professional and educational circumstances in which ACCA candidates find themselves.

As a member of the International Federation of Accountants, ACCA seeks to enhance the education recognition of its qualification on both national and international education frameworks, and with educational authorities and partners globally. In doing so, ACCA aims to ensure that its qualifications are recognised and valued by governments and regulatory authorities and employers across all sectors. To this end, ACCA qualifications are currently recognised on the educational frameworks in several countries. Please refer to your national education framework regulator for further information about recognition.

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