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CAMS LEVEL I

INTRODUCTION TO LAW AND ETHICS

MONDAY: 20 May 2019.

Time Allowed: 3 hours.

Answer any THREE questions in SECTION I and any TWO questions in SECTION II. ALL questions carry equal marks.

SECTION I

QUESTION ONE

- (a) Outline six functions of law in your country. (6 marks)
- (b) Outline eight distinctions between “law” and “morality”. (8 marks)
- (c) With the aid of examples, describe the following classifications of law:
- (i) Public law. (2 marks)
 - (ii) Substantive law. (2 marks)
 - (iii) Municipal law. (2 marks)

(Total: 20 marks)

QUESTION TWO

- (a) Highlight six common features of incorporated entities. (6 marks)
- (b) In the context of artificial persons, explain two types of corporations. (4 marks)
- (c) Identify three differences between a “tort” and a “contract”. (6 marks)
- (d) List four essential features for a valid contract of sale of goods. (4 marks)

(Total: 20 marks)

QUESTION THREE

- (a) Highlight two general defences in the law of tort. (4 marks)
- (b) Explain three essential elements of the tort of defamation. (6 marks)
- (c) Summarise four maxims of equity. (4 marks)
- (d) Explain the extent to which African customary law is applicable as a source of law in your country. (6 marks)

(Total: 20 marks)

QUESTION FOUR

- (a) Describe the hierarchy of the court structure in your country. (7 marks)
- (b) State three reasons why a proposed business name might be rejected when registering a small business. (3 marks)
- (c) With reference to the law of contract:
- (i) Explain five ways in which an offer might be terminated. (5 marks)
 - (ii) Summarise five circumstances in which a contract might be frustrated. (5 marks)

(Total: 20 marks)

SECTION II

QUESTION FIVE

- (a) Explain the meaning of the following terms:
- (i) Ethics. (2 marks)
 - (ii) Ethical norms. (2 marks)
 - (iii) Conflict of interest. (2 marks)
- (b) (i) Enumerate four objectives of a code of ethics to an organisation. (8 marks)
- (ii) Highlight three universal ethical values. (6 marks)
- (Total: 20 marks)**

QUESTION SIX

- (a) Explain five fundamental principles which a professional accountant is required to comply with. (10 marks)
- (b) (i) Define the term “whistle blowing”. (2 marks)
- (ii) Identify four features of an effective whistle blower protection mechanism. (4 marks)
- (c) Outline four ways through which management can create an ethical culture in professional organisations. (4 marks)
- (Total: 20 marks)**

QUESTION SEVEN

- (a) With specific reference to the Public Officer Ethics Act:
- (i) Explain three circumstances which might be considered as improper enrichment by a public officer. (6 marks)
 - (ii) State six ways in which a public officer is required to exhibit professionalism. (6 marks)
- (b) With reference to foundations of ethics, list four situations that might give rise to conflict of interest in an organisation. (8 marks)
- (Total: 20 marks)**
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