



## JUNE 2013 EXAMINATION

DATE: 4 JUNE 2013

TIME: 14H00 – 17H00

TOTAL: 100 MARKS

DURATION: 3 HOURS

PASS MARK: 40%

(AG-06)

## ADMINISTRATIVE PRACTICE 1

**THIS EXAMINATION PAPER CONSISTS OF 3 SECTIONS:**

<b>SECTION A:</b>	<b>CONSISTS OF:</b>	
	(i) 10 MULTIPLE-CHOICE QUESTIONS	(10 MARKS)
	(ii) 10 MATCHING-STATEMENT QUESTIONS	(10 MARKS)
	ANSWER <u>ALL</u> THE QUESTIONS	
<b>SECTION B:</b>	<b>CONSISTS OF 9 SHORT QUESTIONS</b>	
	ANSWER <u>ALL</u> THE QUESTIONS	(60 MARKS)
<b>SECTION C:</b>	<b>CONSISTS OF 3 LONG ANSWER QUESTIONS</b>	
	ANSWER <u>ANY ONE</u> OF THE QUESTIONS	(20 MARKS)

**INSTRUCTIONS:**

1. Read the following instructions *carefully* before answering the paper, as failure to act upon them will result in a loss of marks.
2. Write your answers in your answer book, which is provided in the exam.
3. Ensure that your name and student number are clearly indicated on your answer book.
4. Write your answers in either blue or black ink in your answer book.
5. Read each question very carefully before you answer it and number your answers *exactly* as the questions are numbered.
6. Begin with the question for which you think you will get the best marks.
7. Note the mark allocations for each question – give enough facts to earn the marks allocated. Don't waste time by giving more information than required.
8. You are welcome to use diagrams to illustrate your answers.
9. Please write neatly – we cannot mark illegible handwriting.
10. Any student caught cheating will have his or her examination paper and notes confiscated. The College will take disciplinary measures to protect the integrity of these examinations.
11. If there is something wrong with or missing from your exam paper or your answer book, please inform your invigilator immediately. If you do not inform your invigilator about a problem, the College will not be able to rectify it afterwards, and your marks cannot be adjusted to allow for the problem.
12. This paper may be removed from the examination hall *after* the examination has taken place.

**SECTION A****(20 MARKS)****ANSWER ALL THE QUESTIONS****(i) MULTIPLE-CHOICE QUESTIONS**

Choose the correct option for each of the following. Write only the question number and your chosen answer. For instance, if you think that the correct answer for number 1 is (a), then write it as 1. (a).

1. An amending motion:
  - (a) is one that changes the wording of an original motion.
  - (b) is to delay or preclude a decision on the original motion.
  - (c) does not recognise the existence of the original motion.
  - (d) is to preclude any further debate.
2. A counter motion:
  - (a) is one that changes the wording of an original motion.
  - (b) is to delay or preclude a decision on the original motion.
  - (c) does not recognise the existence of the original motion.
  - (d) is not to delay or preclude a decision on the original motion.
3. A motion that 'the meeting proceeds to the next business':
  - (a) is not to delay or preclude a decision on the original motion.
  - (b) does not recognise the existence of the original motion.
  - (c) is to delay or preclude a decision on the original motion.
  - (d) is one that changes the wording of an original motion.
4. Special notice is only needed for:
  - (a) approval of the director's fees.
  - (b) removal of an auditor or director.
  - (c) rectifying a previous error.
  - (d) any out of the ordinary meeting.
5. Every motion proposed at a meeting, must be determined by:
  - (a) a majority of votes of the parties present, excluding proxies.
  - (b) a majority of votes of those present or not.
  - (c) a majority of votes of proxies only.
  - (d) a majority of votes of the parties present, including proxies.
6. A member who holds shares as a nominee is bound to:
  - (a) vote as directed by the chairperson.
  - (b) vote as directed by the majority.
  - (c) vote as directed by the beneficial owner.
  - (d) abstain from voting.

7. A special proxy is applicable:
- (a) to all meetings.
  - (b) to a general meeting only.
  - (c) to one meeting only but not to any adjournment of that meeting.
  - (d) to one meeting only or to any adjournment of that meeting.
8. The only limitation as to what can be achieved by an 'arrangement' is that it:
- (a) must not be used to effect something contrary to law.
  - (b) can only be used to effect something contrary to law.
  - (c) must be with the consent of all shareholders.
  - (d) can only be used to further the aims of the directors
9. In terms of the Public Accountants Act, 1991, no person is eligible to be appointed as auditor:
- (a) unless he is registered under that Act.
  - (b) unless he pays the company a prescribed fee.
  - (c) if he is unemployed at the time.
  - (d) until he has at least ten years of experience
10. If a member of a corporation becomes insolvent:
- (a) it does not affect the member.
  - (b) he or she may no longer be a member.
  - (c) the corporation will also be insolvent.
  - (d) the corporation must lend the member money.

[10]

**(ii) MATCHING-STATEMENT QUESTIONS**

Match the statements in Column B to the terms in Column A. Write down the answers only, for example 1. (a).

Column A	Column B
1. a meeting	(a) the Afrikaans equivalent of CC
2. quorum	(b) an association agreement
3. committee'	(c) a non-specific object such as the community at large
4. dilatory motions	(d) the lawful assembly or coming together of two or more persons, by previous notice or mutual arrangement, for the discussion and transaction of business
5. privilege	(e) has income beneficiaries and capital beneficiaries
6. BK	(f) individual or a body to whom a particular matter or a group of specific matters is referred for investigation and report, and possibly action
7. procedural rules of a CC	(g) that protection which the law gives in respect of words spoken or statements written in the course of duty
8. a trust	(h) motions deliberately introduced to interrupt discussion
9. a trust	(i) a legal concept or relationship where one or more persons hand over assets to another person, to administer for the benefit of a third party
10. an impersonal trust object	(j) the minimum number of persons present to constitute a valid meeting

[10]

[20]

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**SECTION B: SHORT QUESTIONS**

**(60 MARKS)**

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**ANSWER ALL THE QUESTIONS**

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**QUESTION 1**

Name the three controlling factors of meetings. [3]

**QUESTION 2**

The chairperson should always be calm and collected, particularly if the debate becomes unfriendly. List the responsibilities of a chairperson. [6]

**QUESTION 3**

Where a chairperson is acting bona fide and for the benefit of the meeting, he or she can adjourn a meeting. Identify the circumstances for adjourning a meeting. [3]

**QUESTION 4**

Discuss the difference between dissolution, adjournment and postponement of a meeting. [8]

**QUESTION 5**

Identify the guidelines to be considered when intending to appoint a committee to carry out a specific task, or when a committee intends to appoint a sub-committee for a special purpose. [7]

**QUESTION 6**

Give the conditions that prevent a person from being appointed as a company secretary. [7]

**QUESTION 7**

Explain the grounds for the chairperson not accepting an amendment. [6]

**QUESTION 8**

Name and briefly describe the methods of voting adopted at the meetings of companies. [10]

**QUESTION 9**

Explain how the voting is determined and when a resolution is deemed to be passed, in a meeting of creditors.

[10]

**[60]**

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**SECTION C: LONG ANSWER QUESTIONS**

**(20 MARKS)**

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**ANSWER ANY ONE OF THE QUESTIONS**

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**QUESTION 1**

Discuss the 'casting vote' of a chairperson.

[20]

**OR**

**QUESTION 2**

Identify the advantages and describe the general format of an agenda for a meeting.

[20]

**OR**

**QUESTION 3**

Discuss the arrangements that the secretary should make for the meeting.

[20]

[20]

**Section A: 20 marks**

**Section B: 60 marks**

**Section C: 20 marks**

**TOTAL: 100 MARKS**