

## Companies

### Concepts

Please summarise the theory on companies on pg.1 – 10 under following topics

- Companies act
- Difference between public and private companies
- Registrar of companies
- Memorandum of incorporation
- Legal status of company
- Limited liability concept
- Prospectus and allotment of shares
- Shareholders
- Directors
- Auditors
- Shares (do not do preference shares)
- Share certificate
- Company records
- AGM of shareholders
- Retained income
- JSE
- IFRS – International financial reporting standards
- GAAP

According to the work schedule this is what the department expect of you to know

- Define and explain accounting concepts unique to companies:

Companies – public and private; Companies (Act 71 of 2008); Registrar of companies / CIPRO – Registration certificate; MOI; Income tax/provisional income tax; Dividends; Shares; Earnings; Shareholders; Limited liability; Separation of ownership from control  
Directors; Auditors; Retained income; Authorised and Issued share capital; JSE

- Define / Explain International Financial Reporting Standards (IFRS) and Generally Accepted Accounting Practice (GAAP); *Application of IFRS and GAAP*
- Define/ Explain of the specific GAAP principles: historical cost; prudence; materiality; business entity rule; going concern; matching