

Course Code: BCOM E4082
Title: Corporate Ethics & Governance
Type/Status: Elective

Aims: This course unit is designed to provide the student with a basic understanding of ethical environment for professionals, corporate governance and other statutory compliances.

Learning Outcome :

By the end of the course unit, students will be able to:

- demonstrate an understanding of the importance of ethics to business generally.
- understand the corporate ethics for accounting professionals.
- identify the requirements under corporate governance and best practices.

- explain the development of corporate governance to meet public concern in relation to the management of companies.
- explain the impact of corporate governance on the directors and management structure of companies and how this benefits stakeholders.
- understand the other ethical requirements in preparing financial statement based reports.

Course Content:

The free market system and business. Code of ethics; General applications and fundamental principles, Ethical requirements for Professional Accountants in public practice, Ethical requirements for Professional Accountants in Business. Corporate governance; The board, appointments, re-appointment, roles and

responsibilities, Chairman and CEO, Financial acumen, Regulatory Bodies & Standard Setters and Best Practices, Directors, Roles and Responsibilities of Management, Remuneration committee, Accountability & Audit, Audit committee, Code of business conduct & ethics, Stakeholders' Roles and Responsibilities, Roles and Responsibilities of Other Corporate Governance Participants, Technology and Corporate Governance, Corporate Governance in Private and not for Profit Organizations. Other statutory compliances; CSE listing rules (Sec 7), Companies Act (sections 56 to 69, 148 to 171 and 192), Takeovers and Mergers Code.

Method of Teaching & Learning:

Seminar & self learning

Scheme of Evaluation:

End year examination

Recommended Readings:

Code of Best Practice on Corporate Governance. (2009),
Institute of Chartered Accountants of Sri Lanka & The
Securities and Exchange Commission of Sri Lanka.

The Code of Ethics for Professional Accountants. (2010). The
Institute of Chartered Accountants of Sri Lanka. Companies Act
No. 7 of 2007.

Sri Lanka Accounting and Auditing Standards Act No. 15 of
1995.

Securities and Exchange Commission Act No. 36 of 1987 and
amendments there to.

Takeovers and Mergers Code.

Rezaee Z. (2008). *Corporate Governance and Ethics.* John
Wiley & Sons.

Alexander B. (2011). *Corporate Governance and Business
Ethics.* (1st Edition). Springer.

Monks R. A. G. Nell Minow. (2011). *Corporate Governance.*
(5th Edition). Wiley.

Lorsch, J W. (2012). *The Future of Boards : Meeting the
Governance*

Challenges of the Twenty-First Century. Harvard Business Review Press.

Crane, A., Matten, D. (2010). *Business Ethics: Managing Corporate Citizenship and Sustainability in the Age of Globalization.* (3rd edition). USA : Oxford University Press.

The Sarbanes-Oxley Act of 2002.