



Module Approval Template (MAT)

Part A: Module Definition

Module Title	Finance and Legal
Short Module Title	Finance and Legal

Part B: Module Information

Module Leader	Csaba ILYÉS – BBS
Module Developers	David DEVINS – LBU Pascal ECHARDOUR – ADINVEST Csaba ILYÉS – BBS Aleksander SURDEJ – CUE Ireneusz GÓROWSKI - CUE
Brief Module Description	This module helps to develop the financial and legal operative perspective of a family business and provide the basis for advancement and application of operative working level skills, competencies, and decision-making capability. It will focus on family business practitioners and how they do their business, the practices they adopt and the activities they take part in to create an effective enterprise. The module helps family businesses to achieve success and -profitable operation during and after transformation.

Part C: Module Learning, Teaching and Assessment Information

Module Aims	The aim of the module is to provide students with an understanding of the nature of the financial and legal area from a theoretical and practical perspective. The focus is to give the students such legal and financial knowledge and tasks, which are necessary to support a sustainable family business.
Learning Outcomes	On successful completion of this module, students should be able to the following:
Learning outcome 1	<ul style="list-style-type: none">• Critically evaluate and apply concepts, tools and techniques which are useful for family businesses to become sustainable operating enterprises.

This project has been funded with support from the European Commission.

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Learning outcome 2	<ul style="list-style-type: none"> • Determine the future goals of family businesses (different options of transformation); and then determine the short-term vision, future tasks, and the adequate planning techniques; and then • Prepare the corporate business plan, and employ the methods which are useful during the implementation of transformation; • Prepare a concrete business plan for a specific case study.
Learning outcome 3	<ul style="list-style-type: none"> • Develop an accounting and reporting system for the monitoring of business processes and operation focusing on the transformation; • Monitor the deviation of actual data from the budget, make or support decision(s) and control the consequences.
Learning outcome 4	<p>Understand, critically evaluate and apply concepts, tools and techniques in the legal- business area:</p> <ul style="list-style-type: none"> • Legal environment, legal matters relating to the operation and the ownership transfer; • Legal difficulties during generation change of ownership and minimizing the legal disadvantages; • Legal obligations between shareholders, possibilities for sharing of management responsibilities. • Choosing the suitable legal form – if it is necessary - for the transformation goals.
Module Content	<p>1. Introduction General overview of the main features of family business focusing on the legal and financial area. Evaluating the family business and measure the performance of the family business. Company valuation (book value/market value etc.) How should the accounting and reporting system be used and developed? How should the owners be supported with useful and accurate information?</p> <p>2. Social wealth How can the owner divide the family business and the family itself? What is social wealth? Definition and use of Social Wealth Economic Indicators (SWEI). The necessity of Social Wealth measures. The domain of Social Wealth. Advantages / disadvantages of the different ways of raising funds. Compliance with legal rules.</p> <p>Task 1: How should the management role be transferred to the relatives? <u>Legal point of view:</u> Transformation to the new corporate form by family or not family succession. Succession by business share</p>



	<p>transfer contract. Succession by conferring the right of representation. Transfer of shares to non-family members. Amendment of the articles of association, legal matters connected with the delegation of responsibility.</p> <p><u>Financial point of view:</u> How should the transformation be financed? Overview of the management requirements, modifying the reporting systems etc. Financing the necessary tasks, update functions related with the transformation. Payable taxes in case of inheritance or gift agreement, as well as the allowance of the duty in case of inheritance or gift agreement for small business assets. Tax liability in the context of the trust property management acquisition. The property transfer tax.</p> <p><i>Task 2: How should the management role be delegated to a non-family person?</i></p> <p><u>Legal point of view:</u> Transformation to the new corporate form by family or not family succession. Succession by business share transfer contract. Succession by conferring the right of representation. Transfer of shares to non-family members. Amendment of the articles of association, legal matters connected with the delegation of responsibility.</p> <p><u>Financial point of view:</u> How should the transformation be financed? Overview of the management requirements, modifying the reporting systems etc. Financing the necessary tasks, update functions related with the transformation. Payable taxes in case of inheritance or gift agreement, as well as the allowance of the duty in case of inheritance or gift agreement for small business assets. Tax liability in the context of the trust property management acquisition. The property transfer tax.</p> <p><i>Task 3: Merger with another business and either retiring; or stepping aside.</i></p> <p><u>Legal point of view:</u> Amendment of the articles of association, legal matters connected with the merger.</p> <p><u>Financial point of view:</u> How should the transformation be financed? Overview of the management requirements focusing on the merger process, etc. Financing the necessary tasks, the update functions related with the transformation. Payable taxes in case of merger. Tax liability in the context of acquisition of the trust property management. Property transfer tax.</p> <p><i>Task 4: Exiting the family business (Selling the ownership)</i></p> <p><u>Legal point of view:</u> Amendment of the articles of association, legal matters connected with selling the ownership.</p> <p><u>Financial point of view:</u> How should the transformation be financed? Payable taxes in case of a sale. Financing the necessary tasks, the development of the changed functions.</p>
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	<p>Task 5: Closing the family business</p> <p><u>Legal point of view:</u> Amendment of the articles of association, legal matters connected with ceasing to operate the family business.</p> <p><u>Financial point of view:</u> How should the transformation be financed? Overview of the management requirements, modifying the reporting systems etc. Financing the necessary tasks, the development of the changed functions.</p>
<p>Learning Activities</p>	<p>Knowledge and understanding</p> <p>On completion of this module, you will have knowledge and understanding of:</p> <ul style="list-style-type: none"> • How to handle the different types of ownership transfers focusing on the legal and financial aspects. • How to undertake a financial analysis for a family business. • How to apply legal rights and how interpret them. • The problems of implementing and executing financial and legal decisions successfully. <p>Cognitive skills</p> <p>On completion of the module, you will be able to:</p> <ul style="list-style-type: none"> • Read material questioningly, identifying and recording key ideas and concepts around operative management and family business focused on the ownership transfers especially in the financial and legal areas; • Synthesise material from a variety of sources, analysing and evaluating different perspectives, identifying biases and hidden assumptions; • Classify, recognise and organise material in distinct and relevant categories; • Construct, defend and evaluate an argument, using relevant evidence, giving reasons for conclusions. <p>Practical and/or professional skills</p> <p>On completion of the module, you will be able to:</p> <ul style="list-style-type: none"> • Transfer and use relevant key skills to a family business context; • Use more specific knowledge, analytic skills and methods, rooted in the different disciplines as a strong basis for family business succession planning and future thinking. <p>Key skills</p> <p>On completion of the module , you will be able to demonstrate the following skills:</p> <p>Communication</p> <ul style="list-style-type: none"> • Select appropriate methods of communication for audience and purpose;



	<ul style="list-style-type: none"> • Plan and present materials clearly and sequentially in order to advance an argument; • Conduct research and present findings on financial and legal issues. <p>Information technology</p> <ul style="list-style-type: none"> • Make effective use of information and communication technologies; • Use the internet to search for information in a planned, systematic and critical way. <p>Learning how to learn</p> <ul style="list-style-type: none"> • Take responsibility for achieving a specified level of understanding and use various methods to confirm understanding; • Use library and information services, both physical and electronic, effectively; • Effective self-management in terms of time, planning and behaviour and demonstration of motivation, self-starting, individual initiative and enterprise. <p>Students are asked to submit seminar work for formative feedback in seminars.</p>
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Scheduled Learning and Teaching Activities	
Activity	Number of Hours
Lectures	
Seminars	
Tutorials	
Project Supervision	
Demonstration	
Practical Sessions	
Supervised Studio/ Lab	
Fieldwork	
External Visits	
Work Based Learning	
Minimum Total Contact Hours	
Guided Independent Study	
Total Notional Hours	



Assessment	Type	Weighting	Learning outcome(s) Assessed
Assessment 1	Coursework Individual piece of written work that draws on work based learning and the small business context	50%	
	Exam length: N/A	Word count:	
	Due week commencing:	Please refer to the module handbook	
Assessment 2	Type	Weighting	Learning outcome(s) Assessed
	Coursework Individual piece of written work that sets out a strategic plan for a small business and accounts for futures thinking/future scenarios	50%	
	Exam length: N/A <i>If applicable</i>	Word count: <i>If applicable</i>	
	Due week commencing:	Please refer to the module handbook	

Part D: Resources to Support Learning

Books	
Author/ Editor	Dr. Béza Dániel – Csákné Dr. Filep Judit – Dr. Csapó Krisztián – Dr. Csubák Tibor Krisztián – Dr. Farkas Szilveszter
Title	Kisvállalkozások finanszírozása (Financing Small Businesses) - Hungarian
Edition	
Publication Year	2013
Publisher	SALDO
ISBN	
OR: paste Harvard reference here:	
Essential Reading: Yes	
Recommended for Purchase	Y/N



Journals	
Title	Family Business Review
Publisher	SAGE
ISSN/ E-ISSN	
URL	http://intl-fbr.sagepub.com
OR: paste Harvard reference here:	

AV (CDs/ DVDs/ Games)	
Title	
Creator	
Version	
Platform	
Language	
Region (DVD)	

Sample Article	
Article Title	
Article Author(s)	
Publication source (book, journal etc.)	
Source ISBN/ISSN	
Publication year	
Volume	
Issue	
Page Numbers	
URL	
OR: paste Harvard reference here:	

Databases	
Description	
URL	

Additional Resources	None
Specialist Equipment	None

Version Control		
No.	Details of modification	Date
1.1		
1.2		
1.3		

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