

Academic Year: ( 2023 / 2024 )

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Department assigned to the subject: Private Law Department

Coordinating teacher: GARCIA MANDALONIZ, MARTA

Type: Electives ECTS Credits : 6.0

Year : Semester :

## REQUIREMENTS (SUBJECTS THAT ARE ASSUMED TO BE KNOWN)

Students do not need to have completed a specific subject for optimal learning.

## OBJECTIVES

This subject provides students with specific and basic practical knowledge of the public and private financing instruments available to our companies.

Special emphasis will be placed, firstly, on the analysis of the financial resources available to small and medium-sized enterprises (SMEs), as these small companies are the basis of the country's economic and productive fabric. Likewise, in the financing of technology-based companies, the driving force behind innovation and technology transfer. Finally, in the financing of social enterprises or enterprises with socially responsible economic projects.

This knowledge will be useful and of interest for the academic and professional projection of the student specialising in finance.

To achieve this objective, the student must acquire a series of knowledge, skills and attitudes.

In terms of knowledge, at the end of the course the student will be able to:

- Understand and synthesise the functioning of the various instruments, public and private, available to the entrepreneur to finance his activity.

In terms of skills, at the end of the course the student will be able to: Understand and summarise the functioning of the various instruments, public and private, available to the entrepreneur to finance his activity:

- Draw up reports on the different business financing instruments.
- Analyse and discern the financial resources that best suit the legal and economic structure of the company.

In terms of attitudes, after completing the course the student should have:

- A critical, flexible and responsible attitude with respect to the functioning of the company's own and external financing channels.
- An entrepreneurial, innovative and social spirit.

With all of the above, the learning outcomes will be the following:

1. To be introduced to the general legal framework that regulates the Financial Markets (Credit Market and Stock Market).
2. To understand and know how to synthesise the functioning of the different public and private instruments available to the entrepreneur to finance his economic activity.
3. Acquire a specific knowledge of the legislation applicable to the instruments of own and external financing of companies.

4. Identify the financial instruments specifically regulated for small and medium-sized companies.
5. To be able to identify the most appropriate financial instruments for technology-based companies.
6. Know the regulations for the promotion of the financing of social enterprises.

## DESCRIPTION OF CONTENTS: PROGRAMME

### PART I: CORPORATE FINANCE: CURRENT OVERVIEW OF FINANCIAL MARKETS.

1. Introduction to Financial Markets: Credit market and stock market.

2. New players in the financial markets: Fintech.

### PART II: COMPANY FINANCING.

3. The company's own internal financing: self-financing.

4. The company's own external financing: share capital and issuing shares on the stock market.

### PART III: EXTERNAL FINANCING OF THE COMPANY.

5. Public external financing of the company: national and European public aid.

6. Private external financing of the company: "3F: family, friends and fools", commercial or supplier credit, bank credit. Assignment of receivables.

Bank discounting, factoring, forfaiting, leasing and renting. issuance of bonds

### PART IV: SPECIFIC FINANCING OF SMALL AND MEDIUM-SIZED ENTERPRISES.

7. Traditional difficulties in SME financing and proposed solutions.

8. Bank financing of SMEs: micro-credits for micro-entrepreneurs.

9. Financing business projects through crowdfunding: donation and reward crowdfunding, crowdlending, equity crowdfunding.

10. Technological financing or technofinance: Initial Coin Offering (ICO).

11. Indirect financing of SMEs through reciprocal guarantees: mutual guarantee companies and counter-guarantee companies.

12. SME financing through equity loans.

13. SME financing through asset securitisation.

14. Venture capital financing of SMEs: venture capital, capital development and business angels.

15. Financing growth companies through BME Growth and the Alternative Fixed Income Market (MARF).

### PART V: FINANCING TECHNOLOGY-BASED COMPANIES.

16. Concept of "technology-based companies" and spin-offs. Also EBTs - academic spin-offs.

17. Specific financing of EBTs - spinoffs.

### PART VI: FINANCING OF SOCIAL ENTERPRISES.

18. Concept of "social enterprise" and "responsible finance".

19. Social microcredits.

20. Venture Capital Funds for social entrepreneurship.

21. Green bonds and social bonds.

22. New financing modalities for social enterprises: ICO and social cryptocurrencies.

## LEARNING ACTIVITIES AND METHODOLOGY

The aim is to train students in the subjects covered by the programme through a system of active and participative learning.

Successful completion of the course will involve the acquisition of theoretical and practical knowledge. This theoretical-practical duality will allow students to obtain an optimal knowledge of the business financing system.

Practical knowledge will be obtained through the study of the actual documentation and forms used in business financing. In this sense, it will be useful to read and prepare practical cases, comments, reports or business plans.

The hours of study and work done by students outside class will be taken into account when calculating the ECTS credits of the subject.

## ASSESSMENT SYSTEM

<b>% end-of-term-examination/test:</b>	0
<b>% of continuous assessment (assignments, laboratory, practicals...):</b>	100

THE ASSESSMENT OF THE ACQUISITION OF COMPETENCES WILL BE BASED ON:

- Theoretical-practical knowledge of the subject content.
- Acquisition of skills and abilities.

The continuous assessment of the student will be based on the following criteria both in 1st and 2nd call:

- Class attendance and participation (10%)
- Practical work (40%)
- Oral presentation (10%)
- Partial group exam with the possibility of consulting documentation ("open book" mode) (15%).
- Final theoretical-practical research work (25%).

As a whole, the purpose of continuous assessment is to check whether students have fulfilled the learning objectives.

Through assessment, students must demonstrate that they possess and understand the knowledge of the discipline, that they are able to make judgements, that they are able to communicate this knowledge and that they have acquired learning skills.

In short, the aim is to achieve knowledge, skills or professional skills and the ability to work in practice in a team in the legal field of corporate finance.

#### BASIC BIBLIOGRAPHY

- GARCÍA MANDALONIZ, M. La financiación de las PYMES, Aranzadi, 2003
- TAPIA HERMIDA, A. J. Manual de Derecho del Mercado Financiero, Iustel, 2015

#### ADDITIONAL BIBLIOGRAPHY

- CARDONE-RIPORTELLA, C.; GARCÍA-MANDALONIZ, M., Does recent regulation improve (or not) the Spanish mutual guarantee system?, International Journal of Economics and Financial Issues, 2017