

How to found an enterprise (legal and economic aspects)

Abstract

The object of this thesis is the founding of an enterprise from legal and economic viewpoint. Entrepreneurship in the Czech Republic evolved a lot since the Velvet revolution, legislatively and in the way entrepreneurs behave on the market. The Czech Republic joining the European Union had a huge impact on entrepreneurship, thanks to the harmonisation of the internal market and even through new types of companies available. The goal of this thesis is to help new entrepreneurs found an enterprise, to choose the correct legal framework and create a business plan. The focus is on saving financial and time costs. In the first part the legislature concerning enterprise in the Czech Republic is presented focusing on effective laws, despite mentioning the legislature before the civil law recodification from 2014. Enterprise, entrepreneur and companies are described in detail in the second part as the basic terms connected to founding an enterprise. The third part is concerned with the economic aspects of founding an enterprise, out of which the business plan is the most important. As a part of the business plan, basic internal and external analysis of an enterprise and basic financing options are presented. The fourth part comprises of the comparison of the advantages and the disadvantages of two legal enterprise frameworks, specifically enterprise as a natural person and as a company. In the fifth part, a fictitious limited company by shares Webovky s.r.o. is being founded as a case study of founding an enterprise in the field of web design. The case study is a manual for every new entrepreneur, that has decided to found a limited company in the Czech Republic. This thesis also presents basic tax, social and public healthcare levies and accounting duties connected to running an enterprise as a natural person or a company.

Key words: enterprise, entrepreneur, limited company by shares, business plan