

Company financing analysis

Abstract

The aim of this thesis is to analyse the forms of financing a company, describe it, not only from a theoretical economic and legal point of view but also from a practical point of view, compare the advantages and disadvantages of various forms of financing and describe the economic and legal context and consequences of using different methods of financing. To fulfil this goal, the author used methods of analysis, comparison, induction and synthesis.

The first chapter deals with the various ways of dividing the forms of financing the company, where the various types of capital are defined, which are concepts that are subsequently worked with in the following chapters. The second part of the first chapter then deals with a general description of the company's capital structure and then the basis for setting the optimal capital structure so as to achieve an ideal composition of debt and equity, especially in terms of minimizing the cost of capital and minimizing the risk resulting from the use of different types of capital. The second chapter then deals with the analysis of individual methods of financing the company from the equity and focuses mainly on financing from the company's share capital, shareholders' additional payments, depreciation, retained earnings and also financing from the company's capital and reserve funds. The third chapter of this thesis performs an equivalent analysis for selected types of debt and focuses on financing through credit, loan and bond issues. The fourth chapter deals with alternative sources of financing, which are forms of financing the company, which for various reasons cannot be included in any of the previous chapters. Part of the analysis in individual chapters is also an evaluation of the advantages and disadvantages of various forms of financing from an economic and legal point of view and also, in cases where there are relevant data, analysis of the use and frequency of this form of financing in companies based in the Czech Republic.

Keywords:

Company financing, capital structure, forms of financing