EY in the Czech Republic
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About EY

EY worldwide
EY is a global leader in assurance, tax, transaction and advisory services. We aim to have a positive impact on businesses and markets, as well as on society as a whole.

Working with our clients
Our 190,000 people are the foundation of our success. We assemble the right multi-disciplinary team for your business, drawing on our global network of professionals. Working with you in a collaborative style, we gain a clear understanding of your organization and strive to identify issues before they become problems. You get the people you need, wherever in the world you need them, backed up by leading practices, methodologies and tools.

Developing people
We attract talented people from diverse backgrounds. Our emphasis on inclusiveness matters more than ever today. As business challenges become more complex, we need to call upon the widest spectrum of views and opinions to address them. Our open culture offers continuous personal and professional development. When our people grow and succeed, it is your company that benefits.

Strengthening communities
We help to improve regulatory regimes and company reporting models. We promote transparency in financial reporting and use our influence to strengthen global corporate governance. We encourage entrepreneurship, which leads to growth, jobs and prosperous communities. And our people share their business skills and knowledge with others in their communities.

Czech Republic
EY was one of the first professional services firms to open offices in Central and Eastern Europe. We have been providing professional services in the Czech Republic since 1991. Today the Czech practice comprises more than 700 people, operating from our offices in Prague, Brno and Ostrava.

In the Czech Republic we work for more than 400 leading Czech and international companies. We provide services to 20 of the top Czech 30 companies and work with all of the 5 largest banks in the Czech Republic.

In 2008, 87 country practices in Western and Eastern Europe, the Middle East, India and Africa were integrated into a new EMEIA area for the first time. The Czech Republic is a part of one of the regions which make up the sub-area EMEIA, Central and Southeast Europe, consisting of 22 countries in Central and Southeast Europe. Thanks to the co-operation of Czech professionals with EY specialists from around the world we are able to create international teams which bring together first-class experts.

As part of EY’s global team, we are ready to assist our clients, providing first-class services and extensive experience according to their business needs, wherever they may operate - in the Czech Republic, across Central Europe, or anywhere in the world.

As a global leader in professional services, EY helps companies - from emerging growth companies to global power-houses - identify and capitalize on their business opportunities.
Worldwide, our 190,000 people are united by our shared values and an unwavering commitment to quality. We believe that every person, company and community needs help to achieve their potential; and we strive to use our talents to make a difference – a real difference – for those people, clients and communities.

EY in the Czech Republic offers the benefits of local experience provided by Czech nationals, complemented by the assistance of suitably qualified international professionals.
Assurance

The EY Assurance practice in the Czech Republic comprises almost 300 professionals, almost all of whom are statutory auditors or certified chartered accountants. All our assurance staff have received first-class professional training and have access to global knowledge resources and the most up-to-date information on audit and accounting.

We provide a consistent, worldwide audit by assembling the right industry specialized team to address the most complex issues, using a proven global methodology and deploying the latest high-quality auditing tools. And we work to bring you the benefit of our broad sector experience, our deep knowledge of our subject-matter and the latest insights from our global practice.

Our primary aim is to serve our clients by auditing their financial statements and providing other solutions needed to meet relevant statutory or business requirements. We employ leading international practices to offer recommendations on improving the internal processes and control mechanisms used in your business.

Advantages of our knowledge and technology
EY’s auditors benefit greatly from cutting-edge technologies which allow them to share global knowledge and use analytical tools from around the world to produce highly effective and customized services. Our audit teams are able to navigate rapidly through large databases, recognize possible anomalies, discover more about clients’ business activities, and identify not only the problem itself but also its original cause.

Audit tailored to the needs of our clients
Close cooperation with our clients allows us to fully understand both the requirements and audit expectations they might have and, as a result, to optimize our services to meet those expectations and priorities.

Financial Accounting Advisory Services
- IFRS conversion
- Technical assistance in complex accounting issues (CAS, IFRS and US GAAP)
- Transaction accounting support
- Consolidation and reporting
- Preparation of accounting manuals
- Training services for business professionals (CAS, IFRS and US GAAP)

Bookkeeping/Accounting Services
- Services relating to start-up activities
- Day-to-day bookkeeping services
- Year-end accounting services

Strong independent assurance provides a timely and constructive challenge to management, a robust and clear perspective to audit committees, and critical information for investors and other stakeholders.

The quality of our audit starts with our 60,000 assurance professionals worldwide, who have the experience of auditing many of the world’s leading companies.
Our EY Fraud Investigation and Dispute professionals help clients with the prevention, detection and investigation of fraud such as corruption, misappropriation of assets and misstatement fraud, the calculation of damages in cases of dispute, and compliance.

Fraud Investigations
Companies often face an increased risk of fraud and corruption which may threaten not only their financial results, but even their existence. Working closely with clients, we are able to analyze their issues in detail, i.e., determine what happened, the extent of the damage, what is at risk, who is involved, and what opportunities exist for recovery.

Dispute Services
Working with clients or their counsel, we can develop financial analysis, expert opinions and other calculations that will complement a client’s litigation strategy.

Anti-Fraud Services
Our approach to fraud prevention consists of the following main areas: setting company culture and proper communication, proactive and reactive measures. By suggesting and implementing appropriate measures, we help clients strengthen company culture and employee loyalty, increase fraud risk awareness and minimize the impact of fraudulent behavior on the operations and financial results of the company.

Compliance
Our experts help clients to assess the compliance of their operations with the applicable laws and regulations and to identify potential risks. They help with managing these risks by designing and implementing compliance infrastructure, processes and controls to prevent and detect inappropriate practices.

Forensic Technology and Discovery Services
Our forensic technology experts preserve hard drives, portable memory drives and other sources of digital evidence in order to identify and extract information which could be used as evidence in an investigation or dispute. They also perform forensic data analyses to identify unusual or suspicious transactions in accounting data.

Forensic Due Diligence
Whether during the pre-acquisition or post-acquisition stage, our professionals can provide clients with additional information in the area of potential non-compliance or unethical business practices used by the target in the past, which will help the investor to assess transactional risks and to make an informed decision.

Forensic Support in Insolvency Proceedings
The services we provide to insolvency trustees, creditors or lawyers involved in these proceedings include a review of relevant accounting entries and the related documentation. Applying forensic technology (eDiscovery), we help identify, collect and assess potentially relevant electronic information so as to identify possible hidden business or other interests of those involved.

Our team of professionals, including fraud examiners, forensic accountants, lawyers and electronic data analysts, have extensive experience of the risk of fraud in numerous industries and are supported by an international network of experts.
Tax Services

Our tax professional team helps clients navigate the complex and dynamic Czech and global tax environments, delivering global services and tax strategies in line with the client’s complex business needs.

In the Czech Republic, we provide first-class services in the following areas:

Corporate tax
• Preparation of tax returns
• Corporate income tax compliance
• Corporate reorganizations, acquisitions and mergers
• Transfer pricing
• Financing transactions and securities issues

Indirect tax including VAT and customs planning
• VAT planning and advisory services
• VAT review
• Customs duty/tariff classifications
• Customs planning
• Import/export licenses, quotas and other requirements
• Excise duties advisory services

International taxation
• Application of tax treaties
• Foreign operations
• Structuring of foreign investments
• International tax procedures
• Cross-border finance
• EU taxation

Tax assurance and tax risk management
• Tax reviews
• Reviews of tax returns
• Tax risk management services
• Tax due diligences

Investment incentives

Real estate taxation
• Real estate tax advisory
• Acquisitions and disposals
• Structuring to optimize transfer taxes and indirect tax implications

To ensure the most complete understanding of our clients’ businesses, our tax professionals are specialized in a wide range of industrial sectors, such as financial services, technology, communications and entertainment, industrial products, energy, chemicals and utilities, health sciences, real estate, hospitality and construction, and retail and consumer

At EY in the Czech Republic, we have a tax team of almost 100 professionals, nearly half of whom are certified Czech tax advisors.
Our specialists are part of the EY Human Capital global team, with more than 3,000 experts around the world. We will help you with employee mobility and remuneration and we will advise you regarding the rules governing tax and social and health insurance. We will take care of your payroll agenda and prepare personal income tax returns. Our team will help you with an HR strategy, employee rewards and during transactions. Allow us to transform the complex sphere of human capital into your competitive advantage.

We offer services in the following spheres:

**International mobility**
- Posting of employees – talent management and the remuneration of foreign workers in the CR and Czech employees abroad
- International taxation and social and health insurance advisory
- Preparation of personal income tax returns with an international element
- Immigration services

**Employee taxation**
- Employee tax advisory
- Tax effective remuneration
- The preparation of tax calculations for planning purposes
- Payroll service delivery – outsourcing of wages

**Personal income tax**
- Personal income tax advisory
- Preparation of personal income tax returns
- Preparation of tax calculations for planning purposes

**HR advisory**
- Employee evaluation and remuneration advisory
- The creation of share option plans
- HR strategy
- Human resource pre-investment vetting
- Human resource support in the post-integration phase

Global workforce mobility, employee taxation, HR advisory and personal income tax – our specialists help clients in many different spheres.
Business Advisory Services

Our business and risk advisory professionals bring proven procedures from corporate practice and experience of working with major global organisations, local firms and public sector organisations. We help our clients implement changes leading to measurable and sustainable improvements to their business activities. We draw on the possibilities and experience of an integrated international firm with a strong local background.

Cost reduction
• Targeted, sustainable cost cutting
• Analysis, improvement and implementation of new business processes
• Management decision support for outsourcing or significant investments
• Shared-services centre development and sustainability support

Production and operations
• Improvements to the production planning and management process
• Optimisation of preproduction stages
• Calibration of production procedures and organisation (implementation of industrial engineering)
• Working capital management optimisation
• Maintenance planning and management process improvement
• Asset categorisation and the implementation of asset management processes

Supply chain management
• Process optimisation and procurement organisation
• Procurement cost savings, the organisation of tenders
• Logistics and distribution network optimisation
• Working capital management optimisation

Maximum performance in sales and marketing
• Optimization of customer segmentation and pricing set-up
• Assessment of the success rate of marketing events, campaigns and sales channels
• Bonus scheme assessment and optimization
• Improving the order-to-cash process and preventing revenue outflow
• Identification of new markets and business partners
• Customer relationship management (CRM) systems

Management information and cost-management optimization
• Management information and management practices quality analysis
• Development of an optimal management reporting structure
• Definition and introduction of new management and cost management systems
• Strategic decision-making support based on cost and profitability analysis

IT advisory and IT investment profitability
• IT department costs benchmarking
• IT effectiveness assessment and design and optimization of IT functions operation
• Corporate and IT strategy coordination support
• Review and assessment of investment effectiveness in IT solutions
• Company preparation for the implementation of ICT solutions including project management, quality management and data integrity verification within the process
• Comprehensive analysis and effective use of available data

Project and program success improvement
• Primary analyses and feasibility studies
• Project management, implementation and coordination
• Support in introducing a project management office or improving methodology
• Reviews of ongoing projects or programs
Effective risk management is not just about protecting your business – it is also about making it better. We do this by helping you understand your business risks and develop plans for you to address them. By bringing together a seasoned multi-disciplinary team, we harness their diverse perspectives and experience in order to work with you.

Risk Advisory Services

Financial risk management
- Market, credit, commodity, regulatory and operational risk management
- Treasury advisory services
- Asset/liability and cash management
- Economic capital and performance measurement
- Services relating to a variety of regulations (e.g. Basel III, Solvency II, FATCA, EMIR, REMIT)

Corporate risk management
- Establishment of objectives and implementation of required procedures
- Development of a risk management strategy
- Assessment, design, implementation and evaluation of risk management mechanisms
- Gathering information to support decision-making within these processes

Information systems security
- IT audits and security audits according to international and local standards including penetration testing
- Attestation services focused on the quality and functionality of IT/IS and information security management
- Analysis and assurance of IT supported processes
- Analysis and scenarios for the application of ERP systems to business processes, including authorization concept development, improvement and review in, amongst others, SAP
- Support in IT implementations, including risk assessment and management, vendor selection and negotiation processes, data migration and testing phases

Internal audit
- Dedicated support of specific audit procedures
- Evaluation of the quality of internal audits
- Training of internal auditors
- Partial (co-sourcing) or full (outsourcing) internal audit services
- IT internal audit

Management and implementation of programs financed from EU funds
- Controls and audits as part of the program review system
- Program evaluation
- Services related to risk management systems
- Support in establishing an efficient implementation structure
- Assistance in the strategic and operative management of individual programs and with outsourcing specific tasks

Financial reporting and accounting processes and controls
- Design, simplification and shortening of the financial statements process
- Key controls architecture and implementation in accounting and financial reporting
- Financial reporting implementation and financial statements’ conversion based on individual standards
- Implementation and review of compliance with Section 404 of the Sarbanes-Oxley Act and other legal requirements

EY in the Czech Republic
Our Transaction Advisory Services team works with some of the world's largest organisations, fastest growing companies and private equity firms on some of the biggest and most complex cross-border deals in the global market. We can help you achieve the growth, performance improvement and returns your stakeholders expect.

Transaction Advisory Services

EY Transaction Advisory Services in the Czech Republic have extensive global reach, with 9,000 transaction professionals worldwide, and the experience of thousands of transactions across all markets and industry sectors.

Our transaction professionals deliver tailored advice attuned to your needs - helping you drive competitive advantage and increased shareholder returns through improved decision-making, through services that include:

- Capital & Debt Advisory
- M&A Lead Advisory
- Restructuring
- Transaction Support
- Transaction Tax
- Valuation & Business Modeling

We understand that one of the biggest issues for our clients is capital. A strong capital agenda is at the heart of all strategic decision making. We believe that our Capital Agenda approach increases our relevance to our clients and the C-suite. The Capital Agenda puts your capital needs at the heart of our strategy and focuses on the issues that matter most to you.

How to preserve capital

Stressed and distressed situations
- Independent business reviews
- Short term cash management
- Refinancing and restructuring debt, equity and other obligations
- Distress advisory, design and implementation of restructuring plans
- Accelerated disposals of asset and subsidiaries
- Working capital management
- Distressed customer and supplier analyses
- Distressed assets/insolvency valuation and modelling advisory
- Operational and Markets analyses and advisory in stressed and turnaround situations

Dispute resolution
- Litigation support
- Arbitral and court proceedings
- Expert valuations
- Stakeholder dispute resolution
## Planning and structuring transactions
- M&A advisory services - strategic advice, acquisition targets, deal & tax structuring, acquisition process management, negotiation support
- Company valuation and financial modelling, model review, model support and model-build
- Pre-acquisition due diligence to mitigate risk and drive value
- Synergy identification
- Transaction accounting advice
- Share Purchase Agreement support
- Post acquisition integration services, including day 1 readiness and 100 day planning, delivery of synergies and effective integration

## Asset valuations
- Business valuations
- Accounting valuation and purchase price allocations
- Financial risk advisory services - Profit/Value at Risk, financial derivatives modelling and pricing, design and review of optimal hedging strategies, hedging effectiveness tests
- Credit risk advisory, pricing of credit guarantees

## Optimising asset portfolios
- Valuations for group reorganisations, related party transactions, guarantees
- Financial modelling for decision-making
- Capital equipment valuations
- Real estate appraisals
- Company valuation and financial modelling
- Mandatory and voluntary public offers
- Stock exchange de-listings

## Delivery of synergies and effective integration
- Operational transaction services

## Improving working capital and releasing cash
- Working capital advisory

## Optimizing capital structure
- Optimizing tax and corporate structure
- Optimizing funding structures

## How to invest capital

## How to optimise capital

## How to raise capital

### Raising equity and debt
- Fundraising (equity and debt): IPO readiness, right issues, PE, private placement and capital markets
- Debt capacity assessment
- Analysis of financing options
- Analysis of optimal debt and equity structures
- Shadow credit ratings and credit rating advisory
- Advisory in connection with public debt and equity issuance
- Support in accessing the private debt and equity markets and funding
- IPO advisory services

### Divesting strategic and non-core assets
- Divestment advisory services - strategic advice, structuring, disposal planning, sale process management, negotiation support
- Exit readiness assessments
- Carve out planning and operational separation
- Sell-side reports - vendor due diligence, vendor assistance

### Project Finance
- Public Private Partnership design and implementation
- Design, feasibility studies, stress-testing and reviews of financial plans
EY and Social Responsibility

People everywhere are realizing more and more that the work we do has a big impact on their lives – on the companies they work for, on the investments they make, as well as on the capital markets and global economy as a whole. That is why we aim to make a real difference to the communities in which we live and work. And use our business skills and resources to create positive social change.

Leading the debate
Around the world, we help to improve regulatory regimes and company reporting models. We promote transparency in financial reporting. We use our influence to strengthen global corporate governance and support the effective operation of the world’s capital markets.

Giving our time and skills
Our people support many charities and non-profit organizations. We give everyone the opportunity to donate their time and money. We organize the Community Day where our employees could actively collaborate on non-profit projects related to ecology, social or health care services. We also set up the EY Fund from which EY employees can support a non-profit or other public benefit organization operating in the area of social care, community care or the environment.

Environment
Even though EY services are not primarily adherent to the environment, we still need to be sensitive to our environment. We strive to enhance the quality of life of our people and future generations by sustaining a healthy environment; we strive to minimise our impact on the environment by identifying sound, eco-friendly business practices and taking a broad-based approach to energy and resource conservation.

Fostering entrepreneurship
We promote entrepreneurship through our EY Entrepreneur Of The Year program and our Social Entrepreneur Of The Year award. We believe entrepreneurs benefit their communities by creating jobs, growing their economies and making their local communities more vibrant.

EY Entrepreneur Of The Year

The prestigious international competition EY Entrepreneur Of The Year, which selects the most successful business pioneers and innovators, was founded by the company EY in the USA in 1986. The contest has continually expanded and is now regularly held in more than 50 countries.

The competition started in the Czech Republic for the first time in 2000. Its aim is to present to the public exemplary individuals in the field of business who may serve as an example for young starting entrepreneurs. The Entrepreneur Of The Year contest was conceived as an international competition, so the judging criteria are comparable in every country in which it is held. World Entrepreneur of the Year Award is annually held in Monte Carlo.
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About EY
EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

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