

Company law: annual accounts of micro-entities

2009/0035(COD) - 11/01/2012 - Commission opinion on Parliament's position at 2nd reading

The Commission accepts the amendments voted by the European Parliament at second reading on the basis of a compromise obtained at a trilogue held on 9 November 2011.

The opinion of the European Parliament at second reading is a balanced compromise, making a limited number of amendments to the Council's position:

- in order to enable more microentities to potentially benefit from a simplified regime, an **increase in the size criteria defining micro-entities is needed**: this shall be defined as an entity comprising of no more than 10 employees, a maximum net turnover of €700 000 and/or a maximum total balance sheet of €350 000 (two of three criteria have to be matched);
- **clarification of the reach of the exemption from publication requirements** foreseen in the Council position. As a result, the balance sheet information of micro-entities filed with the public registers should be obtainable to stakeholders upon application, and micro-entities should no longer have to disclose that information by ways of publication in the national gazette nor other equally effective means;
- **a comprehensive review clause** invites the Commission, not later than 5 years after entry into force, to submit a report on the situation of micro-entities taking account in particular of the situation at national level regarding the number of businesses covered under the size criteria and the reduction of administrative burdens resulting from the exemption of the publication requirement;
- it removes, with the Commission's consent, the encouragement for the Member States to draw up **correlation tables**.