

Company law: annual accounts and consolidated accounts of certain types of companies (amend. Directives 78/660/EEC, 83/349/EEC, 86/635/EEC, 91/674/EEC)

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The Council approved a general approach, pending the European Parliament's first-reading opinion, on a proposal for a Directive aimed at strengthening investors' and shareholders' confidence in the annual and consolidated accounts of companies. The text provides for greater obligations to disclose information and for the collective responsibility of board members. It aims to supplement other Community measures, in particular the Commission's action plans for financial services and corporate governance. While promoting the reliability of company accounts, the draft Directive has to find a balance to avoid overburdening companies with new administrative obligations, in particular small and

medium-sized undertakings. The future Directive will amend the existing "Accounting Directives" (76/660/EEC and 83/349/EEC).