

ANNUAL RETURN AND FINANCIAL STATEMENT REQUIREMENTS INCLUDING AUDIT EXEMPTION

INFORMATION LEAFLET NO.23 / December 2020

CONTENTS

1. Annual Return

- 1.1 What is an annual return?
- 1.2 Where do I get the B1 form?
- 1.3 What is an ARD (Annual Return Date)?
- 1.4 What is the deadline for the delivery of an annual return to the CRO?
- 1.5 What happens if an annual return filing deadline falls on a non-working day?
- 1.6 What is the “nine month rule”?
- 1.7 How does a company change its ARD?
 - 1.7.1 Extending an ARD by up to six months
 - 1.7.2 Moving an ARD to an earlier date
 - 1.7.3 How to obtain extra time to file an annual return **without changing the ARD** (District Court)
- 1.8 What happens if an annual return is filed late?
- 1.9 What happens if an annual return is found to be non-compliant?
- 1.10 What enforcement measures are taken by CRO where an annual return is overdue?

2. Filing an Annual Return Electronically

- 2.1 Filing a B1 electronically on CORE
- 2.2 Filing an B1 electronically through a Secretarial Software Package
- 2.3 Filing Financial Statements electronically
- 2.4 Signing the e-B1 Form and filing a fully electronic annual return with the CRO
- 2.5 Electronic Filing Agent (EFA)

3. Financial Statements

- 3.1 What period should the Financial Statements cover?
- 3.2 What format can the Company use for their Financial Statements?
- 3.3 How does a company change its Financial Year end?
- 3.4 What Financial documents are my company required to file with the CRO?
 - 3.4.1 Director's Report
 - 3.4.2 Notes to the Financial Statements
- 3.5 Exemptions available in relation to Financial Statements
 - 3.5.1 Micro Companies
 - 3.5.2 Small Companies
 - 3.5.3 Dormant Company
 - 3.5.4 Medium Companies
 - 3.5.5 Exemption from Filing Financial Statements
- 3.6. Specific requirements of different Types of company
 - 3.6.1 Companies Limited by Guarantee (CLGs) and Designated Activity Companies (DACs)
 - 3.6.2 Unlimited Company (ULC) requirements
 - 3.6.3 Private Unlimited Companies (ULC)
 - 3.6.4 Public Unlimited Company (PUC) or Public Unlimited Company with no share capital (PULC)
- 3.7 Certification of Financial Statements

4. Audit Exemption – Additional Information

- 4.1 Why is there an audit exemption for certain companies?
- 4.2. Is every company type eligible for audit exemption/dormant company exemption?
- 4.3 What must the company do before claiming audit exemption?
- 4.4 Can my company avail of the exemption in respect of a previous financial year?
- 4.5 Loss of audit exemption if a company is late in filing its annual return?
- 4.6 What happens if a company ceases to comply with the qualifying conditions during the course of the financial year?

5. Auditor's Report

- 5.1 What is an audit?
- 5.2 Does my company have to file an Auditor's Report?
- 5.3 What is the Auditors Report required to state?
- 5.4 Signing of copy of Statutory Auditor's report filed with the CRO
- 5.5 Auditor's Report where Financial Statements are abridged
- 5.6 Termination of Auditor
- 5.7 Resignation of Auditor
- 5.8 The requirement for an Auditor to be registered

6. Certification of B1 & Financial Statements

- 6.1 Approval and Signing of Director's Report

7. Revision of Financial Statements and/or Directors' Report

- 7.1 Revision of the Directors' Report by Supplementary Note
- 7.2 Revision of the Financial Statements by Supplementary Note
- 7.3 Revision of the Directors' Report by replacement
- 7.4 Revision of the Financial Statements by replacement
- 7.5 Statutory Auditor's report on the revised Financial Statements and revised report (s370, CA2014)
- 7.6 Loss of Audit Exemption as a result of a revision
- 7.7 Next Year - next Financial Statements filed must refer to the revision

8. Group Companies

- 8.1 and 8.2 Exemption from consolidation
- 8.3 Small Group Companies Audit Exemption (s359, CA 2014)
- 8.4 Where notice is served under section 334 for Small Group
- 8.5 Group Company Audit Exemption Statement

9. Further Queries

10. Appendices

- Appendix 1 - Sample Abridged Financial Statements For Small Audit Exempt Company (Non-Group)
- Appendix 2 - Sample Abridged Financial Statements for Micro Audit Exempt Company
- Appendix 3 - Director's Report
- Appendix 4 - Compliance Statement to be included in the Directors Report (s.225(2) CA 2014)
- Appendix 5 - Notes To Financial Statements And Exemptions Allowed To Companies Filing Abridged Financial Statements
- Appendix 6 - Common Errors To Avoid In Filing Annual Returns
- Appendix 7 - Category Offences And Sanctions
- Appendix 8 - Schedule 5 Companies - Ineligible Entities

DISCLAIMER:

This Leaflet is provided as an information guide only and is not intended to be comprehensive, thus many details which may be relevant to particular circumstances have been omitted. While every effort has been made in preparing the material for publication, no responsibility is accepted by or on behalf of the state for any errors, omissions or misleading statements. Accordingly, this leaflet should not be regarded as being a complete source of company law and information. It is strongly recommended that independent advice is sought.

IMPORTANT NOTE:

The Directors of a company must familiarise themselves with the company's obligations to keep adequate accounting records (sections 281 to 286, Companies Act 2014). If the Financial Statements delivered to the CRO for filing are not in the correct format and/or do not contain the information required under Companies Act 2014 (as amended by the Companies (Accounting) Act 2017), the annual return may not be accepted by the CRO, but returned to the presenter to rectify the deficiency within 14 days.

If Financial Statements are not completed correctly and filed on time, the company and every officer of the company who is in default shall be guilty of a category 3 offence. Any person who wilfully makes a statement which is false in any material particular in the Financial Statements is guilty of a category 2 offence. (See APPENDIX 7 for information on category offences).

1. Annual Return

1.1 What is an annual return?

Section 342 of the Companies Act 2014 (s.342, CA2014) requires a company to file an annual return with the CRO each year. An annual return is made up of a Form B1 and the documents required by CA2014 to be annexed to the B1 which for the majority of companies are the Financial Statements.

The company must complete the information fields on the B1 form in order to give the public an annual snapshot of the company at the date of the annual return. For the filing of an annual return to be complete, the company must attach the Financial Statements or other documents required by CA2014 to the B1 form along with the filing fee

The first annual return is due exactly 6 months after incorporation, this first B1 form does not require Financial Statements to be attached. A company must file an annual return every year thereafter.

1.2 Where do I get the B1 form?

The B1 must be filed electronically either using CORE, CRO's on-line filing system at <https://core.cro.ie>, or through a secretarial software package which are generally used by professional filing agents.

1.3 What is an ARD (Annual Return Date)?

Companies have a statutory Annual Return Date (ARD). That is the latest date in the year that the annual return can be made up to. The ARD in any year is the anniversary of the ARD in the previous year unless the company changes it in accordance with CA2014.

When a company is incorporated, it is given a date exactly 6 months later on which it must file its first annual return. The first (6 month) return only requires a Form B1 to be filed - no Financial Statements are required. Once the company files its first (6 month) return, its ARD will move forward a year and this is the next date on which it must file an annual return. This date is usually eighteen months after the date of incorporation and becomes the company's ARD.

1.4 What is the deadline for the delivery of an annual return to the CRO?

An annual return must be filed electronically, no later than 56 days after a company's ARD.

A company may file its annual return early by making the return up to an earlier date and ticking the box on the B1 form to retain its existing ARD. If the company is making the return up to an earlier date, the return must be filed within 56 days of this earlier date. The first (6 month) return cannot be filed early and must be made up to the ARD.

1.5 What happens if an annual return filing deadline falls on a non-working day?

CA2014 provides that where the time limited by any provision of the Act for the doing of anything expires on a Saturday, Sunday or public holiday, the time so limited shall extend to and the thing may be done on the first following day that is not a Saturday, Sunday or public holiday. Therefore, if a filing deadline falls on a non-working day, the deadline moves on to the next working day.

1.6 What is the "nine month rule"

Apart from its first (6 month) return, a company must attach Financial Statements to all future annual

returns. The financial year-end of those Financial Statements must not be more than nine months before the date the B1 is made up to.

1.7 How does a company change its ARD?

The company cannot alter the date of its first annual return date (6 months after incorporation). After the first (6 month) return date, a company can move the subsequent ARD to a later date or to an earlier date.

1.7.1 Extending an ARD by up to six months

A company may have an ARD that is not nine months from its financial year end date and it may wish to move the ARD forward or backward to obtain the full nine-month gap that is permitted by law. CA 2014 allows a company to extend its ARD by up to six months by filing a Form B73 with the CRO:

- The Form B73 may only be filed once in every five years.
- The Form B73 must be filed with a Form B1 which is ON TIME.
- No Financial Statements are required to be filed with this B1.
- The change in ARD arising from filing a Form B73 should not result in there being more than nine months between the end of the previous financial year and the ARD.
- Form B73 cannot be filed with the company's first annual return after incorporation (the six-month return) as this would only shorten the time available to file the first full annual return with Financial Statements.

After filing a form B73 with the CRO, the company should check that it has been registered and the ARD moved on. Otherwise the company could miss its filing deadline resulting in late filing penalties and loss of audit exemption.

1.7.2 Moving an ARD to an earlier date:

To move an ARD to an earlier date the company can enter the required date on the form B1 at "Return made up to" and tick the box on the B1 to CHANGE its ARD to the same date for next year (s.346, CA 2014).

Once received by the CRO, this will allow the company's ARD to be changed for the following year from the currently recorded ARD to the "Return made up to" date on the B1. A B1 made up to a date earlier than its ARD must be filed not later than 56 days after the "Return made up to" date on the B1 to be on time. Financial Statements are required with the B1 made up to the earlier date.

1.7.3 How to obtain extra time to file an annual return without changing the ARD

If a company requires extra time to file its annual return, an application for an extension of time to file may be made by the company (on notice to the CRO) to the District Court for the district where the registered office of the company is located, or to the High Court (s.343(5), (6) and (7) CA 2014).

Where granted by Court Order, extra time to file may be availed of by the company and no late penalties or loss of audit exemption would apply in the year(s) to which the Court Order applies, as long as the terms of the Order are complied with. The Court Order must be delivered to the CRO within 28 days or such longer period as the Court may allow.

Only one Court Order can be sought in respect of each annual return.

1.8 What happens if an annual return is filed late?

An annual return must be filed electronically, not later than 56 days after the "Return made up to" date on the B1.

Failure to file an annual return on time will result in the immediate imposition of late filing fees and loss of future audit exemption:

Late Filing Fees:

A late filing fee of €100 becomes due in respect of an annual return on the day after the expiry of the filing deadline, which deadline is 28 days after the "Return made up to date" on the B1 form, with

a daily fee of €3 accruing thereafter, up to a maximum late fee of €1,200 per return. This fee is in addition to the standard filing fee of €20 for an electronic B1.

Loss of entitlement to claim Audit Exemption

If a company's annual return is not filed on time, the company cannot avail of the audit exemption in the following two years and must file **audited** Financial Statements in both years.

1.9 What happens if an annual return is found to contain errors? (“Section 898 Notice”)

Section 898 Companies Act 2014 provides that on receipt of a non-complying document, the Registrar may serve on the person delivering the document a Notice stating in what respects the document is non-complying. If a fully compliant document is submitted to the CRO within 14 days of the Notice, it will be deemed to have been received in the CRO on the delivery date of the original non-complying document.

If a fully correct document is not received by the CRO within 14 days, the original document shall be deemed not to have been delivered to the Registrar. This will, most likely, result in the re-submitted document being late resulting in late penalties and loss of audit exemption.

1.10 What enforcement measures are taken by CRO where an annual return is overdue.

In addition to late filing penalties and loss of audit exemption, filing a late annual return affects a company's compliance history and could result in it being selected by the CRO for enforcement measures such as involuntary strike-off or prosecution:

Involuntary Strike off

A company which fails to file an annual return in respect of any one year may be struck off the Register and dissolved. In the event that a company has an annual return outstanding, one statutory warning is issued by the CRO to the registered office of the company. This is known as “Involuntary Strike-off”.

If a company is struck off, the assets of the company become vested in the Minister for Public Expenditure and Reform, and if the business continues to trade, the owners will no longer enjoy the benefit of limited liability and so are personally responsible for any debts incurred so long as the company remains dissolved.

High Court Order

The Registrar is empowered, after the expiry of a period of 56 days following the issue of a notice to a company and/or its directors, if the outstanding annual return(s) have not been filed at the end of that period, to apply to the High Court for an order directing the company and its officers to file the return(s) within such period as the court may specify and directing that the costs of the application be borne by officers of the company.

Prosecution of Directors

If a company fails to file its annual return in compliance with the Act, the company and all its officers who are in default are liable to enforcement measures as it is a category 3 offence (see **appendix 7**).

Furthermore, the Director of Corporate Enforcement (ODCE) may apply to the High Court for an order disqualifying the company's directors from acting as director, or having any involvement in the management of any company, together with an order for the legal and other costs incurred by the ODCE in bringing such an application. If a company and its directors wish to avoid being considered for enforcement action, care should be taken to deliver the company's annual returns to the CRO correctly and on time.

2. Filing an Annual Return Electronically (S.344 CA 2014)

All annual returns must be completed online as of June 1st 2017. It is not possible to file an annual return using a paper form B1.

2.1 Filing a B1 electronically on CORE – www.core.ie

To file electronically on CORE you must first register as a new user. Once you are registered you can log in and go to “File a Form”. You must upload the financial statements and complete your filing within 56 days of the company's Annual Return Date.

Select your B1 and complete the form, pay the fee by credit card or by using a CRO customer account and digitally sign the form using ROS (Revenue Online Service).

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Select your B1 and complete the form, pay the fee by credit card or by using a CRO customer account. You must upload the signed signature page and financial statements and complete your filing within 56 days of the company's Annual Return Date.

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There are links on CORE to help you if you encounter any difficulties when filing online.

2.2 Filing a B1 electronically through a Secretarial Software Package

In addition to filing electronically on CORE a company can file through a secretarial software package (generally used by professional filing agents). Agents who use software packages should contact their software vendor directly for information in relation to technical issues, upgrades of these systems etc.

2.3 Filing Financial Statements electronically

Financial Statements do not need to carry the manuscript signatures of Directors or Auditors. Instead, Financial Statements filed with the CRO must contain:

- the typed name(s) of the Director(s) who signed the Financial Statements on behalf of the Board of Directors,
- the typed name of the Auditor (where applicable), and
- the date each document was signed on.

2.4 Signing the e-B1 Form and filing a fully electronic annual return with the CRO

A B1 Form must be signed by a Director and Secretary of the company, (not being the same person). As the certification for the Financial Statements is contained in the e-B1, when you sign the e-B1 you are also certifying the Financial Statements (see also paragraph 2.5 about Electronic Filing Agents).

When you are filing your e-B1 online, you will be asked to choose how you wish to sign the form. You can choose not to sign the e-B1 form digitally by ROS (Revenue Online System) in which case you will receive a signature page which you print, have signed by a Director or Secretary and upload to CORE.

You must -

- upload the Financial Statements as a PDF attachment on your Workspace in CORE
- pay for the annual return submission online (by credit/debit card or from CRO Customer account)

You can also opt to sign the form digitally with a ROS signature (Revenue Online System). More details on ROS can be found on CORE or on www.revenue.ie

2.5 Electronic Filing Agent (EFA)

An EFA can register with the CRO by filing a J1a Form. The company can then authorise the EFA by filing a B77 Form.

It is possible for an EFA to file the B1 form and sign the form on behalf of a company. However, when an EFA signs a B1 on behalf of a company they cannot certify the Financial Statements. In that case, a separate Account Certification is required to be signed by a Director and Secretary of the company. This must be uploaded to CORE.

3. Financial Statements

3.1 What period should the Financial Statements cover (S.288 CA 2014)?

The Financial Statements attached to a company's first annual return that requires Financial Statements must cover the period from the date of incorporation and must not be for a period longer than 18 months. Each subsequent financial year begins on the date after the last financial year ended and should be for a 12 month period or within 7 days either side of the 12 month period. A company cannot file Financial Statements with an annual return where the financial year end is more than nine months before the "Return made up to" date on the B1. The company may have to alter either their financial period or ARD to ensure the company meets this requirement.

3.2 What format can the company use for its Financial Statements?

A company can prepare their Financial Statements in accordance with International Financial Reporting Standards (IFRS) or Companies Act Financial Statements (CAFS) which are prepared in accordance to Schedule 3, 3a, 3b and 4 of CA 2014 (as amended by Companies (Accounting) Act 2017).

3.3 How does a company change its Financial Year end?

Under s.288(4) Companies Act 2014, a company may, by filing a form B83 with the Registrar, apply to alter (ie. shorten or lengthen) its current or its previous financial year end date, which will then become its financial year end date for the future. Such an application may only be made once in every five years unless the company is exempted by section 288(10) Companies Act 2014. The filing of a B83 form must not result in a financial year in excess of 18 months.

3.4 What financial documents are my company required to file with the CRO?

Companies Act 2014 requires Directors of companies to lay full Financial Statements before the members at their AGM (unless exempt from audit).

The documents required to be filed with the CRO are the following (unless exemptions are claimed):

- The Financial Statements (containing a Balance Sheet, Profit and Loss/Income and Expenditure account, Notes to the Financial Statements and any statements required by the financial framework adopted);
- A Directors' Report on the Financial Statements, and
- An Auditor's Report on the Financial Statements.

3.4.1 Directors' Report:

Sections 325 to 331 of the Companies Act 2014 (CA 2014)(as amended by the Companies (Accounting) Act 2017), require that certain specified information be disclosed in the Directors' report to the company's statutory Financial Statements for each financial year (see Appendix 3).

Section 225(2) CA 2014 requires the Directors of a company which meets certain conditions to include a Compliance Statement in the Directors' Report (see Appendix 4).

3.4.2 Notes to the Financial Statements:

Sections 314 to 323, CA 2014 (as amended), require a company to disclose in the Notes to its statutory Financial Statements certain information including the following: (see further details in Appendix 5)

- Directors' remuneration and transactions;
- Related undertakings;
- Particulars of staff;
- Authorised share capital, allotted or issued share capital and movements in share capital;
- Financial assistance provided by the company in relation to the purchase of own shares;
- The holding of own shares or shares in a holding undertaking;
- Accounting policies ;
- Remuneration for audit, audit related and non-audit work; and,
- Arrangements not included in the companies or groups balance sheet.

3.5 Exemptions available in relation to Financial Statements

Although the company must lay full Financial Statements before an AGM, depending on the type and size of the company it may be able to claim an exemption from filing full, or any, Financial Statements with the CRO. Companies meeting specific criteria could possibly claim one or more of the following exemptions:

- Small/Micro Company Audit Exemption
- Dormant Company Audit Exemption
- Size/abridgement Exemption
- Exemption from filing Financial Statements

You can use the table below to check what exemptions are available to your company type. Once you establish that your company type can avail of an exemption, the directors must check that your company meets the criteria for the exemption.

Company Types and Exemptions	Audit	Dormant	Financial Statements	Size/abridgement	No. of members who can insist on an audit
LTD Company (Part 2 Companies Act 2014)	YES	YES	NO	YES	One or more member representing at least 10% of the Voting rights
DAC Shares (Part 16, CA2014) Designated Activity Companies	YES	YES	NO	YES	One or more member representing at least 10% of the Voting rights
DAC Guarantee (Part 16, CA2014) Designated Activity Companies	YES	YES	YES	YES	One or more member representing at least 10% of the Voting rights
CLG (Part 18, CA2014) Company Limited by Guarantee	YES	YES	YES	YES	1 member
PLC (Part 17, CA2014) Public Limited Company	NO	NO	NO	NO	Not applicable
PUC (Part 19, CA2014) Public Unlimited Company	NO	NO	NO	NO	Not applicable
PULC (Part 19, CA2014) Public Unlimited Company without share capital	NO	NO	NO	NO	Not applicable
ULC non-designated (Part 19, CA2014) Private Unlimited Company	YES	YES	YES	YES	One or more member representing at least 10% of the Voting rights
ULC designated (Part 19, CA2014) Private Unlimited Company	YES	YES	NO	YES	One or more member representing at least 10% of the Voting rights

Is every company type eligible for the size/abridgement exemption from filing full Financial Statements?

The size exemption does not apply to Public Limited Companies (PLC) or Public Unlimited Companies (PUC/PULC). All other types of companies which are classed as micro or small companies can claim an exemption from filing full Financial Statements and file abridged Financial Statements instead (s.277 (amended), 352/353).

Is every company type eligible for the micro/small company / Dormant Company audit exemption?

The following companies are not entitled to those exemptions:

- Public Limited Companies, Public Unlimited Companies and Investment Companies
- A credit institution or insurance undertaking

- (c) investment or financial holding undertakings
- (d) a holding company that prepares group financial statements or subsidiaries that are included in the consolidated financial statements of a higher holding undertaking.
- (e) ineligible companies - companies that are included in the fifth Schedule to the CA 2014. (See Appendix 8)
- (f) A securitization company (see section 362 Companies Act 2014 as amended)

The exemptions available to different types and sizes of company, and conditions applying, are detailed in the following sections:

3.5.1 Micro Companies

Where a company qualifies and prepares their financial statements using the micro companies regime, the balance sheet must contain a statement in a prominent position, stating that the financial statements concerned have been prepared in accordance with the micro companies regime.

A micro company that satisfies certain conditions can claim three types of exemption:

- 3.5.1.1. Exemption from filing full Financial Statements (“abridged Financial Statements”) (s.352)
- 3.5.1.2. Exemption from filing an auditor’s report (the “audit exemption”)(s.360)
- 3.5.2.3. Dormant company exemption (available to all sized companies) (s.365)

3.5.1.1. Exemption from filing full Financial Statements (the “size/abridgement exemption”) (s.352)

To qualify as a micro company and avail of this exemption, a company must satisfy TWO or more of the following conditions in the current financial year and in the preceding financial year (unless it is its first financial year)(s.280D Companies Act 2014 as inserted by s.15 Companies (Accounting) Act 2017):

- Balance sheet total does not exceed €350,000
- Turnover does not exceed €700,000
- Average Number of employees does not exceed 10

(Exemption is available to CLGs (Companies Limited by Guarantee))

Micro companies who claim the “size/ abridgment exemption” are required to file:

- The Balance Sheet of the company (with the “micro company exemption statement” - see below)
- An auditor’s report (with the section of the auditor’s report required when claiming the micro company exemption) (S.356(1) Companies Act 2014)(see paragraph 5.4 of this Leaflet)
- Notes to the Financial Statements that provide the information required by sections 305 to 321
- Any other notes to the financial statements including the notes relating to income statement items applicable to the small company concerned and the statement of changes in equity of the company (IFRS FS)
- Profit and loss account items applicable to the company concerned and in particular the information required by paragraph 53 of Schedule 3A in the case of a small company. (CA FS)
- The information required by paragraph 33 of Schedule B in the case of a micro company, even where a company has elected to include it in the profit and loss account (CA FS)
- Section 274(3) does not apply to exempted micro companies (CA FS)
- However, Micro companies are exempt from the requirements of sections 305/305a/309/314/317/ 318/319/322/323(1) which include most of the notes to financial statements

Micro company “size/ abridgement exemption” statements:

A company claiming the “size/ abridgement exemption” must file the Auditor’s Report to the directors and must state the following on their Balance Sheet:

I/We, as director(s) of (company name), state that -

The company has relied on the specified exemption as a micro company contained in section 352 Companies Act 2014; the company has done so on the grounds that it is entitled to the benefit of that exemption as a small company and confirm that the abridged Financial Statements have been properly prepared in accordance with section 353 Companies Act 2014.

On behalf of the board:

TYPED Name of Signatory:
Director
Date

TYPED Name of Signatory:
Director
Date

3.5.1.2. Exemption from filing an auditor's report (the "audit exemption")(s.360 CA 2014)

Micro Company Audit Exemption (Please also see Section 4)

In order for a company to qualify for the micro company audit exemption the company must meet the following criteria in respect of the financial year concerned and the preceding year - s.280d CA 2014 as inserted by Section 15 Companies (Accounting) Act 2017.

- The company must qualify as a "small/micro company" (see paragraph 3.5.1.1/3.5.2.1.).
- The company's annual return, to which Financial Statements are attached, must be filed on time for the year in question and the previous year. (s.363 CA 2014)

Small/Micro companies who claim both the audit and abridgement exemptions are required to file:

- The Balance Sheet of the company (with (a) to (e) of the "audit exemption statement" included at the bottom of the Balance Sheet)
- Notes to the Financial Statements (see **Appendix 5**) - Micro companies are exempted from the requirements of sections 314/317/318/319/322/323(1)

Sample Statement to be included on Balance Sheet when claiming BOTH audit exemption and the micro company (abridgement) exemption:

I/We, as director(s) of (company name), state that:

(a) the company is availing itself of the exemption provided for by Chapter 15 of Part 6 of the Companies Act 2014,

(b) the company is availing itself of the exemption on the grounds that the conditions specified in s.358 are satisfied,

(c) the shareholders of the company have not served a notice on the company under s.334(1) in accordance with s.334(2),

(d) we acknowledge the company's obligations under the Companies Act 2014, to keep adequate accounting records and prepare Financial Statements which give a true and fair view of the assets, liabilities and financial position of the company at the end of its financial year and of its profit or loss for such a year and to otherwise comply with the provisions of Companies Act 2014 relating to Financial Statements so far as they are applicable to the company,

**(e) the company has relied on the specified exemption (as a micro company) contained in s.352 Companies Act 2014; has done so on the grounds that the company is entitled to the benefit of that exemption as a small company and the abridged Financial Statements have been properly prepared in accordance with s.353 Companies Act 2014.*

On behalf of the board:

TYPED Name of Signatory:
Director
Date:

TYPED Name of Signatory:
Director
Date:

(*In the above statement, use sections (a) – (d) if claiming audit exemption and add section (e) if claiming the micro company/abridgement exemption. A micro company can claim either or both exemptions in their Financial Statements if they qualify.)

3.5.2 Small Companies

Where a company qualifies and prepares their financial statements using the small companies regime, the balance sheet must contain a statement in a prominent position, stating that the financial statements concerned have been prepared in accordance with the small companies regime.

A small company that satisfies certain conditions can claim three types of exemption:

- 3.5.2.1. Exemption from filing full Financial Statements (“abridged Financial Statements”) (s.352)
- 3.5.2.2. Exemption from filing an auditor’s report (the “audit exemption”)(s.360)
- 3.5.2.3. Dormant company exemption (available to all sized companies) (s.365)

3.5.2.1. Exemption from filing full Financial Statements (the “size/abridgement exemption”) (s.352)

To qualify as a small company and avail of this exemption, a company must satisfy TWO or more of the following conditions in the current financial year and in the preceding financial year (unless it is its first financial year)(s.280A Companies Act 2014 as inserted by s15 Companies (Accounting) Act 2017):

- Balance sheet total does not exceed €6m
- Turnover does not exceed €12m
- Average number of employees does not exceed 50

(Exemption is available to CLGs (Companies Limited by Guarantee)).

Small companies who claim the “size/ abridgment exemption” are required to file:

- The Balance Sheet of the company (with the “small company exemption statement” - see below)
- An auditor’s report (with the section of the auditor’s report required when claiming the small company exemption) (S.356(1) Companies Act 2014)(see paragraph 5.4 of this Leaflet)
- Notes to the Financial Statements that provide the information required by sections 305 to 321
- Any other notes to the financial statements including the notes relating to income statement items applicable to the small company concerned and the statement of changes in equity of the company (IFRS returns)
- Profit and loss account items applicable to the company concerned and in particular the information required by paragraph 53 of Schedule 3A in the case of a small company. (CA FS returns)
- The information required by paragraph 48 of Schedule 3A in the case of a small company, even where a company has elected to include it in the profit and loss account, (CA FS returns)
- Any information provided in accordance with subsections 4, 5 and 6 of section 291 (CA FS)
- Section 274(3) does not apply to exempted small companies (CA FS)
- Small companies are exempted from the requirements of sections 314/317(part)/318/319/322/323 (1) (partial)

Small company “size/ abridgement exemption” statements:

A company claiming the “size/ abridgement exemption” must file the Auditor’s Report to the directors and must state the following on their Balance Sheet:

I/We, as director(s) of (company name), state that -

The company has relied on the specified exemption contained in section 352 Companies Act 2014; the company has done so on the grounds that it is entitled to the benefit of that exemption as a small company and confirm that the abridged Financial Statements have been properly prepared in accordance with section 353 Companies Act 2014.

On behalf of the board:

TYPED Name of Signatory:
Director
Date

TYPED Name of Signatory:
Director
Date

3.5.2.2. Exemption from filing an auditor’s report (the “audit exemption”)(s.360 CA 2014)

Small Company Audit Exemption (Please also see Section 4)

In order for a company to qualify for the small company audit exemption the company must meet the following criteria in respect of the financial year concerned and the preceding year - s.280A Companies Act 2014 as amended by Companies (Accounting) Act 2017.

- The company must qualify as a “small company” (see paragraph 3.5.2.1. above).

- The company's annual return, to which Financial Statements are attached, must be filed on time for the year in question and the previous year. (s.363 CA 2014)
- A company cannot be a subsidiary or a holding company within a group (See small group company audit exemption in Section 9.3 of this Leaflet).

Small companies who claim both the audit and abridgement exemptions are required to file:

- The Balance Sheet of the company (with (a) to (e) of the "audit exemption statement" included at the bottom of the Balance Sheet)
- Notes to the Financial Statements (see **Appendix 5**)
- Small companies are exempted from the requirements of sections 314/317(part)/318/319/322/323(1)

Sample Statement to be included on Balance Sheet when claiming BOTH audit exemption and the small company (abridgement) exemption:

I/We, as director(s) of (company name), state that:

(a) the company is availing itself of the exemption provided for by Chapter 15 of Part 6 of the Companies Act 2014,

(b) the company is availing itself of the exemption on the grounds that the conditions specified in s.358 are satisfied,

(c) the shareholders of the company have not served a notice on the company under s.334(1) in accordance with s.334(2),

(d) we acknowledge the company's obligations under the Companies Act 2014, to keep adequate accounting records and prepare Financial Statements which give a true and fair view of the assets, liabilities and financial position of the company at the end of its financial year and of its profit or loss for such a year and to otherwise comply with the provisions of Companies Act 2014 relating to Financial Statements so far as they are applicable to the company,

**(e) the company has relied on the specified exemption contained in s.352 Companies Act 2014; has done so on the grounds that the company is entitled to the benefit of that exemption as a small company and the abridged Financial Statements have been properly prepared in accordance with s.353 Companies Act 2014.*

On behalf of the board:

TYPED Name of Signatory:

Director

Date:

TYPED Name of Signatory:

Director

Date:

(*In the above statement, use sections (a) – (d) if claiming audit exemption and add section (e) if claiming the small company/abridgement exemption. A small company can claim either or both exemptions in their Financial Statements if they qualify.)

3.5.2.3. Dormant Company

Dormant Company Audit Exemption (s.365, CA2014)

The Dormant Company Audit Exemption is NOT specific to company size.

A company can qualify to claim audit exemption based on the fact that it is dormant. A holding or subsidiary company within a group can claim the dormant company exemption. However,

- the company's annual return, to which Financial Statements are attached, must be filed on time for the year in question and the previous year (s.363 CA 2014) and
- a PLC, PUC or PUC cannot claim the dormant company audit exemption because they are public companies.

The directors of the company must

(i) be of the opinion that in respect of the financial year concerned, the company is dormant and will satisfy the conditions specified at (a) and (b) below, and

(ii) decide that the company should avail of the exemption in that year (and record that decision in the

minutes of the meeting concerned):

- (a) it has no significant accounting transaction (ie. a transaction that is required by s.281 and s.282 Companies Act 2014, to be entered in the company's accounting records); and
- (b) its assets and liabilities comprise only permitted assets and liabilities (ie. investments in shares of, and amounts due to or from, other group undertakings).

In determining whether or when a company is dormant for the purposes of s.365, the following shall be disregarded:

- (a) any transaction arising from the taking of shares in the company by a subscriber to the constitution as a result of an undertaking of his or her in connection with the formation of the company;
- (b) any transaction consisting of the payment of—
 - (i) a fee to the Registrar on a change of the company's name;
 - (ii) a fee to the Registrar on the re-registration of the company; or
 - (iii) a fee to the Registrar for the registration of an annual return (including any fee of an increased amount by virtue of regulations under section 889(6)).

The right of members to dissent to the audit exemption does not apply to a dormant company (s.334(5)CA2014).

Dormant company audit exemption - statements to be included on balance sheet (s.365):

Where the dormant company exemption is being availed of, the following statements must be included on the company's balance sheet by the directors of the company:

I/We, as director(s) of (company name) state that:

(a) the company is availing itself of the audit exemption provided for by Chapter 16 of Part 6 of the Companies Act 2014;

(b) the company is availing itself of the exemption on the grounds that the conditions specified in s.365(2) are satisfied;

(c) we acknowledge the company's obligations under Companies Act 2014, to keep adequate accounting records and to prepare Financial Statements which give a true and fair view of the assets, liabilities and financial position of the company at the end of its financial year and of its profit or loss for such a year and to otherwise comply with the provisions of Companies Act 2014 relating to Financial Statements so far as they are applicable to the company;

(d) we hereby certify that we have relied on the specific exemption contained in s.365 Companies Act 2014 on the grounds that the company is entitled to the benefits of that exemption as a dormant company.

**(e) the company has relied on the specified exemption contained in s.352 Companies Act 2014; has done so on the grounds that the company is entitled to the benefit of that exemption as a small company and the abridged Financial Statements have been properly prepared in accordance with s.353 Companies Act 2014.*

On behalf of the board:

TYPED Name of Signatory:

Director

Date:

TYPED Name of Signatory:

Director

Date:

(*In the above statement, use sections (a) – (d) if claiming audit exemption and add section (e) if claiming the small company/abridgement exemption. A small company can claim either or both exemptions in their Financial Statements if they qualify.)

3.5.3 Medium Companies

To qualify as a medium company a company must satisfy TWO or more of the following conditions in the current financial year and in the preceding financial year (unless it is its first financial year) (s.280F Companies Act 2014 as amended by Companies (Accounting) Act 2017):

- Balance sheet total does not exceed €20m
- Turnover does not exceed €40m
- Number of employees do not exceed 250

Medium sized companies do not have an exemption from filing full financial statements. Size exemption only applies to micro/small companies. Medium sized companies are not eligible for the audit exemption. Medium sized companies are exempt from the disclosure of remuneration for audit under section 322 Companies Act 2014 as amended by section 38 of the Companies (Accounting) Act 2017.

3.5.4. Exemption from Filing Financial Statements with the CRO

The following companies may claim an exemption from filing Financial Statements with their annual return (a B1 Form will still be required to be filed with the CRO);

- Designated Activity Companies (DACs) formed for charitable purposes who stand exempt from filing Financial Statements with the CRO by an order made by the relevant authority. (The Charities Regulatory Authority (CRA)).
- Companies Limited by Guarantee (CLGs) formed for charitable purposes and stand exempt from filing Financial Statements by an order made by the relevant authority (CRA).
- Non-designated Unlimited Companies (ULCs) can claim an exemption from filing Financial Statements. Please see Unlimited Company (ULC) requirements for more information regarding what types of ULC are designated or non-designated (see paragraph 3.6.2 of this Leaflet).

3.6. Specific Requirements of Different Types of Companies

3.6.1 Companies Limited by Guarantee (CLGs) and Designated Activity Companies (DACs)

Sections 325(1)(c & d), 328 and 329 of CA, 2014, do not apply to CLGs as these companies have no share capital they are not required to include in their directors report details in relation to acquisition or disposal of their own shares or interest in share and debentures, please see the relevant section of the Act for more information.

Certain CLGs and DACs that have been formed for charitable purposes, and who are exempted by the relevant authority, can avail of an exemption from filing Financial Statements with the CRO.

3.6.2 Unlimited Company (ULC) requirements

The following Unlimited Companies are subject to the requirements to the preparation and filing of Financial Statements (financial years beginning after 1 January 2017):

(Designated ULC' means—

- (a) an ULC that at any time during the relevant financial year—
 - (i) has been a subsidiary undertaking of an undertaking which was at that time limited,
 - (ii) has had rights exercisable in respect of it by or on behalf of 2 or more undertakings which were at that time limited, being rights which if exercisable by one of the undertakings would have made the ULC a subsidiary undertaking of it, or
 - (iii) has been a holding company of an undertaking which was at that time limited,
- (b) an ULC which is a credit institution or an insurance undertaking or the holding company of a credit institution or an insurance undertaking,
- (c) an ULC, all of the members of which are—
 - (i) companies limited by shares or by guarantee,
 - (ii) unlimited companies, each of whose members is a limited company,
 - (iii) partnerships which are not limited partnerships, each of whose members is a limited company,
 - (iv) limited partnerships, each of whose general partners (within the meaning of the Limited Partnerships Act 1907) is a limited company, or
 - (v) any combination of the types of bodies referred to in the preceding subparagraphs of this

paragraph and paragraph (a), or

(d) an ULC, the direct or indirect members of which comprise any combination of ULCs and bodies referred to in paragraph (c) such that the ultimate beneficial owners enjoy the protection of limited liability.

References to a limited company, an unlimited company, a partnership or a limited partnership shall include references to a body which is not governed by the law of the State but which is comparable to such a limited company, an unlimited company, a partnership or a limited partnership, as may be appropriate.

References to an undertaking being limited at a particular time are references to an undertaking (under whatever law established), the liability of whose members at that time is limited.

‘general partner’ has the same meaning as it has in the Limited Partnerships Act 1907;
‘limited partnership’ means a partnership to which the Limited Partnerships Act 1907 applies;
‘partnership’ has the same meaning as it has in the Partnership Act 1890.”

References to (A)(iii) shall come into operation on 1 January 2022 for any financial year which commences on or after that date.

3.6.3 Private Unlimited Companies (ULCs) can claim audit exemption once they qualify.

3.6.4 Public Limited Companies (PLCs), Public Unlimited Companies (PUCs) or Public Unlimited Companies with no share capital (PULCs) cannot claim any exemptions and must file full Financial Statements.

3.7 Certification of Financial Statements

Where the company is filing Financial Statements with their annual return, the certification of the Form B1 also serves to certify the Financial Statements (see paragraphs 2.4 and 2.5 of this Leaflet regarding signing of the Form B1).

4. Audit Exemption – Additional Information

4.1 Why is there an audit exemption for certain companies?

The audit requirement was perceived as imposing an undue burden on small firms. In many small companies, the managers and owners are often the same people, and the cost of the audit was regarded as outweighing the benefits derived.

NB: The only exemption granted is from having the Financial Statements **audited**. There is no exemption from the statutory requirements that a company must prepare Financial Statements, lay them before the company's AGM, and file Financial Statements with its annual return.

There are two types of audit exemption

- Small/Micro Company/Group Audit Exemption - Chapter 15, Part 6 CA 2014
- Dormant Company Audit Exemption - Chapter 16, Part 6 CA 2014

4.2. Is every company type eligible for audit exemption/dormant company exemption?

No. Public Limited Companies (PLCs) and Public Unlimited Companies (PUCs and PULCs) cannot claim any audit exemption. All other company types can claim audit exemption. Companies must qualify under the small/micro company regime in order to claim the exemption under Chapter 15. See 3.5.

4.3 What must the company do before claiming audit exemption?

In deciding if they want to have the audit in respect of a financial year, they should consider the fact that third parties connected with the company (e.g. bankers or trade organisations) may still require an audit to be completed.

Furthermore, if one or more of the company's shareholders representing not less than 10% of the voting rights (one member for a guarantee company CLG) request that the company not avail itself of the exemption and serve notice in writing to this effect on the company in the financial year immediately preceding the financial year concerned or during the financial year concerned but not later than one month before the end of that year, the company must have an audit. (s.334, CA 2014).

If the Directors of a dormant company decide to claim audit exemption in respect of a financial year, they must make the decision in that financial year and record the decision in the minutes of the meeting concerned (s.365(1) CA 2014).

4.4 Can my company avail of the exemption in respect of a financial year that has ended?

YES. If the company is claiming a small/micro company audit exemption but NO if claiming a dormant company audit exemption, in which case the Directors must make the decision to claim the audit exemption in that financial year and record the decision in the minutes of the meeting concerned (s.365(1) CA 2014).

4.5 Loss of audit exemption if company is late in filing its annual return?

If an annual return is filed late, the company loses the entitlement to claim the audit exemption in the following two years.

4.6. What happens if a company ceases to comply with the qualifying conditions during the course of a financial year in respect of which it is intended to claim the audit exemption?

The directors have a duty to appoint an auditor to the company as soon as may be after the company ceases to comply with the qualifying conditions.

5. Auditor's Report

5.1 What is an audit?

An audit is an independent examination of the Financial Statements of a business. The auditors complete their work to verify that the Financial Statements have been prepared in accordance with company law and generally accepted accounting principles. Having carried out this work, the auditors prepare a report stating that the Financial Statements show a true and fair view of the state of affairs of the company for the period under review and of the profit or loss of the company.

5.2 Does my company have to file an Auditor's Report?

All companies who do not qualify for Audit Exemption are required to file an auditor's report to the members pursuant to s.336/s.391 CA 2014 with their Financial Statements.

5.3 What is the Auditors Report required to state?

The following information is required in the Auditors Report.

- Whether they have obtained all the information and explanations which, to the best of their knowledge and belief, are necessary for the purpose of their audit.
- Whether, in their opinion, the accounting records of the company were sufficient to permit the Financial Statements to be readily and properly audited,
- Whether, in their opinion, information and returns adequate for their audit have been received from branches of the company not visited by them,
- In the case of entity Financial Statements, whether the company's balance sheet and except where the exemption under s.304 is availed of, the profit and loss account are in agreement with the accounting records and returns,
- Whether, in their opinion, give a true and fair view – in the case of an entity balance sheet, of the assets, liabilities and financial position of the company as at the end of the financial year – in the case of an entity profit and loss account, of the profit or loss of the company for the financial year – in the case of group Financial Statements, of the assets, the liabilities, and financial position as at the end of the financial year and of the profit & loss for the financial year of the undertakings included in the consolidation as a whole, so far as concerns the members of the Company,
- Whether the statutory Financial Statements have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the CA 2014 (and where applicable, Article 4 of the IAS Regulation)

The statutory auditors report will also state whether, in their opinion, the information given in the director's report for the financial year is consistent with the statutory Financial Statements.

- **Under section 336(3a) CA 2014 (as amended), in the case of a micro company, compliance with the minimum requirements of the Companies Act 2014 is presumed to give a true and fair view.**
- **Under section 336(5) CA 2014 (as amended), a qualifying micro company stands exempted from the requirement to prepare a directors report and thereby from the requirement for the auditors to make a statement regarding a directors report.**
- **Under s.336(8)CA 2014 (as amended by s.45 Companies (Accounting) Act 2017), if in the case of any statutory Financial Statements, the requirements of s.305-312 have not been complied with, the statutory auditors must include in their report, so far as they are reasonably able to do so, a statement giving the required particulars. (s.305 - 312 deal with director's remuneration /interests/benefits disclosure and with licensed banks disclosures). This does not apply, however, to companies which are exempt from these particular sections.**

Also the report shall in relation to each matter referred to in the points above contain a statement or opinion, as the case may be, which shall be either – unqualified or qualified and include a reference to any matters to which the statutory auditors wish to draw attention without qualifying the report. A statement of opinion may be qualified, including to the extent of an adverse opinion or a disclaimer of opinion, where there is a disagreement or limitation in scope of work.

Under section 336(2), the report should have an introduction that identifies the entity Financial Statements, and where appropriate, the group Financial Statements, that are the subject of the audit and the financial reporting framework that has been applied in their preparation and also a description

of the scope of the audit identifying the auditing standards in accordance with which the audit was conducted.

5.4 Signing of Statutory Auditor's Report (s.337 CA 2014)

In accordance with s.337 Companies Act 2014, the copy of the statutory auditors report which is delivered to the Registrar shall **state the name** of the statutory auditor or auditors and bear the signature (**in typeset form** per s.347(2)) **and the date** of signature.

In accordance with SI 312 of 2016 (European Union (Statutory Audits)(Directive 2006/43/EC as amended by Directive 2014/56/EU and Regulation (EU) No 537/2014) Regulations 2016)

- where the auditor is a statutory auditor (a natural person), the report shall be signed by that person or,
- where the auditor is a statutory audit firm, the report shall be signed by:
 - the statutory auditor (or, where more than one, each statutory auditor) designated by the statutory audit firm for that particular audit engagement as being primarily responsible for carrying out the statutory audit on behalf of the audit firm,
- in the case of a group audit, at least the statutory auditor (or, where more than one, each statutory auditor) designated by the statutory audit firm as being primarily responsible for carrying out the statutory audit at the level of the group,

in his or her own name, for and on behalf of, the audit firm.

An auditors report which is not **typed, signed and dated** in accordance with this paragraph will be returned to the presenter for correction in accordance with section 898 of the Companies Act 2014.

The certification of the Financial Statements on the B1 form by the Director and Secretary of the company will include the Auditors Report.

5.5 Auditors Report where Financial Statements are abridged

In addition to the auditor's report to the members a company filing abridged Financial Statements must also file a special auditor's report to the directors pursuant to s.356(1) Companies Act 2014 for a micro or small company.

Micro/Small Company

The auditor's report to the directors of a **small company** is required to state;

We have examined:

- *The abridged Financial Statements for the year ended _____ on pages ____ to ____ which the directors of _____ propose to annex to the annual return of the company; and*
- *The Financial Statements to be laid before the Annual General Meeting which form the basis for those abridged Financial Statements.*

The scope of our work for the purpose of this report was limited to confirming that the directors are entitled to annex abridged Financial Statements to the annual return and that those abridged Financial Statements have been properly prepared, pursuant to sections 347/348 Companies Act 2014, from the Financial Statements to be laid before the Annual General Meeting.

In our opinion the directors are entitled under section 352 Companies Act 2014 to annex to the annual return of the company abridged Financial Statements and those abridged Financial Statements have been properly prepared pursuant to the provisions of section 353 of the Act.

Typed Name:

For and on behalf of (audit firm)

Auditors: ABC & Company

Date: DD/MM/YYYY

The 'signature block' at the bottom of the copy of the statutory auditors' report delivered to the Registrar should look like the following:

Where the auditor is an individual:

TYPED name of individual as it appears on the Public Register of Auditors

Address (optional)

Date signed

OR Where the auditor is an audit firm:

TYPED name(s) of individual or, where more than one, each statutory auditor for and on behalf of

Typed name of Statutory Audit Firm as it appears on the Public Register of Auditors

Address (optional)

Date signed

5.6 Termination/Removal of an Auditor (S.394-399 CA 2014)

(1) Where a company decides to terminate the appointment of its auditor because the company is availing of the audit exemption,

- the Auditor must, **within 21 days** of being notified of the company's decision, send a notice to the company stating that they have been removed as Auditor under s.399 Companies Act 2014, and that there are no circumstances connected with the decision of the company to terminate their appointment that they consider should be brought to the notice of the members or creditors of the company OR if there are such circumstances, the Auditor must detail them in the notice to the company, and
- the Auditor must, **within 14 days** of the notice to the company, send a copy of that notice to the Registrar.

(2) A company may by ordinary resolution at a general meeting remove an Auditor (if it is in the best interest of the company)(s.394-395 Companies Act 2014) and appoint a new Auditor.

The company shall **within 14 days** of the passing of the resolution give notice to the Registrar in the prescribed form (Form H3)(s.385(2)(b) Companies Act 2014).

5.7 Resignation of an Auditor (s.400 CA 2014)

Statutory Auditors may resign by notice in writing sent to the company.

The notice shall state

- that they have resigned as Auditors under s.400 Companies Act 2014 and
- that there are no circumstances connected with the decision that the Auditors should bring to the members or creditors of the company OR a statement of any such circumstances.

The Auditor shall **within 14 days** of the notice to the company send a copy of that notice to the Registrar. If the Auditor lists circumstances that should be brought to the attention of members and creditors, the company shall **within 14 days** send a copy of the resignation to every person who is entitled under s.339 Companies Act 2014, to be sent copies of the documents referred to in that section.

5.8 The requirement for an Auditor to be registered

Where an auditor's report is required to be filed with the CRO, the officers of the company must ensure that their auditor is registered on the Public Register of Auditors which may be viewed on the CRO website - www.cro.ie.

The B1 form must include the Auditor Registration Number (ARN) of the auditor which must exactly match that of the individual auditor or firm of auditors whose name appears on the auditor's report included in the Financial Statements. Filing false information with the Registrar of Companies is a category 2 offence under the Act under s406 CA 2014 and acting as an auditor when not qualified to do so is an offence prosecutable by the ODCE.

6. Certification/signing of B1/Financial Statements

Please note that under s.347(2)CA 2014, handwritten signatures are not required on Financial Statements filed with the CRO – instead the TYPED names of the signatories, and the date signed, must appear on all of the documents making up the Financial Statements filed as part of an annual return. The financial statements themselves must then be uploaded and attached to the B1 form submission via the web.

Under s.347, a copy of a document must satisfy the following conditions:

- it is a true copy of the original save for the difference that the signature(s) and any dates thereon, shall appear in typed, not written, form on the copy, and
- it is accompanied by a certificate that bears the signature of a director and secretary in electronic or written form, stating that the copy is a true copy of the original (one certificate will cover all the documents concerned).

The certificates which the director and secretary must sign to certify the Financial Statements are part of the B1 Form. When the director and secretary certify the Form B1, they also certify the Financial Statements.

The B1 form is required to be signed by a director and secretary of the company who must be two different individuals as it cannot be signed by one person acting as both a director and secretary. An LTD company with one director must have a separate secretary.

It is possible for an Electronic Filing Agent (EFA) to sign the B1 form and file the form on behalf of a company. However, when an EFA signs the B1, they cannot certify the Financial Statements. In that case, a separate certification of the Financial Statements is required to be signed by a director and secretary of the company.

7. Revision of Fin. Statements &/or Directors' Report

Where copies of the original Financial Statements or original director's report have been laid before the company in a general meeting or delivered to the Registrar, all revisions should be made with reference to s.366 to s.379, CA 2014.

If the company becomes aware of an error in the Financial Statements, they should correct the error and file the corrected documentation with the CRO not more than 28 days after the date of revision.

The **Form B1X** is used when filing revised Financial Statements.

The revision can be in any of the following forms depending on what type of error is being revised

- a Supplementary Note; or,
- a revised Directors' Report: or,
- revised Financial Statements.

The revised Financial Statements or Directors' Report shall become the company's statutory Financial Statements or Directors' Report for the relevant financial year from the date of their approval by the Directors of the company (s.373 CA 2014). The original Financial Statements or Directors' Report shall remain on the Register (s.376(6) CA 2014).

The revisions to the Financial Statements must be signed and dated in the same manner as the original Financial Statements and a revision by Supplementary Note should be signed in the same manner as the original Balance Sheet (s.368 CA 2014).

7.1 Revision of the Directors' Report by Supplementary Note

A supplementary note can be used where the reason for revision is an omission or a correction to the directors' report, in the case where additional information does NOT affect other information included in the report. In all other cases a revised Directors' report must be filed.

Where the revision to the Directors report is by Supplementary Note, the note should include a statement by the Directors in a prominent position:

- that the note revises in certain respects the original Directors' Report and now forms a part of the original Directors' Report.
- that the Directors' Report is revised at the date of the original Directors' Report and does not deal with events since that date.

7.2 Revision of Financial Statements by Supplementary Note

A Supplementary Note can be used where the reason for the revision is an omission or a correction to a note to the Financial Statements and where the amounts and presentation of statements required by the financial reporting frame work are NOT affected. In all other cases revised Financial Statements must be filed.

Where the revision to the Financial Statements is made by Supplementary Note, the note should include a statement by the Directors in a prominent position:

- that the note revises in certain respects the original statutory Financial Statements and now forms a part of those Financial Statements
- that the Financial Statements have been revised at the date of the original Financial Statements and do not deal with events since that date.

7.3 Revision of the Directors' Report by replacement

Where the Revision replaces the Directors' Report

The revised Directors' Report must include a statement from the Directors in a prominent position stating that:

- the revised Directors' Report replaces the original Directors' Report.
- the revised Directors' Report is prepared as at the date of the original report and does not deal with events since that date, and
- the respects in which the Directors' Report did not comply with the Companies Act 2014.
- any significant amendments made important by the corrections.

Statutory Auditors report on the revised Directors' Report

Where the original Financial Statements were audited and only the Directors' report is revised, the auditor will prepare a report (s372 CA 2014). The report will give the Auditor's opinion whether the information given in the revised report is consistent with the original statutory Financial Statements.

7.4 Revision of the Financial Statements by replacement

Where the Revision replaces the Financial Statements, the Director's Statement on the revised Financial Statements must state in a prominent position that

- The original Financial Statements for that year are replaced.
- The revised Financial Statements are now the statutory Financial Statements for that year.
- The revised Financial Statements have been prepared as at the date of the original Financial Statements and do not deal with events since that date.
- How the original Financial Statements did not comply with the requirements of the CA2014.
- Any significant amendments made consequential upon the remedying of these defects.

7.5 Statutory Auditors report on the revised Financial Statements and revised report (s370 CA 2014)

Where the original Financial Statements **were audited** or the revision means a loss of Audit exemption, the auditor will prepare a revised Auditors Report (s391, CA2014), and a report under s370, CA2014 giving an opinion whether :

- The revised Financial Statements have been properly prepared
- A true and fair view as at the date of the original Financial Statements is given
- In the statutory auditors opinion the original Financial Statements failed to comply with the requirements of the Act with reference to the Directors' Statement required by s368(2) CA2014

- The information contained in the Directors' report (or revised Directors' report) is consistent with the revised Financial Statement.

If the company's original Financial Statements **were audit exempt** and the revision does not change this, an auditor's report is not needed.

7.6 Loss of Audit Exemption as a result of a revision

Where the effect of the revisions means that a company that had claimed audit exemption does not qualify for audit exemption an auditor's report must be filed within 2 months of the revision.

7.7 Next Year - next Financial Statements filed must refer to the revision

Where the statutory Financial Statements for any year are revised, the next statutory Financial Statements after the date of revision must refer to the revision and provide particulars and reason for the revision.

8. Group Companies

A holding company is obliged to file its own Financial Statements and consolidated Group Financial Statements unless they are exempt from doing so.

8.1. Exemption from consolidation: section 293 Companies Act 2014 as amended by section 19 Companies (Accounting) Act 2017

A holding company that qualifies for the small company regime under section 280B or the micro company regime under section 280E shall be exempt from the requirement to prepare group financial statements.

A holding company can be exempt from filing consolidated group Financial Statements if it meets 2 of the following conditions. (small company regime)

1. The balance sheet total of holding company and subsidiaries taken as a whole does not exceed €6m net (or €7.2m gross)
2. The amount of turnover of the holding company and subsidiaries taken as a whole does not exceed €12m net (or €14.4m gross)
3. The average number of persons employed by the holding company and its subsidiaries does not exceed 50.

8.2 Exemption from consolidation: holding company that is a subsidiary undertaking of undertaking registered in EEA (s.299, CA 2014)

A lower holding company that is a subsidiary can be exempt from the requirement to prepare Group Financial Statements conditions if:

- the lower holding company is a wholly owned subsidiary of the EEA holding undertaking, or
- that other holding undertaking holds more than 90 per cent of the shares in the lower holding company and the remaining shareholders in, or members of, the lower holding company have approved the exemption
- the EEA holding undertaking holds more than 50% of the shares in the lower holding company but not more than 90% of the shares and a notice requesting preparation of group Financial Statements has not been served on the lower holding Company no later than 6 months after the end of the financial year by shareholders holding in aggregate:
 - (i) more than half of the remaining shares in the lower holding company;
 - (ii) 5 percent or more of the total shares in the lower holding company (s.299(2)(b), CA2014, should be consulted).
- The lower holding company must be included in the consolidated Financial Statements for the larger Group drawn up to the same date or to an earlier date in the same financial year, by a holding undertaking established under the laws of an EEA state,
- The Financial Statements must be drawn up in accordance with the Accounting Directive or are prepared in accordance with International Financial Reporting Standards (IFRS).
- The lower holding company discloses in its entity Financial Statements that it is exempt from the obligation to prepare and deliver Group Financial Statements and it states the name of the higher holding undertaking, the country in which it is incorporated and that if the holding undertaking is

- unincorporated, its principal place of business;
- The lower holding company delivers on time to the Registrar of Companies copies of the higher holding undertaking's consolidated financial statements, annual report and auditors' report.

(See s.300, CA 2014, regarding exemption from consolidation: holding company that is a subsidiary undertaking of undertaking registered **outside EEA**).

Exemption of a Subsidiary from annexing its own Financial Statements to its annual return (s.357, CA 2014)

A company that is a subsidiary undertaking of a holding undertaking that is established under the laws of an EEA state, shall, as respects any particular financial year stand exempted from the requirement to annex its own Financial Statements to its annual return and may annex instead Group Financial Statements provided the following conditions are satisfied:

- Every person who is a shareholder of the company at the next AGM after the end of the financial year shall declare his or her consent to the exemption.
- There is a written notification to every shareholder.
- There is an irrevocable guarantee by the holding undertaking of all the liabilities for the financial year.
- The statutory Financial Statements for the financial year are consolidated into the consolidated Financial Statements prepared by the EEA based holding company.
- The exemption of the subsidiary company is disclosed in a note to the consolidated Financial Statements.
- A notice stating that the company is availing itself of the exemption in s.357 CA 2014, a copy of the guarantee, the shareholder notification, and a declaration that the shareholders have agreed to the guarantee is included with the annual return.
- A copy of the consolidated Financial Statements of the holding company with auditor's report (the consolidated Financial Statements are drawn up in accordance with the Accounting Directive or in accordance with international financial reporting standards and are audited in accordance with Article 34 of the Accounting Directive).

8.3 Small Group Company Audit Exemption (s359, CA 2014)

Audit Exemption applies to any group company if the group as a whole qualifies as a Small Group under section 280B Companies Act 2014 as amended by the Companies (Accounting) Act 2017. The entire group and all its subsidiary undertakings must, taken as a whole, satisfy two of the following 3 conditions in order to claim a Group Company Audit Exemption:

- The balance sheet total, in relation to the holding company and the other members of the group taken as a whole does not exceed €6 million net - €7.2 million gross.
- The amount of turnover of the holding company and the other members of the Group taken as whole does not exceed €12 million net - €14.4 million gross.
- The average numbers of persons employed by the holding company and the other members of the group taken as a whole does not exceed 50.

'net' means after set-offs and other adjustments made to eliminate group transactions—

- in the case of Companies Act financial statements, in accordance with Schedule 4 CA 2014 as amended, and
- in the case of IFRS financial statements, in accordance with international financial reporting standards;

'gross' means without those set-offs and other adjustments

The above conditions must be met in the year (the conditions must also be met in the preceding year unless it is the holding company's first financial year.) (s280B CA2014).

The company's annual return, to which Financial Statements are attached, must be filed correctly and on time for the year in question and the previous year (s.364 CA2014).

Audit exemption not available where a holding company or subsidiary undertaking falls within a certain category (s.362 CA 2014)

A holding company and the other members of a Group are NOT entitled to the Small Group audit exemption if any member of the group is an ineligible entity (section 280b (5)/(s.362(2)) (see

appendix 8) or a securitisation company (s.362(2) CA 2014).

S994 CA 2014 dis-applies Part 6 CA 2014, to all DACs that are credit institutions or insurance undertakings, they are not entitled to claim audit exemption under Part 6.

What is a securitisation company?

A securitisation company is a company that qualifies as such within the meaning of s.110, Taxes Consolidation Act 1997, or as a Financial Vehicle Corporation (FVC). If pre-1 January 2005, see Article 1 (1) Reg(EC) no. 24/2009 of ECB. If after 1 January 2005: see Article 1(1) Reg(EU) no. 1075/2013 of ECB.

8.4 Where notice is served under section 334 for Small Group

- If one or more of the company's shareholders representing not less than 10% of the voting rights (one member for a guarantee company (CLG)) request that the company not avail itself of the exemption and serve notice in writing to this effect on the company in the financial year immediately preceding the financial year concerned or during the financial year concerned but not later than one month before the end of that year, the company must have an audit. (S334 CA 2014)
- If the notice is served on the Holding Company, the Group can not avail of audit exemption.
- If the notice is served on a subsidiary, the subsidiary can not avail of audit exemption.

8.5 Group Company Audit Exemption Statement

Where the exemption is being availed of, the following statements must be included on the company's balance sheet by the directors of the company – s.358 CA2014, is quoted for non-Group, s.359 CA2014 for Group:

We, the directors of (company name) state that -

- (a) *"that the company is availing itself of the exemption provided for by Chapter 15 of Part 6 of the Companies Act 2014" (these specific words must be used),*
- (b) *the company is availing itself of the exemption on the grounds that section 359 is complied with,*
- (c) *"no notice under subsection (1) of section 334 has, in accordance with subsection (2) of that section, been served on the company" (objection of members), and*
- (d) *the directors acknowledge the obligations of the company under the Companies Act 2014 to -*
 - (i) *keep adequate accounting records and prepare Financial Statements which give a true and fair view of assets, liabilities and financial position of the company at the end of the financial year and of its profit or loss for such a year, and*
 - (ii) *otherwise comply with the provisions of the Companies Act 2014 relating to Financial Statements so far as they are applicable to the company.*

On behalf of the board:

TYPED Name of Signatory:

Director

Date:

TYPED Name of Signatory:

Director

Date:

9. Further Queries

I have further queries about the audit exemption/preparation of Financial Statements. Who can help me?

The CRO recommends that you consult with your professional adviser, particularly if you intend to claim the audit exemption but are unsure about how to prepare the Financial Statements which are required to be delivered with the company's annual return. This should be done without undue delay, as the time for preparation of company Financial Statements is not open-ended. You should note the date by which the annual return is required by law to be delivered to the CRO, and the requirement that the accompanying Financial Statements can predate the date to which the annual return has been made up by no more than nine months.

**APPENDIX 1 - SMALL AUDIT EXEMPT COMPANY -
SAMPLE ABRIDGED COMPANIES ACT ENTITY FINANCIAL
STATEMENTS**

(Non-Group Situation)

[Insert Company Name]
[Insert Company Number]
Unaudited Financial Statements
[Insert financial year end date]

Contents	Page
Names of Directors and other information	[]
Balance Sheet	[]
Notes to the Financial Statements	[]

Names of Directors and Other Information

Company Registration No:
Place of Registration:
Legal form of Company:
Registered Office:
Directors:
Secretary:
Auditor:
Bankers:
Solicitors:

ABC Ltd
BALANCE SHEET as at [INSERT YEAR END DATE]

	Current Year 20__	Previous Year 20__
FIXED ASSETS		
<u>Intangible assets</u>		
Development costs	xxxx	xxxx
Concessions, patents, licences, trademarks and similar rights and assets (1)	xxxx	xxxx
Goodwill (2)	xxxx	xxxx
Payments on account	xxxx	xxxx
<u>Tangible assets</u>	xxxx	xxxx
Investment Property	xxxx	xxxx
Land and buildings	xxxx	xxxx
Plant and machinery	xxxx	xxxx
Fixtures, fittings, tools and equipment	xxxx	xxxx
Payments on account and assets in course of construction	xxxx	xxxx
<u>Financial assets</u>		
Shares in group undertakings	xxxx	xxxx
Loans to group undertakings	xxxx	xxxx
Participating interests	xxxx	xxxx
Loans to undertakings with which the company is linked by virtue of participating interests	xxxx	xxxx
Other investments other than loans	xxxx	xxxx
Other loans	xxxx	xxxx
CURRENT ASSETS		
<u>Stocks</u>		
Raw materials and consumables	xxxx	xxxx
Work in progress	xxxx	xxxx
Finished goods and goods for resale	xxxx	xxxx
Payments on account	xxxx	xxxx
<u>Debtors (3)</u>		
Trade debtors	xxxx	xxxx
Amounts owed by group undertakings	xxxx	xxxx
Amounts owed by undertakings with which the company is linked by virtue of participating interests	xxxx	xxxx
Other debtors	xxxx	xxxx
Called up share capital not paid	xxxx	xxxx
Prepayments	xxxx	xxxx
Accrued income	xxxx	xxxx
<u>Investments</u>		
Shares in group undertakings	xxxx	xxxx
Other investments	xxxx	xxxx

<u>Cash at bank and in hand</u>	XXXX	XXXX
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Debenture loans (4)	XXXX	XXXX
Amounts owed to credit institutions	XXXX	XXXX
Called up share capital presented as a liability (6)	XXXX	XXXX
Payments received on account (5)	XXXX	XXXX
Trade creditors	XXXX	XXXX
Bills of exchange payable	XXXX	XXXX
Amounts owed to group undertakings	XXXX	XXXX
Amounts owed to undertakings with which the company is linked by virtue of participating interests	XXXX	XXXX
Other creditors including tax and social insurance	XXXX	XXXX
Accruals	XXXX	XXXX
Deferred income	XXXX	XXXX
NET CURRENT ASSETS (LIABILITIES)	XXXX	XXXX
TOTAL ASSETS LESS CURRENT LIABILITIES	XXXX	XXXX
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
Debenture loans (4)	XXXX	XXXX
Amounts owed to credit institutions	XXXX	XXXX
Called up share capital presented as a liability (6)	XXXX	XXXX
Payments received on account (5)	XXXX	XXXX
Trade creditors	XXXX	XXXX
Bills of exchange payable	XXXX	XXXX
Amounts owed to group undertakings	XXXX	XXXX
Amounts owed to undertakings with which the company is linked by virtue of a participating interests	XXXX	XXXX
Other creditors including tax and social insurance	XXXX	XXXX
Accruals	XXXX	XXXX
Deferred income	XXXX	XXXX
PROVISIONS FOR LIABILITIES		
Retirement benefit and similar obligations	XXXX	XXXX
Taxation, including deferred taxation	XXXX	XXXX
Other provisions for liabilities	XXXX	XXXX
CAPITAL AND RESERVES		
Called up share capital presented as equity (6)	XXXX	XXXX
Share premium account	XXXX	XXXX
Revaluation reserve	XXXX	XXXX
Other reserves:	XXXX	XXXX
Other un-denominated capital	XXXX	XXXX
Reserve for own shares held	XXXX	XXXX
Reserves provided for by the constitution	XXXX	XXXX
Other reserves including the fair value reserve (specified as necessary)	XXXX	XXXX
Profit or loss brought forward (8)	XXXX	XXXX
Profit or loss for the financial year (8)	XXXX	XXXX

We the directors of ABC Ltd state that;

- (a) These financial statements have been prepared in accordance with the small companies regime.
- (b) *the company is availing itself of the exemption provided for by Chapter 15 of Part 6 of the Companies Act 2014*
- (c) *the company is availing itself of the exemption on the grounds that the conditions specified in section 358 are satisfied*
- (d) *the shareholders of the company have not served a notice on the company under section 334(1) in accordance with section 334(2) of the Companies Act 2014*
- (e) *We acknowledge the company's obligations under the Companies Act 2014, to keep adequate accounting records and prepare Financial Statements which give a true and fair view of the assets, liabilities and financial position of the company at the end of its financial year and of its profit or loss for such a year and to otherwise comply with the provisions of the Companies Act 2014 relating to Financial Statements so far as they are applicable to the company*
- (f) *The company has relied on the specified exemption contained in section 352; We have done so on the ground that the company is entitled to the benefit of that exemption as a small company and the abridged Financial Statements have been properly prepared in accordance with section 353.*

On behalf of the board

Typed Name of Signatory
Director
Date

Typed Name of Signatory
Director
Date

EXPLANATORY NOTES ON THE CONTENTS OF THE BALANCE SHEET

(These notes are to assist you with the Balance Sheet and should not be included as part of the Financial Statements)

(1) Concessions, patents, licences, trademarks and similar rights and assets

Amounts in respect of assets shall only be included in a company's balance sheet under this item if either—

- (a) the assets were acquired for valuable consideration and are not required to be shown under goodwill, or
- (b) the assets in question were created by the company itself.

(2) Goodwill: Amounts representing goodwill shall only be included to the extent that the goodwill was acquired for valuable consideration.

(3) Debtors: The amount falling due after more than one year shall be shown separately for each item included under debtors.

(4) Debenture loans: The amount of any convertible loans shall be shown separately

(5) Payments received on account: Payments received on account of orders shall be shown for each of these items in so far as they are not shown as deductions from stocks.

(6) Called up share capital: In accordance with the accounting principle in paragraph 17, called up share capital must be analysed between shares that are presented as liabilities and share capital.

(7) Creditors: Amounts falling due within one year and after one year shall be shown separately for each of these items and their aggregate shall be shown separately for all of these items.

(8) Profit and loss account: These items may be combined where the appropriation of profit required by paragraph 48 is given at the foot of the profit and loss account or in a note to the financial statements.

Notes on Unaudited Abridged Companies Act Entity Financial Statements

(The following information must be disclosed in the Notes to the Financial Statements for the company, this information must be adapted to the company information, more information on the notes required are in Appendix 5)

- The remuneration of any director during the financial year both for the current and preceding financial year for small companies. Micro companies are exempt.
- Information in relation to directors' benefits - loans, quasi-loans, credit transactions and guarantees for the current and preceding financial year. (If the aggregate is below €7,500, this information is not required to be disclosed). Any other arrangements and transactions in which the directors and/or other officers of the company have a material interest.
- The company must disclose average number of persons employed by the company in the financial year and the average number of persons employed within each category of person employed by the company in that year. The company shall also provide information on the
 1. wages and salaries paid or payable in respect of that year to those persons;
 2. social insurance costs incurred on their behalf by the company;
 3. other retirement benefit cost incurred , and,
 4. other compensation costs (to be specified by type) incurred by the company in respect of those persons in the financial year.
- Details of authorised share capital, allotted/issued share capital and movements in respect of these shares.
- Information in relation to the aggregate amount of financial assistance provided by the company in relation to the purchase of its own shares.
- A company shall disclose in the entity Financial Statements and group Financial Statements the accounting policies adopted by it in determining the items and amounts to be included in its balance sheet or as the case maybe its consolidated balance sheet and profit and loss account or consolidated profit and loss account.
- If the company has derivatives financial interments that it have not accounted for at fair value, there shall be stated for each class, the fair value of the derivatives in that class and the extent and nature of the derivative
- Where -
 - a company has financial assets which could be included at fair value by virtue of paragraph 38;
 - those assets are included in the company's Financial Statements at an amount in excess of their fair value; and
 - the company has not made provision for the diminution in value of those assets in accordance with paragraph 23(1), there shall be stated –
 - the amount at which either the individual assets or appropriate groupings of those assets is stated in the company's Financial Statements;
 - the fair value of those assets or groupings; and
 - the reasons for not making a provision for diminution in value of those assets, including the nature of the evidence that provides the basis for the belief that the amount at which they are stated in the Financial Statements will be recovered.
- Where sums originally denominated in foreign currencies have been brought into account under any items shown in the balance sheet or profit and loss account, the basis on which those sums have been translated into euro or, if different, the functional currency of the company, shall be stated.

**APPENDIX 2 - MICRO COMPANY - AUDIT EXEMPT
SAMPLE ABRIDGED COMPANIES ACT ENTITY FINANCIAL
STATEMENTS**

(Non-Group Situation)

[Insert Company Name]
[Insert Company Number]
Unaudited Financial Statements
[Insert financial year end date]

Contents	Page
Names of Directors and other information	[]
Balance Sheet	[]
Notes to the Financial Statements	[]

Names of Directors and Other Information

Company Registration No:
Place of Registration:
Legal form of Company:
Registered Office:
Directors:
Secretary:
Auditor:
Bankers:
Solicitors:

Format 1

ABC Ltd
BALANCE SHEET as at [INSERT YEAR END DATE]

	Current Year 20__	Previous Year 20__
Called up share capital not paid	xxxx	xxxx
Fixed Assets	xxxx	xxxx
Current Assets	xxxx	xxxx
Prepayments and accrued income	xxxx	xxxx
Creditors: amounts falling due within one year	xxxx	xxxx
Net current assets (liabilities)	xxxx	xxxx
Total Assets less current liabilities	xxxx	xxxx
Creditors: amounts falling due after more than one year	xxxx	xxxx
Provisions for liabilities	xxxx	xxxx
Accruals and deferred income	xxxx	xxxx
Capital and reserves	xxxx	xxxx

Format 2

ABC Ltd

	Current Year 20__	Previous Year 20__
ASSETS		
Called up share capital not paid	xxxx	xxxx
Fixed Assets	xxxx	xxxx
Current Assets	xxxx	xxxx
Prepayments and accrued income	xxxx	xxxx
 CAPITAL, RESERVES AND LIABILITIES		
Capital and reserves	xxxx	xxxx
Provisions for liabilities	xxxx	xxxx
Creditors (1)	xxxx	xxxx
Accruals and deferred income	xxxx	xxxx

(A micro company is not obliged to prepare a Directors Report under section 325 Companies Act 2014 as amended by section 41 of the Companies (Accounting) Act 2017, as long as the information required under section 328 is included as a note or a footnote to the balance sheet).

We the directors of ABC Ltd state that;

- (a) These financial statements have been prepared in accordance with the micro companies regime.*
- (b) the company is availing itself of the exemption provided for by Chapter 15 of Part 6 of the Companies Act 2014"*
- (c) the company is availing itself of the exemption on the grounds that the conditions specified in section 358 are satisfied*
- (d) the shareholders of the company have not served a notice on the company under section 334(1) in accordance with section 334(2) of the Companies Act 2014*
- (e) We acknowledge the company's obligations under the Companies Act 2014, to keep adequate accounting records and prepare Financial Statements which give a true and fair view of the assets, liabilities and financial position of the company at the end of its financial year and of its profit or loss for such a year and to otherwise comply with the provisions of the Companies Act 2014 relating to Financial Statements so far as they are applicable to the company*
- (f) The company has relied on the specified exemption contained in section 352 as a micro company; We have done so on the ground that the company is entitled to the benefit of that exemption as a small company and the abridged Financial Statements have been properly prepared in accordance with section 353.*

On behalf of the board

Typed Name of Signatory
Director
Date

Typed Name of Signatory
Director
Date

EXPLANATORY NOTES ON THE CONTENTS OF THE BALANCE SHEET

(These notes are to assist you with the Balance Sheet and should not be included as part of the Financial Statements)

(1) Creditors: Amounts falling due within one year and after one year shall be shown separately

Notes to the Financial Statements

Micro Companies follow Schedule 3B of the Companies Act 2014 as inserted by Companies (Accounting) Act 2017 with relation to Accounting Principles, Form and Content of financial statements.

Under s.291 CA 2014 as amended, a company shall ensure that its CA entity financial statements include a statement as to whether they have been prepared in accordance with applicable accounting standards and identify the standards in question and that any material departure from those standards, the effect of the departure and the reasons for it are noted in the CA entity financial statements.

Micro Companies

- are exempted from the requirements of section 305 - disclosure of directors remuneration.
- are exempted from the requirements of section 305a - payments to third parties for services of directors.
- are exempted from the requirements of section 309 - other arrangements and transactions in which the directors have material interest.
- are exempted from the requirements of section 314 - information on related undertakings
- are exempted from the requirements of section 317 - disclosures of particulars of staff
- are exempted from the requirements of section 318 - details of authorised share capital, allotted share capital and movements
- are exempted from the requirements of section 319 - financial assistance for purchase of own shares
- **are not exempted from section 320** - holding of own shares or shares in holding undertaking

- **are not exempted from section 321** - disclosure of accounting policies - a company shall disclose in the notes to the financial statements the accounting policies adopted by the company in determining - the items and amounts to be included in its balance sheet and the items and amounts to be included in its profit and loss account. Where a company changes an accounting policy the reason for the change shall also be disclosed and to the extent practicable the impact of the change in accounting policy on the financial statements for the current and preceding financial years.
- are exempted from section 322(2) - disclosure of remuneration for audit, audit-related work and non-audit work.
- are exempted from section 323 - information on arrangements not included in balance sheet
- is not obliged to prepare a Directors Report under section 325 Companies Act 2014 as amended by section 41 of the Companies (Accounting) Act 2017, as long as the information required under section 328 is included as a note or a footnote to the balance sheet

APPENDIX 3 – DIRECTORS' REPORT

Approval and Signing of Directors' Report

(1) The Directors' Report shall be approved by the board of directors making the report and signed on their behalf by two directors, where there are two or more directors. Where the company has a sole director, that director must approve and sign the report or reports (S.332(1) CA 2014).

(2) Every copy of every director's Report which is laid before the members in general meeting or which is otherwise circulated, published or issued **shall** state the names of the persons who signed it on behalf of the board of directors in typed form along with the date of signing (S.332(3) CA 2014).

Exemptions:

Small companies must file a directors report unless exempted. However there is certain information that is not required by a qualifying small company to submit.

- Under section 325 (1A) Companies Act 2014 as amended by Section 41 Companies (Accounting) Act 2017, small companies are not required to include a business review.
- Under section 326 CA 2014 as amended, a small company is exempt from the requirements under subsection 3 - description of the use of financial instruments.
- Under s.327 where a company decides to include a business review they are still exempted from the requirements under subsection 3(b) - an analysis using non-financial key performance indicators.

S.355(6)(b) CA 2014 requires that the Directors' Report must be accompanied by a certificate signed by the Secretary of the company in written or electronic form stating that it is a true copy of the information laid before the members in general meeting. The Certification of the Financial Statements by the Secretary on the B1 Form will satisfy this requirement.

Micro Companies, under the terms of section 325 Companies Act 2014 as amended by Section 41 Companies (Accounting) Act 2017, are not required to prepare a directors report provided that the information required under section 328 CA 2014 is included as a note or a footnote to the balance sheet. (Section 328 - refers to acquisition or disposal of own shares).

Micro companies are exempt from the requirements of section 326(3) CA2014 (financial instruments) and section 327(1) CA 2014 (business review).

Companies Limited by Guarantee and not having a share capital have an exemption from having to provide information on the

- (i) the acquisition and disposal of the company's own shares; and,
- (ii) director's interests in the company's own shares and debentures (See Part 18, Ch.5, s.1216).

Public Unlimited Companies without a share capital also have an exemption from providing the information required by s.325(1)(c) on the acquisition and disposal of the company's own shares and on the directors' interests in the company's own shares and debentures as required by s.329 under the terms of Part 19, Chapter 5, s.1271.

OTHER THAN IN THE CASE OF THE ABOVE EXEMPTIONS, THE DIRECTORS OF A COMPANY SHALL FOR EACH FINANCIAL YEAR, UNDER THE TERMS OF SECTION 325, PREPARE A "DIRECTOR'S REPORT" DEALING WITH THE MATTERS UNDER THE FOLLOWING HEADINGS:

1. General matters in relation to the company and the directors (s.326);
2. A Business Review (s.327);
3. Information on the acquisition or disposal of the company's own shares (s.328);
4. Director's Report: Information on interests in shares or debentures (s.329);
5. A statement on any relevant audit information (s. 330).

1. Director's Report: General Matters in relation to the company and the director's (s.326):

- (1) The directors' report for a financial year shall state—
- (a) the names of the persons who, at any time during the financial year, were directors of the company,
 - (b) the principal activities of the company during the course of the year,
 - (c) a statement of the measures taken by the directors to secure compliance with the

requirements of sections 281 to 285, with regard to the keeping of accounting records and the exact location of those records,

(d) the amount of any interim dividends paid by the directors during the year and the amount, if any, that the directors recommend should be paid by way of final dividend.

(2) Where relevant in a particular financial year, the directors' report shall state—

(a) particulars of any important events affecting the company which have occurred since the end of that year,

(b) an indication of the activities, if any, of the company in the field of research and development,

(c) an indication of the existence of branches (within the meaning of Council Directive 89/666/EEC) of the company outside the State and the country in which each such branch is located,

(d) political donations made during the year that are required to be disclosed by the Electoral Act, 1997.

(3) Where material for an assessment of the company's financial position and profit or loss, the directors' report shall describe the use of financial instruments by the company and discuss, in particular—

(a) the financial risk management objectives and policies of the company, including the policy for hedging each major type of forecasted transaction for which hedge accounting is used, and

(b) the exposure of the company to price risk, credit risk, liquidity risk and cash flow risk.

(A small or micro company is exempt from providing information under subsection(3)).

2. Director's Report: Business Review (s.327):

(1) The directors' report for a financial year shall contain—

(a) a fair review of the business of the company, and

(b) a description of the principal risks and uncertainties facing the company.

(A small or micro company is exempt from the provisions of subsection (1))

(2) The review shall be a balanced and comprehensive analysis of—

(a) the development and performance of the business of the company during the financial year, and

(b) the assets and liabilities and financial position of the company at the end of the financial year, consistent with the size and complexity of the business.

(3) The review shall, to the extent necessary for an understanding of such development, performance or financial position or assets and liabilities, include—

(a) an analysis of financial key performance indicators, and

(b) where appropriate, an analysis using non-financial key performance indicators, including information relating to environmental and employee matters.

(Where a small or micro company provides information required under subsection(1) it is exempt from the requirements of subsection (3)(b)).

(4) The directors' report shall, where appropriate, include additional explanations of amounts included in the statutory Financial Statements of the company.

(5) The review shall include an indication of likely future developments in the business of the company.

(6) In this section, "key performance indicators" means factors by reference to which the development, performance and financial position of the business of the company can be measured effectively.

3. Director's Report: Information on the acquisition and disposal of own shares (s.328):

Where, at any time during a financial year of a company, shares in the company—

(a) are held or acquired by the company, including by forfeiture or surrender in lieu of forfeiture, or

(b) are held or acquired by any subsidiary undertaking of the company, the directors' report with respect to that financial year of the company shall state—

(i) the number and nominal value of any shares of the company held by the company or any subsidiary undertaking at the beginning and end of the financial year together with the consideration paid for such shares

(ii) a reconciliation of the number and nominal value of such shares from the beginning

of the financial year to the end of the financial year showing all changes during the year including further acquisitions, disposals and cancellations, in each case showing the value of the consideration paid or received, if any, and

- (iii) the reasons for any acquisitions made during the financial year and
- (iv) the proportion of called-up share capital held at the beginning and end of the financial year.

4. Director's Report: Information on interests in shares or debentures (s.329):

(1) The directors' report in respect of a financial year shall, as respects each person who, at the end of that year, was a director of the company—

- (a) state whether or not he or she was, at the end of that financial year, interested in shares in, or debentures of, the company or any group undertaking of that company,
- (b) state, if he or she was so interested at the end of that year, the number and amount of shares in, and debentures of, the company and each other undertaking (specifying it) in which he or she was then interested,
- (c) state whether or not he or she was, at the beginning of the financial year (or, if he or she was not then a director, when he or she became a director), interested in shares in, or debentures of, the company or any other group undertaking, and
- (d) state, if he or she was so interested at either of the immediately preceding dates, the number and amount of shares in, and debentures of, the company and each other undertaking (specifying it) in which he or she was so interested at the beginning of the financial year or, as the case may be, when he or she became a director.

(2) The reference in subsection (1) to the time when a person became a director shall, in case of a person who became a director on more than one occasion, be read as a reference to the time when he or she first became a director.

(3) The information required by subsection (1) to be given in respect of the directors of the company shall also be given in respect of the person who was the secretary of the company at the end of the financial year concerned.

(4) For the purposes of this section, references to interests of a director and secretary in shares or debentures are references to all interests required to be recorded in the register of interests under section 267 and includes interests of shadow directors and de facto directors required to be so registered.

5. Director's Report: Statement on relevant audit information (s.330):

(1) The directors' report in relation to a company shall contain a statement to the effect that, in the case of each of the persons who are directors at the time the report is approved in accordance with section 332—

- (a) so far as the director is aware, there is no relevant audit information of which the company's statutory auditors are unaware, and
- (b) the director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

(2) In this section "relevant audit information" means information needed by the company's statutory auditors in connection with preparing their report.

(3) A director is regarded as having taken all the steps that he or she ought to have taken as a director in order to do the things mentioned in subsection (1)(b) if he or she has—

- (a) made such enquiries of his or her fellow directors (if any) and of the company's statutory auditors for that purpose, and
- (b) taken such other steps (if any) for that purpose, as are required by his or her duty as a director of the company to exercise reasonable care, skill and diligence.

(4) Nothing in section 330 shall be read as reducing in any way the statutory and professional obligations of the statutory auditors in relation to forming their opinion on the matters specified in section 336.

(5) Where a directors' report containing the statement required by this section is approved in accordance with section 332 but the statement is false, every director of the company who—
(a) knew that the statement was false, or was reckless as to whether it was false, and
(b) failed to take reasonable steps to prevent the report from being so approved, shall be guilty of a category 2 offence.

(6) Under the terms of s.167(3) CA 2014, Directors of a relevant private company (or a holding company and all its subsidiaries together) which has turnover exceeding €50m and a balance sheet total exceeding €25m, must state in their Directors' Report under s.325 CA 2014, (a) whether the company has established an audit committee or decided not to do so and (b) if the company has decided not to establish an audit committee, the reasons for that decision.

6. Director's Report: Copy to be included of any Notice issued under certain banking legislation (s.331):

The Directors' Report shall contain a copy of any Disclosure Notice issued in respect of the company under section 33AK (inserted by the Central Bank and Financial Services Authority of Ireland Act 2003 and amended by the Central Bank Reform Act 2010) of the Central Bank Act 1942 during the financial year to which the report relates.

This requirement is in addition to other requirements of the Act that apply in certain cases and which require the inclusion of matters in a Directors' Report namely;

- Statement in accordance with section 167(3) as to the establishment or otherwise of an audit committee in the case of a relevant private limited company, and
- A director's compliance statement in the case of a company to which section 225(2) relates.

GROUP DIRECTOR'S REPORT:

Where a holding company prepares group Financial Statements the company shall also prepare a Director's Report that is a consolidated report (Group Director's Report) dealing with the company and its subsidiary undertakings included in the consolidation taken as a whole (s.325(3), CA2014).

In relation to a Group Directors' Report, section 326, subsections (1)(b) and (c), (2), (3) and 3(a) of CA2014 shall have effect as if the reference to the company were a reference to the company and its subsidiary undertakings included in the consolidation.

In relation to a Group Directors' Report, s.327, CA 2014, has effect as if the references to the company were references to the company and its subsidiary undertakings included in the consolidation.

Where group Financial Statements are published with entity Financial Statements it is sufficient to prepare the Group Director's Report referred to above in s.325(3), CA 2014, provided that any information relating to the holding company only, being information which would otherwise be required to be provided by s.325(1) or s.167(3) or 225(2), CA2014, is provided in the Group Directors Report. Where appropriate a Group Director's Report may give greater emphasis to matters that are significant to the holding company and its subsidiary undertakings included in the consolidation taken as a whole.

If a director fails to fulfil his or her obligation under s.325(1), (3) or (4), CA2014, he or she shall be guilty of a category 3 offence. This includes persons who are shadow directors or de facto directors.

APPENDIX 4 - COMPLIANCE STATEMENT TO BE INCLUDED IN THE DIRECTORS REPORT - SECTION 225(2) COMPANIES ACT 2014

The directors of a company who meet the conditions set out below in respect of the financial year to which the directors report refers, must include in the Directors Report a compliance statement.

The requirements to be met are as follows:

- (a) Its balance sheet total for year exceeds
 - (i) subject to subparagraph (ii), €12,500,000;
 - (ii) if a higher or lower amount is prescribed for the purposes of the definition of “relevant company” in section 167(1) or for the purposes of section 225(7), under section 943(1)(i) by the Minister - the prescribed amount; and
- (b) the amount of turnover for the year exceeds-
 - (i) subject to sub-paragraph (ii), €25,000,000;
 - (ii) if a higher or lower amount is prescribed for the purposes of the definition of “relevant company” in section 167(1) or for the purposes of section 225(7), under section 943(1)(i) by the Minister - the prescribed amount;

Section 225 does not apply to a company that is of a class exempted under the terms of section 943(1)(g) as follows:

- (i) qualifying companies within the meaning of section 110 of the Taxes Consolidation Act 1997 (as inserted by section 48 of the Finance Act 2003); and,
- (ii) classes of other companies and other undertakings, if the extent to which or the manner in which they are or may be regulated under any enactment makes it, in the Minister’s opinion, unnecessary or inappropriate to apply those provisions or that provision to them;

The directors’ compliance statement shall contain the following

- i. An acknowledgement that they are responsible for securing the company’s compliance with its relevant obligations; and
 - ii. A confirmation that the following matters have been done and if they have not been done specifying the reasons why they have not been done.
- (a) the drawing up of a statement (to be known, and in this Act referred to as, a “compliance policy statement”) setting out the company’s policies (that, in the directors’ opinion, are appropriate to the company) respecting compliance by the company with its relevant obligations;
 - (b) the putting in place of appropriate arrangements or structures that are, in the directors’ opinion, designed to secure material compliance with the company’s relevant obligations; and
 - (c) the conducting of a review, during the financial year to which the directors’ report referred relates, of any arrangements or structures referred to in paragraph (b) that have been put in place.

The arrangements and structures referred to in (b) above may, if the directors of the company in their discretion so decide, include reliance on the advice of one or more persons employed by the company or retained by it under a contract for services, being a person who appears to the directors to have the requisite knowledge and experience to advise the company on compliance with its relevant obligations.

The arrangements or structures referred to in (b) above shall be regarded as being designed to secure material compliance by the company with its relevant obligations if they provide a reasonable assurance of compliance in all material respects with those obligations.

Each director who fails to comply with this section of the Act shall be guilty of a category 3 offence. The requirement for the Compliance Statement applies to all Public Limited Companies but does not apply to Unlimited Companies.

APPENDIX 5 – INFORMATION TO BE DISCLOSED IN NOTES TO FINANCIAL STATEMENTS AND EXEMPTIONS ALLOWED TO COMPANIES FILING ABRIDGED FINANCIAL STATEMENTS:

Small Company Abridged Notes Requirements

- **Companies Act Entity Financial Statements** - must disclose the notes required by Chapter 6 Part 6 CA 2014 as amended. Small companies are exempt from sections 314/317 (part)/318/319/322/323 (part) and s.325(1)(b) of CA 2014 (1-12 & 15 below) (See Appendix 2 for a sample of the abridged notes for a small company filing Companies Act abridged Financial Statements)
- **IFRS Financial Statements** – must disclose the notes required by s. Chapter 6 Part 6 CA 2014 as amended. Small companies are exempt from sections 314/317 (part)/318/319/322/323 (part) and s.325(1)(b) of CA 2014.
- Section 353 CA 2014 as amended by s.52 Companies (Accounting) Act 2017 requires the inclusion of any other notes, including the notes relating to profit and loss account items applicable to the small or micro company concerned and in particular the information required by paragraph 53 of Schedule 3A.
- Section 353 CA 2014 (amended) also requires the information needed from paragraph 48 of Schedule 3A even where the company has elected to include it in the profit and loss account.

Micro Company Abridged Notes Requirements

- **Entity Financial Statements** – Micro companies are exempt from the provisions of section 305, 309(1), 314, 317, 318, 319, 322 and 323.
- Section 353 CA 2014 as amended by s.52 Companies (Accounting) Act 2017 requires the inclusion of any other notes, including the notes relating to profit and loss account items applicable to the micro company concerned.
- Section 353 CA 2014 (amended) also requires the information needed from paragraph 33 of Schedule 3B even where the company has elected to include it in the profit and loss account.

The following are a list of the notes required in the Financial Statements, it should be noted that if a company is filing abridged Financial Statements they are not required to include all the notes;

NOTES TO THE FINANCIAL STATEMENTS:

A company is required to disclose certain specific information as follows:

1. Director's Remuneration and Transactions:

The remuneration of person(s) who, at any time during the financial year, were directors both for the current and preceding financial year. It shall be the duty of the statutory auditors where this requirement is not complied with to include in the report on those statements a statement giving the required details where the directors do not comply with these requirements. (See S.305 (1) to (14), 305a and s.306 (1) to (6), CA2014, for details of, and any exemptions from, what has to be shown in the notes).

2. Director's benefits:

The entity Financial Statements of a company and the group Financial Statements of a holding company are required to disclose, both for the current and the preceding financial years, information in relation to director's benefits - loans, quasi-loans, credit transactions and guarantees. The requirements of Section 307(1) to (8) to an individual director and persons connected with him or her need not be disclosed if the aggregate value of all agreements transactions and arrangements did not, at any time during the financial, exceed €7,500 for that director and those persons. (See S.307 (1) to (10) & S.308 (1) to (8), CA2014, for details of, and any exemptions from, what has to be shown in the notes).

3. Other arrangements and transactions in which the directors and other officers have a material interest:

Any other arrangements and transactions in which the directors and/or other officers of the company have a material interest (See S.309 (1) to (8), CA2014, for details of, and any exemptions from, what has to be shown in the notes).

4. Credit Institutions: exceptions to disclosure by a holding company under S.307 to S309 in the case of connected persons and certain officers

The holding company of a Credit Institution is exempt from providing in the case of connected persons and certain officers specified information in regard to the requirements at 2 and 3 above. (See S.310 (1) to (5), CA2014, for details of the exceptions allowed to a credit institution).

5. Credit Institutions: disclosure of aggregate amounts in respect of connected persons by a holding company

The Group Financial Statements of a holding company of a credit institution must disclose the aggregated amounts in relation to transactions, arrangements or agreements made by the credit institution with connected persons. (See S.311 (1) to (8), CA2014, for details and any exemptions from, what has to be shown in the notes).

6. Related undertakings:

Where at the end of a company's financial year that company has a subsidiary undertaking or an undertaking of substantial interest (i.e. an undertaking that is not a subsidiary undertaking but in which the company holds a 20% or more interest in any class of equity shares) the company is required to disclose specified information on these related undertakings. (See S.314 (1) to (6) and S.315, CA2014 as amended, for details of, and exemptions from, what is required to be shown in the notes).

7. Related undertakings: Circumstances in which certain information may be annexed to the annual return

In circumstances where the directors form an opinion that compliance with the disclosure requirement in S.314 would result in a note of excessive length, information need only be given in the notes on undertakings whose assets, liabilities, financial position or profit or loss, which in the opinion of the directors, principally affected the amounts shown in the company's statutory Financial Statements or are exclude from consolidation under S.303(3) 2014 Act but the company shall annex to the statutory Financial Statements of the relevant annual return a separate document giving the full information required of the company. (See S.316(1) to (4) and S.348(4), CA2014 as amended, for details of what has to be shown in the notes and the separately annex document).

8. Particulars of staff:

In relation to staff the 2014 Act require that the company provide a note on the average number of persons employed by the company in the financial year and the average number of persons employed within each category of person employed by the company in that year. The company shall also provide information on:

- The wages and salaries paid or payable in respect of that year to those persons;
- Social insurance costs incurred on their behalf by the company;
- Other retirement benefit cost incurred, and,
- Other compensation costs (to be specified by type) incurred by the company in respect of those persons in the financial year.

(See S.317 (1) to (8), CA2014 as amended, for details of, and exemptions from, what should be shown in the notes).

9. Details of authorised share capital, allotted/issued share capital and of movements:

Details of authorised share capital, allotted/issued share capital and movements in respect of these shares. (See S.318 (1) to (9), CA2014, as amended, for details of, and exemptions from, what should be shown in the notes).

10. Financial assistance provided for the purchase of the company's own shares:

Information in relation to the aggregate amount of financial assistance provided by the company in relation to the purchase of its own shares – to be provided in entity and group Financial Statements. (See S.319(1) to (4), CA2014 as amended, for details of, and exemptions from, what should be shown in the notes).

11. The holding of own shares or shares in a holding undertaking:

The notes to the company's entity Financial Statements and, as the case may be, the group Financial Statements of the company or its holding company shall set out separately details in respect of the holding of own shares or shares in its holding company. (S.320 (1) to (4), CA2014 as amended gives

details of what should be shown in notes).

12. Accounting policies:

A company shall disclose in the entity Financial Statements and group Financial Statements the accounting policies adopted by it in determining the items and amounts to be included in its balance sheet or as the case maybe its consolidated balance sheet and profit and loss account or consolidated profit and loss account. (See S. 321(1) & (2), CA2014 as amended, for details of what should be shown in the notes).

13. Remuneration for audit work, audit related work and non-audit work:

In the case of entity and group Financial Statements a company shall disclose the remuneration (i.e. including benefits in kind, reimbursement of expenses and other payments in cash) for audit work, audited related work and non-audit work by the company. A small or micro sized company or a company which is a subsidiary undertaking whose holding company is required and does prepare group financial statement in which it is included and the information is disclosed in the notes to the group financial statement ,stands exempt from having to disclose this information. (See S.322 (1) to (9), CA2014 as amended, for details of, and exemptions from, what is shown in the notes).

14. Arrangements not included in balance sheet:

Where the risks and benefits arising from such arrangements are material and in so far as the disclosure of such risks and benefits are necessary for assessing the financial position of the company, the nature and business purpose of any arrangements of a company that are not included in its balance sheet and the financial impact on the company of those arrangements shall be disclosed in the notes to entity Financial Statements and group Financial Statements. However, the notes to the entity Financial Statements of the holding company shall not be required to provide information that is provided in the notes to its group financial statement. (See S.323 (1), (1a) & (2), CA2014 as amended, for details of what is should be shown in the notes).

15. Disclosures required by Part IV of Schedule 3, 3a (Small), 3b (micro) & Schedule 4 of the 2014 Act:

Part IV of Schedule 3, 3a, and 3b of CA2014 requires that certain information required by the provisions of Part IV which is not given in the company's Financial Statements shall be given by way of a note to those Financial Statements, including appropriation of profit and loss account, details of indebtedness, guarantees and other financial commitments.

16. Notes to Group Financial Statements

Part IV of Schedule 4, paragraphs 25 to 31 sets out the information, additional to that required by Schedules 3, 3a or 3b, which is required to be included in the notes to group Financial Statements. The information concerned relates to use of currencies, creditors, and the nature of the joint management arrangement of any joint ventures included in the consolidation, acquisitions, and related part transactions.

APPENDIX 6: COMMON ERRORS - FILING ANNUAL RETURNS

The following is a breakdown of the most common reasons for annual returns to be sent back to the presenter for correction with a Section 898 Notice (see section 1.9 of this leaflet) and possible solutions:

Error	Possible solution
The annual return is late and a late filing fee is due.	Allow enough time to file the annual return before the deadline. The annual return must be completely filed within 56 days of the Annual Return Date. Payment must be made by account or credit card. If you are late, the fee can be calculated using the “Late Filing Fee Calculator” at “On line services” on the CRO website – www.cro.ie . See also section 1.7.1 and 1.7.3 of this leaflet regarding how to obtain extra time to file an annual return.
The company is not entitled to claim an audit exemption because the current annual return is late OR the previous return was late.	If an annual return is late, the audit exemption is lost for two years – (the following two years)
The annual return is made up to a date earlier than the company’s existing ARD and neither of the boxes is ticked.	Where you make up your B1 to a date earlier than your ARD date, you must indicate whether you wish to RETAIN your existing ARD date or to CHANGE it to the earlier date. Always ensure that one of the two boxes is ticked when you make up your B1 up to a date that is earlier than the ARD.
The “made up to date” is greater than the ARD.	The B1 form cannot be made up to a date which is later than the stated ARD for the company. The ARD cannot be more than nine months after the financial year-end date.
The Financial Statements predate the “made up to date” by more than nine months.	There cannot be more than nine months between the financial year-end date and the “made up to date” on the B1.
Please note that as an annual return submission is now made electronically, the annual return will not be physically sent back to the presenter. Instead an email issues informing the presenter that the document is sent back and the presenter must then resubmit their B1, re-upload their financial statements and then print and sign a new signature page and upload to CORE. As a result, please use an email address that is monitored to ensure that you are alerted when a return may be sent back.	
A B1 Form is filed with no Financial Statements.	A company need not file Financial Statements with its first (6 month) annual return but must do so with all subsequent annual returns unless accompanied by a B73 form to extend its ARD.
Financial Statements do not contain the typed names of signatories.	Since handwritten signatures are no longer required on Financial Statements, the typed names of the signatories and the date of signing are now mandatory.
Director/ Secretary listed on ‘signature page’ is not listed on CRO records as acting as same.	A Form B10 needs to be filed with the CRO to register the change of Director or Secretary. B10s must be filed electronically and are free of charge.
The company has claimed an abridgement or audit exemption but the balance sheet does not contain the statements /clauses required.	The statements to be included in the Balance Sheet when claiming an exemption are set out in Section 3.5 of this Leaflet.
No fee submitted/incorrect fee.	The fee for each CRO Form can be found on www.cro.ie . CRO provides a number of e-payment options – an e-B1 can be paid for on-line by credit/debit card or by Customer Account which can be opened on-line in www.core.ie and deposits made by credit/debit card.
Remember, that if you have chosen to pay by credit card, payment will be taken immediately and is NON REFUNDABLE (as CRO cannot store card details). If you would prefer to pay by customer account, payment will not be deducted until signatures have been submitted.	

APPENDIX 7: CATEGORY OFFENCES AND SANCTIONS

The 2014 Companies Act provides for a four-fold categorisation of offences into Categories 1 to 4.

Throughout the Act, offences are, as created, categorised as attracting a particular category of penalty. In Chapter 7 of Part 14, those penalties are set out:

- **Category 1 offence** – conviction on indictment can result in a term of imprisonment of up to 10 years or a fine of up to €500,000 or both;
- **Category 1 offence** - summary conviction can result in a class A fine or imprisonment for a term not exceeding 12 months or both;
- **Category 2 offence** – conviction on indictment can result in a term of imprisonment of up to five years or a fine of up to €50,000 or both;
- **Category 2 offence** - summary conviction can result in a class A fine or imprisonment for a term not exceeding 12 months or both;
- **Category 3 offence** – a summary offence only, attracting a term of imprisonment of up to six months and a “Class A fine” (or both); and
- **Category 4 offence** – also a summary offence only, punishable by the imposition of a Class A fine.

A “Class A fine” is a fine within the meaning of the Fines Act 2010 (i.e. a fine not exceeding €5,000).

APPENDIX 8 – COMPANIES NOT ENTITLED TO AVAIL OF AUDIT EXEMPTION/ABRIDGEMENT EXEMPTION

Fifth Schedule to Companies Act 2014

List of companies for certain purposes of the Companies Act 2014 (including, in particular, sections 143, 280A, 280B, 280C, 280D, 362 and 511).

1. A company that is an **authorised investment firm** within the meaning of the European Communities (Markets in Financial Instruments) Regulations 2007 (S.I. No. 60 of 2007).
2. A company that is an **authorised market operator**.
3. A company that is an **associated undertaking or a related undertaking, of an authorised investment firm or an authorised market operator**, within the meaning of the European Communities (Markets in Financial Instruments) Regulations 2007 (S.I. No. 60 of 2007).
4. A company to which **Chapter VII, VIII or IX of Part II of the Central Bank Act 1989 applies**.
5. A company that is engaged in the **business of accepting deposits or other repayable funds or granting credit for its own account**.
6. A company that is an **associated body of a building society** within the meaning of Building Societies Act 1989.
7. A company that is an **associated enterprise of a credit institution** within the meaning of the European Communities (Credit Institutions)(Consolidated Supervision) Regulations 2009 (S.I. No. 475 of 2009).
8. An **investment company** within the meaning of *Part 24*.
9. A company that is a **management company, trustee or custodian** within the meaning of *Part 24* or of Part 2 of the Investment Funds, Companies and Miscellaneous Provisions Act 2005.
10. A company that is an **undertaking for collective investment in transferable securities** within the meaning of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No. 352 of 2011).
11. A company that is a **management company or trustee of an undertaking for collective investment in transferable securities** within the meaning of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No. 352 of 2011).
12. A company that is a **management company or trustee of a unit trust scheme** within the meaning of the Unit Trusts Act 1990.
13. A company that is a **general partner or custodian of an investment limited partnership** within the meaning of the Investment Limited Partnerships Act 1994.
14. A company that **has close links** (within the meaning of the European (Capital Requirements) Regulations 2014 (S.I. No. 158 of 2014)) **with an authorised investment firm** referred to in paragraph 1 or a company referred to in paragraph 5.
15. **Any other company** the carrying on of business by which is required, by virtue of any enactment or instrument thereunder, to be **authorised by the Central Bank**.
16. A company that is the holder of an authorisation within the meaning of—
 - (a) Regulation 2 of European Communities (**Non-Life Insurance**) Regs 1976 (S.I. No.115 of 1976);
 - (b) Regulation 2 of European Communities (**Non-Life Insurance**) Framework Regs 1994 (S.I. No. 359 of 1994);
 - (c) Regulation 2 of European Communities (**Life Assurance**) Regs 1984 (S.I. No. 57 of 1984); or
 - (d) Regulation 2 of European Communities (**Life Assurance**) Framework Regs 1994 (S.I. 360 of 1994).
17. A company that is an **insurance intermediary** within the meaning of the Insurance Act 1989.
18. A company that is an excepted body within the meaning of the **Trade Union Acts 1871 to 1990**.

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