



New Corporate Disclosure Requirements

29 NOVEMBER 2017

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AUDIT & BUSINESS ADVISORY PARTNER

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About RBK

- Established 1958, approaching 60 years in business.
- Modern offices strategically located in Dublin, Athlone & Roscommon
- 180 Staff including 19 Partners across 3 offices
- Our team who bring a wealth of experience from both
- RBK and “Big Four” backgrounds
- Ireland’s largest independently branded accountancy firm
- Ranked 12th in the National League by Revenue size
- Unique position in the market – a large indigenous firm with a local service and all the sophisticated skills and services
- International reach – sole Irish member of LEA Global
- <http://www.leadingedgealliance.com/>



New Corporate Disclosure Requirements

- **Companies (Accounting) Act 2017**
- **Register of Beneficial Ownership**

Companies (Accounting) Act 2017

- Signed into Law on 17 May 2017
- Transposes EU Accounting Directive 2013/34/EU
- Citation still the same - CA 2014
- Significant changes in relation to Financial Reporting
- Mandatory for accounting periods commencing on or after 1 January 2017
- Voluntary early adoption for certain aspects (FRS 105;FRS 102 Section 1A)

Companies (Accounting) Act 2017

Introduction of Micro Company Regime

Size Criteria (2 out of 3)	
Turnover	<=€700k
Total Assets	<= €350k
Employees	<=10

Exclusions:

- Companies Listed in the Fifth Schedule of the Companies Act (Regulated)
- Holding Companies that prepare Group Accounts
- A subsidiary included in Consolidated Accounts
- Investment Undertakings

Companies (Accounting) Act 2017

Features of Micro Companies

- **Can Apply FRS 105**
- **Simpler Balance Sheet and P&L Format**
- **No Fair Value accounting**
- **No Deferred Tax**
- **No Directors Report required**
- **Limited Note Disclosures**
- **No Directors Remuneration Disclosure**

Companies (Accounting) Act 2017

Changes to Company Size Thresholds

Size Criteria (2 out of 3)	Small Company	Medium	Small Group	Micro
Turnover	<= €12m (€8.8m)	<= €40m (€20m)	<=€12m (€20m)	<=€700k
Total Assets	<=€6m (€4.4m)	<=€20m (€10m)	<= €6m (€10m)	<= €350k
Employees	<=50	<=250 (250)	<=50 (250)	<= 10

Companies (Accounting) Act 2017

The Benefits!

- **More companies qualify as small or medium**
- **Small Companies can apply Section FRS102 Section 1A**

The Pay Back!

- **More Groups require Consolidation**
- **Small Companies must now include:**
 - All Balance Sheet notes
 - Employee Note
 - Appropriation of Profit
- **No Abridging for Medium Size Companies**
- **Broader Definition of Directors Remuneration to include payments to other entities**

Companies (Accounting) Act 2017

Designated Unlimited Companies

- **New definition of a “Designated Unlimited Companies” (DUC)**
- **Bad news for unlimited companies previously exempt from filing financial statements**
- **Applies for Financial Years Commencing on or after 1 January 2017**

Companies (Accounting) Act 2017

What is a DUC?

ULC which at any stage during Financial year was:

- a subsidiary of a limited undertaking
- controlled by two or more undertakings which were limited
- A holding company of a limited undertaking (2022 Deferral)
- All members are have limited companies
- All members are unlimited each of whose members is a Limited Company
- Unlimited Partnerships each of whose members is a limited company
- Limited partnerships where GP is a limited company

Coupled with catch all provisions and extension of jurisdictions

Beneficial Ownership Register

- **Fourth Money Laundering Directive (MLD4)**
- **Implemented 26 June 2017**

Beneficial Ownership Register

Who is Covered?

Relevant entities are:

- Companies
- Industrial and Provident Societies
- Friendly Societies

Who is Not Covered?

- Partnerships
- Clubs
- Listed Entities

Beneficial Ownership Register

What is a Beneficial Owner?

- A Natural Person
- Directly (or indirectly through other companies) holds >25% of the share capital of the company

OR

- Otherwise controls > 25%
- Where no natural person meets the test or if it is not obvious then the Beneficial Owner is the Senior Management

Beneficial Ownership Register

What is Required?

- **Effective 9th November 2016**
- **Maintain a Register of the Name; DOB; address % ownership etc. of beneficial owners**
- **Take all reasonable steps to hold adequate accurate and current information in relation to Beneficial owners**
- **Notify Beneficial Owners that they are considered to be such**
- **Obligations on Beneficial owners in certain instances also**
- **Will be required in the future to communicate details to the Central Register (CRO)**

Beneficial Ownership Register

Who will have access to the Register?

- **It is still unclear**
- **At a minimum:**
 - Competent Authorities e.g. Credit Institutions; auditors; estate agents; solicitors
 - Any person demonstrating a “legitimate Interest”

Conclusion

- **Significantly more information now publically available**
- **Consider who might be interested and the implications –
Competitors; Suppliers; Regulators; Media Employees**
- **Review your structures to ensure you are making the correct disclosures**



Thank you



We're by your side

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