

Companies (Accounting) Act 2017 Comparison Table

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Comparison of Existing Companies Act 2014 and
the New Legislation in Companies (Accounting) Act 2017

COMPARISON OF EXISTING COMPANIES ACT 2014 AND THE NEW LEGISLATION IN COMPANIES (ACCOUNTING) ACT 2017

The below table highlights the main differences that arise between the Companies (Accounting) Act 2017 and the existing Companies Act 2014

Columns that are highlighted in green are the existing Company Law requirements. The un-highlighted columns are the new requirements under the Act. Any company that does not come within the below thresholds and requirements is considered a large company under the new Section 280H and therefore cannot avail of any exemptions.

	Small Company	Small Company (Note 3)	Small Group	Small Group & Holding Co. (Note 3)	Small Group & Holding Co. (Note 3)	Medium Company	Medium Company	Medium Group	Medium Group & Holding Company (Note 3)	Medium Group & Holding Company (Note 3)	Micro Company	Micro Company (Note 4)
	S.350 (Existing Co Law)	S.280A (New Co Law)*	S.359 (Existing Co Law)	S.280B (New Co Law) - Net figures	S.280B (New Co Law) - Gross figures	S.350 (Existing Co Law)	S.280F (New Co Law)	(Not defined under existing Co Law)	S.280G (Proposed Co Law) Gross figures	S.280G (New Co Law) Net figures	(Not covered under existing Co Law - included within small Co definition)	S.280D (New Co Law)
Turnover	≤€8.8 million	≤€12 million	≤€8.8 million	≤€12 million	≤€14.4 million	≤€20 million	≤€40 million	Not applicable	≤€40 million	≤€48 million	Not applicable	≤€700,000
Balance Sheet Total	≤€4.4 million	≤€6 million	≤€4.4 million	≤€6 million	≤€7.2 million	≤€10 million	≤€20 million	Not applicable	≤€20 million	≤€24 million	Not applicable	≤€350,000
Average No. of Employees	≤50	≤50	≤50	≤50	≤50	≤250	≤250	Not applicable	≤250	≤250	Not applicable	≤10
ABRIDGED FINANCIAL STATEMENT APPLICABILITY WHERE THRESHOLDS AND REQUIREMENTS BY CATEGORY HAVE BEEN MET												
Are abridged financial statements permitted to be prepared?	Yes	Yes	Not applicable to each Co separately.	Yes if holding entity FS's prepared. No if Group accounts are prepared.		Yes	No	Not applicable	No	No	Not applicable	Yes

ACCOUNTING STANDARDS CONSIDERATION												
Is FRS 102 Section 1A option available? (Note where this can be availed of the entity does not have to apply it, it can apply FRS 102 in full.)	No	Yes	No	Yes	Yes	No	No	No	No	No	Not applicable	No unless the company opts into the small companies regime
Is FRS 105 option available?	No	Yes	No	Yes if requirement of micro companies regime met & consols not prepared		No	No	Not applicable	No	No	Not applicable	Yes
CONSOLIDATED FINANCIAL STATEMENTS												
Is it possible for medium Companies to claim consolidation exemption on the basis of size?	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	No	Yes	No	No	Not applicable	Not applicable
Can the size exemption for consolidation be claimed (can only be claimed if it can apply small companies regime) if the holding company (or any company within the group) is not eligible for the small companies regime.	Not applicable	Not applicable	Yes once 2 of 3 thresholds met/ o<=20m; BS total v<=10m; EE<=250	No		Not applicable	Not applicable	Yes once 2 of 3 thresholds met/ o<=20m; BS total v<=10m; EE<=250	No	No	Not applicable	Yes
CONSIDERATION OF WHICH SCHEDULE (SCH) IN COMPANY LAW TO UTILISE												
What is the applicable schedule where individual entity accounts prepared? (See respective appendix (appendix 1-3) for the differences between the existing schedule 3 and proposed updated schedules across?)	Existing Sch 3	New Sch 3A (but can utilise updated Schedule 3)	Existing Sch 3	For holding entity accounts - New Sch 3A (but can utilise updated Sch 3).		Existing Sch 3	Updated Sch 3	Not applicable	Updated Sch 3	Updated Sch 3	Not applicable	New Sch 3B (but can utilise updated Sch 3 or New Sch 3A).

What is the applicable schedule where Group accounts prepared? (See respective appendix (appendix 4-5) for the differences between the existing schedule 4 and proposed updated schedules across?)	Not applicable	Not applicable	Existing Sch 4	For Group accounts if prepared - Sch 4A (but can utilise updated Sch 4).	Existing Sch 4	Not applicable	Existing Sch 4	Updated Sch 4	Updated Sch 4	Not applicable	Not applicable as Group accounts cannot be prepared.	
OTHER DIFFERENCES OF NOTE												
Is there a requirement to disclose directors remuneration under S.305, 306 & transaction or arrangements entered into with directors under S.309?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable	No
Is there a requirement to disclose amounts payable to third parties for provision of directors services under new S.305A?	No however it is likely required by accounting standards.	Yes	No however it is likely required by accounting standards.	Yes	Yes	No however it is likely required by accounting standards.	Yes	No however it is likely required by accounting standards.	Yes	Yes	Not applicable	No
Is there a requirement to disclose details of substantial interest in equity shares (own 20% or more of that class) - S.314 CA?	Yes	No	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Not applicable	No
Is there a requirement to disclose full details of staff numbers and costs under S.317?	Yes	No - only to disclose average staff no's.	Yes	No - only to disclose average staff no's.	No - only to disclose average staff no's.	Yes	Yes	Yes	Yes	Yes	Not applicable	No

Is there a requirements to disclose authorised, allotted, called up share capital including details of movements in the year, rights of shares under S.318?	Yes	No	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Not applicable	No
Is there a requirements to disclose financial assistance for purchase of own shares under S.319?	Yes	No	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Not applicable	No
Is there a requirement to state at the end of the balance sheet that the accounts were prepared under the small/micro companies (Section 40 CAA 2017)?	No	Yes	No	Yes	Yes	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Yes
Is there a requirement to present a directors report under S.325-330 (all of requirements unless stated)?	Yes but exempt from financial instrument and KPI disclosure.	Yes but exempt from business review & financial instrument disclosure.	Yes but exempt from financial instrument and KPI disclosure.	Yes but exempt from business review & financial instrument disclosure.	Yes but exempt from business review & financial instrument disclosure.	Yes but exempt from financial instrument and KPI disclosure.	Yes	Yes but exempt from financial instrument and KPI disclosure.	Yes	Yes	Not applicable	No as long as a note included in balance sheet disclosing any acquisition/disposal of own shares.
Ability to call the Profit and Loss Account an 'Income and Expenditure Account' if applicable?	No	Yes	No	Yes	Yes	No	Yes	No	Yes	Yes	Not applicable	Yes
Ability to utilise IFRS formats if all requirements in Schedule 3/3A/3B/4/4A as applicable are met?	No	Yes	No	Yes	Yes	No	Yes	No	Yes	Yes	Not applicable	No

Ability to change from IFRS to Companies Act accounts once every 5 years?	No - only on the occurrence of relevant event.	Yes	No - only on the occurrence of relevant event .	Yes	Yes	No - only on the occurrence of relevant event.	Yes	No - only on the occurrence of relevant event.	Yes	Yes	Not applicable	Yes
Once the financial statements are prepared in accordance with the Companies Act is there a presumption that they show a true and fair view?	No	No	No	No	No	No	No	No	No	No	Not applicable	Yes
Ability to claim audit exemption if the company meets the small company/holding company and group thresholds where first annual return (6 month return) is filed late?	Yes by concession of the CRO.	Yes	Yes by concession of the CRO.	Yes	Yes	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Yes
Is there a requirement to disclose entity's profit/loss on the face of the entity's balance sheet in the consolidated financial statements where the exemption not to disclose the parent entity's P&L is availed of under S.304?	Not applicable	Not applicable	No - disclosed in the notes.	Yes for group accounts. Not applicable for holding company entity accounts	Yes for group accounts. Not applicable for holding company entity accounts	Not applicable	Not applicable	No - disclosed in the notes.	Yes	Yes	Not applicable	Not applicable as consolidated financial statements cannot be prepared under this option.
Is there a requirement to state which regime the company has adopted on the face of the balance sheet other than for abridged financial statements	No	Yes	No	Yes	Yes	No	No	No	No	No	Not applicable	Yes

Is there a requirement to detail the name, legal form, registered number, registered office address in the financial statements ?	No however required by FRS 102 & usually included on directors & other information page.	Yes	No however required by FRS 102 & usually included on directors & other information page?	Yes	Yes	No however required by FRS 102 & usually included on directors & other information page?	Yes	No however required by FRS 102 & usually included on directors & other information page?	Yes	Yes	Not applicable	Yes
Can a charity apply the micro entities regime?	Not applicable	Not applicable	Not applicable	Not applicable		Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	No
CHANGES TO THE ITEMS TO BE INCLUDED IN SMALL ABRIDGED FINANCIAL STATEMENTS												
Is there a requirement to include the extract from the directors report in abridged financial statements detailing directors and secretaries interests?	Yes	No	Yes	No	No	Yes	Not applicable	Yes	Not applicable	Not applicable	Not applicable	No
Is there a requirement to include disclosures with regard to exceptional items?	No	Yes	Not applicable	Yes for the entity holding Co. N/a where group accounts are prepared as the abridgement option cannot be utilised where group accounts are prepared.		Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	No
Is there a requirement to include disclosures with regard to a true and fair override being invoked (under S.291)?	No	Yes	Not applicable	Yes for the entity holding Co. N/a where group accounts are prepared as the abridgement option cannot be utilised where group accounts are prepared.		Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Yes

Is there a requirement to include disclosures with regard to the movement on the profit and loss reserve during the year including dividend paid?	No	Yes	Not applicable	Yes for the entity holding Co. N/a where group accounts are prepared as the abridgement option cannot be utilised where group accounts are prepared.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Yes
Can a small/micro company that prepares consolidated accounts file abridged accounts?	No	No	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	No
Is there a requirement to consider other notes in the financial statement to be included in the abridged accounts to ensure they show a true and fair view?	No - S.350 sets out the exact notes to be included.	Yes	Not applicable	Yes for the entity holding Co. Not applicable where group accounts are prepared as the abridgement option cannot be utilised where group accounts are prepared.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Yes however the level of disclosure required is low.
Is there a requirement to include the statement of changes in equity for IFRS financial statements?	No	Yes	Not applicable	Yes for the entity holding Co. Not applicable where group accounts are prepared as the abridgement option cannot be utilised where group accounts are prepared.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable as IFRS financial statements cannot be prepared under this option.
Is there a specific requirement to include the provision for deferred tax (Schedule 3(57))?	Yes	No	Not applicable	No for the entity holding Co. Not applicable where group accounts are prepared as the abridgement option cannot be utilised where group accounts are prepared.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	No

Is there a specific requirement to include disclosure of the amount of debts falling due by instalments after the year end and disclosure of the terms of payment/ repayment and the interest rates on all debts included in the balance sheet?	Yes	No	Not applicable	No for the entity holding Co as it is no longer required in full financial statements. Not applicable where group accounts are prepared as the abridgement option cannot be utilised where group accounts are prepared	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	No
Is there a specific requirement to include a disclosure of the amount of debts falling due other than by instalments for greater than 5 years from year end date included in the balance sheet	Yes	Yes	Not applicable	Yes for the entity hold Co. Not applicable where group accounts are prepared as the abridgement option cannot be utilised where group accounts are prepared	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	No as not a required disclosure in Full financial statements
Is the debtors, creditors, contingencies, subsequent events, commitments, stock tangible/intangible/financial fixed asset notes required to be included in the financial statements	No	Yes	Not applicable	Not applicable where consolidated financial statements are prepared. If no consolidated financial statements, then Yes	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Yes which ever is applicable based on min requirements
Is there a requirement to include all of the notes included in the full Financial statements (whether S1A of FRS 102 or FRS 105) in the abridged financial statements	No	Yes	Not applicable	Not applicable where consolidated financial statements are prepared. If no consolidated financial statements, then Yes	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Yes which ever is applicable based on min requirements

Note 1: A company qualifies as a micro/small/medium company/group if it fulfils at least two of the three qualifying conditions listed below:

- In relation to its first financial year; or
- In relation to its current financial year and the preceding financial year; or
- In relation to its current financial year and it qualified as a small/medium company in the preceding financial year; or
- In relation to the preceding financial year and it qualified as a small/medium company in the preceding financial year

Note 2:

- a. * Gross = amounts before group transactions are eliminated

** Net = amounts after group transactions are eliminated

The gross and net figures provided for groups will make it easier for companies to ascertain if the conditions are met as if the gross thresholds are met there is no requirement to do a calculation to determine the net figures.

With regard to the small and medium group thresholds, the group can use either the gross or the net figures when ascertaining whether the group can avail of audit exemption (obviously when making the assessment the gross figures calculated must be compared to the gross thresholds and the net figures calculated must be compared to the net thresholds).

- b. When the thresholds for a small group under S280B or a small company under S280A are met the companies can then claim exemption from certain requirements when preparing the financial statements under the small companies regime in S.280C.

Note 3: The definition of an ineligible company for the purposes of a small and medium company includes companies that are:

- a. listed in Schedule 5; or
- b. credit institutions, or
- c. insurance undertakings, or
- d. those having transferrable securities admitted to trading on a regulated market of a member state and designated by Member States as public-interest entities.

The above companies in a) to d) are ineligible for the purposes of S.280A, 280B, S.280G. In addition to the above for medium companies which are not part of a larger group and come within S.280F the following companies are excluded from the definition of a medium company.

- a. a holding company (as the requirements for a holding company are dealt with in the new Section 280G
- b. a company that qualifies for the small companies regime; or
- c. a company that qualifies for the micro entities regime.

From review of the above we can see that the definition of a small and medium company has been narrowed under the Act 2017 as the excluded companies are now not just those entities coming within Schedule 5 as is currently stated in Section 350(11) of CA 2014 but now also includes b) to d) above for small companies.

This will not have an impact from an audit exemption point of view as ultimately these type of entities could not claim audit exemption in any event as they were excluded under existing S.362. However it will have an impact on abridged financial statements for those additional type of entities as previously S.352 did not exclude such entities from filing abridged financial statements unless the activity these entities performed came within Schedule 5. As these can now not be considered small companies they can no longer file abridged financial statements.

Where any company within the group is an ineligible company then the whole group does not qualify as a small/medium company.

If a holding company does not meet the requirements of a small/medium group with which the holding company is the parent, then the holding company cannot be classified as a small/medium company. This may have an impact with regard to some holding companies which in isolation were considered a small company for abridged financial statement purposes but now when taken together as a group may be in excess of the group thresholds (this is not applicable for groups that prepared consolidated financial statements as they are restricted from being classed as a small or medium company under S.350 of existing CA 2014). That said the thresholds have also increased.

Note 4: A company cannot be classed as a micro entity if it is:

- a. an investment undertaking; or
- b. a financial holding undertaking; or
- c. a holding company that prepares group financial statements; or
- d. a subsidiary that is included in the consolidated financial statements of a higher holding company
- e. it is a public unlimited company or a public unlimited company that has no share capital (Section 75 of the Act 2017)
- f. it is a public limited company (Section 74 of the Act 2017)
- g. if it does not meet the requirements of the small companies regime.

Note FRS 105 does not permit a charity to prepare accounts under the micro companies regime.

Therefore unless a company comes within the category above, it permits companies to avail of the micro companies regime under S.280E as long as the threshold requirements are met. Once a company qualifies for the micro companies regime it can claim exemption from certain requirements when preparing the financial statements under the micro companies regime in S.280E.

Dublin - Block B, Iveagh Court,
Harcourt Road, Dublin 2.
T: +353 (0)1 4110000

Wexford - Aldercourt, Ferns,
Enniscorthy, Co. Wexford.
T: +353 (0) 53 910 0000

Belfast - Forsyth House,
Cromac Square, Belfast, BT2 8LA.
T: +44 (0) 2890 511 304

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