

## CHAPTER 14 Exclusions, exemptions and special arrangements with regard to public disclosure of financial information

### Qualification of company as small or medium company

350. (1) In this section “qualifying conditions” means the conditions referred to in subsection (5) or (6), as appropriate.

(2) A company that is not excluded by subsection (11) qualifies as a small company or a medium company in relation to its first financial year if the qualifying conditions are satisfied in respect of that year.

(3) A company that is not excluded by subsection (11) qualifies as a small company in relation to a subsequent financial year—

(a) if the qualifying conditions are satisfied in respect of that year and the preceding financial year,

(b) if the qualifying conditions are satisfied in respect of that year and the company qualified as a small company in relation to the preceding financial year,

(c) if the qualifying conditions were satisfied in the preceding financial year and the company qualified as a small company in relation to that year.

(4) A company that is not excluded by subsection (11) qualifies as a medium company in relation to a subsequent financial year—

(a) if the qualifying conditions are satisfied in respect of that year and the preceding financial year,

(b) if the qualifying conditions are satisfied in respect of that year and the company qualified as a medium company in relation to the preceding financial year,

(c) if the qualifying conditions were satisfied in the preceding financial year and the company qualified as a medium company in relation to that year.

(5) The qualifying conditions for a small company are satisfied by a company in relation to a financial year in which it fulfils 2 or more of the following requirements:

(a) the amount of the turnover of the company does not exceed €8.8 million;

(b) the balance sheet total of the company does not exceed €4.4 million;

(c) the average number of employees of the company does not exceed 50.

(6) The qualifying conditions for a medium company are satisfied by a company in relation to a financial

year in which it fulfils 2 or more of the following requirements:

- (a) the amount of the turnover of the company does not exceed €20 million;
- (b) the balance sheet total of the company does not exceed €10 million;
- (c) the average number of employees of the company does not exceed 250.

(7) In this section “amount of the turnover”, in relation to a company, means the amount of the turnover shown in the company's profit and loss account.

(8) In the application of this section to any period which is a financial year but is not in fact a year, the amounts specified in subsections (5)(a) and (6)(a) shall be proportionately adjusted.

(9) In this section “balance sheet total”, in relation to a company, means the aggregate of the amounts shown as assets in the company's balance sheet.

(10) For the purposes of subsections (5)(c) and (6)(c), the average number of employees of a company shall be determined by applying the method of calculation prescribed by section 317 for determining the number required by subsection (1)(a) of that section to be stated in a note to the financial statements of a company.

(11) This section shall not apply to a company if it is—

- (a) a holding company that prepares group financial statements, or
- (b) a company falling within any provision (in so far as applicable to a private company limited by shares) of Schedule 5.