



# Legal Flash

November 2019

## New obligation on legal entities of the non-financial sector to submit their financial statements to the Bank of Greece by 30 November 2019

According to Bank of Greece (BoG) Governor's Act No.2682/03.06.2019, the Central Balance Sheet Office was created, in order to collect and provide statistical data relating to the financial information of Greek legal entities of the non-financial sector, in accordance with its obligations towards the European Central Bank. At the same time, this Act introduces a new obligation on legal entities operating in Greece to submit their financial statements to the BoG, simultaneously with the publication of their financial statements. In detail:

**Legal entities subject to the new obligation** This obligation concerns all:

- listed or non-listed Sociétés Anonymes
- Limited Liability Companies
- Private Companies
- Limited Partnerships by shares

which do not belong to the financial sector and prepare their annual financial statements in accordance with the provisions of article 1 of Law 4308/2014.

It should be noted that the statutory obligation to publish their financial statements is not sufficient for such legal entities, as they are additionally required to submit them to the BoG by completing specific type of disclosures, despite the fact that they do not belong to the financial sector.

**Legal entities excluded from this new obligation** The legal entities excluded from this obligation are the following:

- Leasing companies
- Factoring companies
- Venture capitals
- Credit provision companies
- Sociétés Anonymes providing investment services
- Real estate investment companies
- Investment funds, insurance companies and institutions for occupational retirement provision (IORPs)
- Joint ventures
- Branches of foreign companies

**Submission deadline** The first submission of the annual financial statements of legal entities subject to this new obligation, pertaining to accounting periods 2016, 2017 and 2018, will take place by 30 November 2019.

Regarding the subsequent accounting periods, the relevant data will be submitted to BoG simultaneously with the publication of their financial statements.



## Content of disclosure

The first submission of the annual financial statements of legal entities subject to this new obligation concerns the following accounting periods:

- 2016, for the accounting periods from 01.04.2016 to 31.03.2017
- 2017, for the accounting periods from 01.04.2017 to 31.03.2018
- 2018, for the accounting periods from 01.04.2018 to 31.03.2019

In any case, the BoG reserves the right to request additional information and clarifications on the data submitted by the above-mentioned legal entities.

## Type of the disclosure

The above-mentioned legal entities are required to submit and complete their annual financial statements in accordance with the relevant instructions provided by BoG's Statistics Division, whose latest edition will be posted on the BoG website.

The data will be submitted on a case-by-case basis and according to whether the financial statements are prepared in accordance with the International Financial Reporting Standards or the Greek Accounting Standards and subject to the provisions of Law 4308/2014 regarding small legal entities. Disclosure templates and submission guidelines have been published on the BoG website (<https://www.bankofgreece.gr/statistika/ypovolh-stoixeiw/ethsies-xrhmatooikonomikes-katastaseis-apo-epixeirhseis-toy-mh-xrhmatopistwtikoy-tomea>), while the relevant submission is made via the IRIS electronic platform.

## Fines

Failure to comply with the above-mentioned obligation to submit or failure to submit complete, correct or timely information by the above-mentioned legal entities, may trigger the fines provided for in Articles 2 and 55 C of BoG's Articles of Association and may lead to a fine up to the amount of 293,470 euro, or, in case of a repeated infringement, up to the amount of 586,940 euro.

## Purpose of the disclosure

The submission of annual financial statements of the above-mentioned legal entities exclusively aims at the collection and provision of statistical information relating to the financial data of non-financial companies operating in Greece to BoG's Statistics Division.

It is worth mentioning that Central Balance Sheet Offices are already operating in most central banks of the Euro system zone.

## Data Confidentiality

Rules for the protection and use of confidential information referred to in Article 8 of the Council Regulation (EC) No 2533/1998 of 23 November 1998, as in force, shall apply during the collection of information. In addition, although the data provided to the BoG are already published, they will not be published by the BoG on an individual basis, but only on an aggregate basis, so as to avoid even the indirect identification of legal entities.

It should be noted that each individual case should be examined on the basis of its particular characteristics and the above-mentioned general principles may not necessarily apply in all circumstances. Our specialized consultants are in a position to assist you with regard to any issue that may arise in your individual case.