



# Company size threshold changes

**New legislation was signed by the Minister for Enterprise, Trade and Employment, Peter Burke TD on 21 June 2024. The purpose of the legislation is to reduce the administrative burden and disclosure requirements for companies by increasing company size thresholds in line with 25% inflation.**

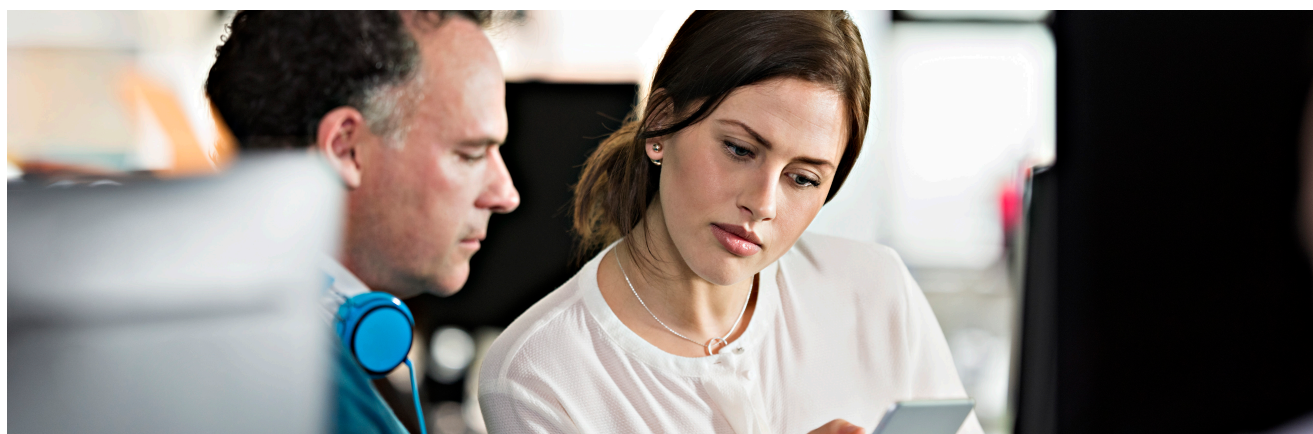
With the implementation of the European Union (Adjustments of Size Criteria for Certain Companies and Groups) Regulations 2024 (“EU Regulations”) on 1 July 2024, there has been an increase to the company size thresholds. The overall balance sheet and turnover thresholds referenced throughout section 280 of the Companies Act 2014 (the “Principal Act”) have increased by 25% allowing for more companies to fall within the micro, small and medium-sized categories.

## What does this mean for you and your company?

Your company could now fall within the criteria of micro or small and may be able to avail itself of abridgement and/or audit exemptions provided for in the Principal Act. This may reduce the reporting and regulatory requirements for your company and result in cost-saving benefits.

## When do the changes come into effect?

The updated thresholds automatically apply for financial years commencing on or after 1 January 2024. Companies may also elect to apply the measures from on or after 1 January 2023.



## What are the changes?

While the numbers have increased for turnover and balance sheet totals, the average number of employees to be considered remains the same. In order to qualify for a certain size a company must meet two of the three criteria listed in the tables below.

Company size	Turnover not exceeding	Balance sheet total not more than	Average no. of employees does not exceed
<b>Micro</b>			
Was	€700,000	€350,000	10
Will now be	€900,000	€450,000	10
<b>Small</b>			
Was	€12,000,000	€6,000,000	50
Will now be	€15,000,000	€7,500,000	50
<b>Medium</b>			
Was	€40,000,000	€20,000,000	250
Will now be	€50,000,000	€25,000,000	250

There has also been a corresponding change to assessing the size of holding companies and their groups.

Group Size	Aggregate amount of turnover of the group does not exceed	Aggregate balance sheet total of the group does not exceed	Aggregate average number of employees of the group does not exceed
<b>Small Group</b>			
Was	€12,000,000 net (or €14,400,000 gross)	€6,000,000 net (or €7,200,000 gross)	50
Will now be	€15,000,000 net (or €18,000,000 gross)	€7,500,000 net (or €9,000,000 gross)	50
<b>Medium Group</b>			
Was	€40,000,000 net (or €48,000,000 gross)	€20,000,000 net (or €24,000,000)	250
Will now be	€50,000,000 net (or €60,000,000 gross)	€25,000,000 net (or €30,000,000 gross)	250

If you have any questions, feel free to contact our experienced team.



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