

Directors' Compliance Statement

Are you up to date?

Since the introduction of the increased compliance obligations on directors under the Companies Act 2014, there have been significant changes to both the domestic and global tax policy landscape. These changes may impact the 'relevant obligations' that a company needs to comply with and the supporting policy documentation may now need to be updated accordingly.

Background

- The Companies Act 2014, which commenced 1 June 2015, introduced significant compliance reporting obligations on directors.
- It requires that a Directors' Compliance Statement ("Statement") is included in the annual Directors' Report, accompanying the company's financial statements.
- As part of the Statement, directors are required to formally acknowledge their roles and responsibilities as regards the compliance of the company to its relevant obligations (taxation and company law obligations).

Who is required to prepare a Directors' Compliance Statement?

All public liability companies and large private companies (i.e. balance sheet > €12.5m and turnover > €25m) are required to produce a Statement. Unlimited companies and investment companies are not required to produce a Statement regardless of their size.

Directors are required to continuously monitor their compliance obligations and annually review their Statement to ensure that any tax obligations or tax law changes are fully satisfied.

Tax changes to be considered:



Employment taxes



COVID-19



Brexit planning



VAT & RCT



Transfer pricing



DAC 6

How can we assist

Grant Thornton can assist with a review of the Irish legal and tax issues as documented in the current supporting policy statements and update for any new legislative requirements and compliance obligations.

We will:

- correspond with the board to ensure that they understand their responsibilities and to ensure that their compliance obligations are being fulfilled;
- review the existing procedures and arrangements to identify any changes and assess suitability to ensure compliance with the company's specific tax and legal compliance obligations; and
- provide assistance with updating the supporting policy statements for legislation introduced since the original version was implemented.

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