

Simpler rules for signing financial statements

On 1 January 2022, amendments to the Act of 29 September 1994 on accounting (the “Act”), concerning the rules for signing financial statements, entered into effect.

From 1 January 2022, the financial statements of entities in which a multi-member body is responsible for drawing up financial statements, may be signed by at least one member of such a body and the person keeping the entity’s accounts.

In practice this means that **there is no longer a need for all members of an entity’s management board to hold qualified electronic signatures or ePUAP trusted profiles.**

1. Purpose of the amendments

The new provisions are intended to facilitate the work of members of multi-member corporate bodies who, for technical reasons, face difficulties in performing their statutory duties with respect to signing financial statements. In practice, this problem most often affected limited liability companies (*spółka z ograniczoną odpowiedzialnością*) and joint-stock companies (*spółka akcyjna*) in which foreign nationals or residents acted as members of the management board.

The legislation also allows for the signature of financial statements in accordance with the previous rules, i.e., by all members of the management board and the person keeping the entity’s accounts.

2. Who do the new rules apply to?

The literal wording of the new provisions indicates that the simpler rules only apply to those entities in which the duty to draw up financial statements rests with a multi-member corporate body (e.g., capital companies with multi-member management boards). Therefore, the Act’s wording appears to imply that the simplified rules do not cover entities which lack corporate bodies, e.g., the vast majority of partnerships. The reasons for this are unclear, as the this question was not addressed in the justification submitted with respect to the amending act. It is difficult at this time to predict if and how these regulations will be applied by entities lacking corporate bodies.

3. Declarations made by members of multi-member corporate bodies

The newly implemented simplified rules allow financial statements to be signed by the person keeping the entity’s accounts and **at least one member of the management board**, if the conditions listed in the Act are satisfied.

Before financial statements can be signed by **at least one member of the management board**, the remaining members thereof must have submitted:

- a) **declarations** stating that the financial statements meet the requirements set out in the Act, or
- b) **declarations on their refusal** to submit the declarations referred to in point a).

If a member submits a declaration as described in point b), this will be regarded as equivalent to a refusal to sign the financial statements and entails **a duty to provide written reasons**. The documents described in points a) and b) above should precisely identify the financial statements they relate to, in particular by stating the date and time on which said financial statements were signed by the person keeping the entity’s accounts, and should constitute an appendix to the financial statements themselves.

The declarations referred to above can be signed as follows:

- 1) they can be drawn up in electronic form and signed with a qualified electronic signature, a trusted signature, or a personal signature, or
- 2) they can be drawn up in paper form and signed by hand, however, the use of this form requires that electronic copies of these documents be prepared.

4. Duty to submit documents to the Register of Entrepreneurs

Currently, the National Court Register's IT systems have not yet been modified to take the new rules for the preparation of financial statements into account. According to the relevant transition provisions, the system will be updated by 1 June 2022, while financial statements signed under the new rules and approved before 1 June 2022 should be submitted to the Register of Entrepreneurs between 1 June 2022 and 15 June 2022.

5. Other documents

The amendments discussed above apply accordingly to reports on activities, consolidated financial statements, reports on payments and consolidated reports on payments.

We invite you to contact the lawyers in our company law and corporate governance team.



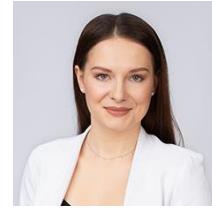
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Legal basis:

Act of 14 October 2021 amending the act on accounting and certain other acts (Journal of Laws of 2021, item 2106).