

## Memorandum

FROM Alain Costantini & Julian Delplanche – DWMC Legal

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### **Revision of the thresholds determining the size of associations**

#### I. Introduction

The Royal Decree of 25 May 2024 has amended the criteria foreseen in the Companies and Associations Code that determine whether an association is considered as a micro-association or a small association.

These changes have been made to take into account inflation and are applicable to Non-Profit Associations (“**NPAs**”) and International Non-Profit Associations (“**INPAs**”).

#### II. Revision of the thresholds

The thresholds, which have increased by about 25%, are the following:

- For micro-associations (article 1:29 of the Companies and Associations Code):
  - o the annual total revenues threshold has increased from 700,000 EUR to 900,000 EUR;
  - o the balance sheet total threshold has increased from 350,000 EUR to 450,000 EUR.
- For small associations (article 1:28 of the Companies and Associations Code):
  - o the annual total revenues threshold has increased from 9,000,000 EUR to 11,250,000 EUR;
  - o the balance sheet total threshold has increased from 4,500,000 EUR to 6,000,000 EUR.

For both categories, the thresholds related to the average annual number of workers remain unchanged.

The new thresholds apply to accounting years starting as from 1 January 2024.

#### III. Impact on your association

As a result of the increase of these thresholds, more associations will fall under the micro and small categories.

Falling under these categories is relevant for associations, as less stringent sets of rules will be applicable, especially:

- Milder accounting obligations are applicable, as these associations may draw up and file annual accounts under an abbreviated form;
- No obligation to draw up and file an annual management report;
- No obligation to appoint a statutory auditor ("*commissaire*" / "*commissaris*");
- Possibility for some of these associations to file their annual accounts with the commercial Court (instead of with the National Bank of Belgium).

Therefore, make sure to correctly ascertain the size of your association and its consequences!

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