

### 1. Explanation

According to European rules, Screen Flanders may not grant support to an undertaking that is in difficulty according to certain theoretical parameters. The definition of an undertaking in difficulty (UID) can be found in Article 2, point 18 of the [General Block Exemption Regulation \(GBER\)](#).

Due to the [Decree of the Flemish Government of 26 February 2021](#), **from 2022** the situation of your company **at the time of submission** will be decisive. This means that if it is established at the time of your application submission that your company is an UID, your application is and will remain **inadmissible in any case**.

That is why we recommend that you carefully monitor the parameters used in the UID audit for your company throughout the financial year. Even if you don't feel your production house is in trouble, the result may vary according to the parameters. Perhaps a capital operation is necessary to improve the situation. You should carry that out in time. Your bookkeeper or accountant can help you with this.

Before you can do the UID audit, you need to determine the size of your company, according to the European SME definition. You also need to have a good overview of the group structure. Below you will find a handy step-by-step plan.

Via [this link](#) you can find the practical approach to this UID audit as well as the calculation modules that the Agency for Innovation & Entrepreneurship has drawn up (in Dutch). Pay attention when your company is part of a group, because then the analysis also needs to be done at group level, for both an SME and a LE. **In order to demonstrate on an aid application that you have completed the UID audit and that you are not an UID, you must add the completed modules to your application file.**

### 2. Documents necessary to add for Annex 13

- A. **Group structure with percentages ([see example](#));**
- B. **Annual accounts of the applicant's last two financial years;**
- C. **Consolidated financial statements of the group if available (whether filed or not);**
- D. **Overview balance sheet total, turnover and FTEs of all companies within the group (document '[ondernemingsgrootte](#)');**
- E. **Completed calculation module for undertaking in difficulty.**
- F. **The articles of association of the production house in the case of a first application and any changes.**

The UID audit is always carried out with the figures of **the most recently filed annual accounts**. If you carry out a regularization in a current year, you can have the capital operation recorded by a notarial deed and add this deed to your application file, together with the interim financial statements, certified as true and genuine by a bookkeeper/accountant or auditor. **These documents must be present in the file at the time of the application. Otherwise, they can no longer be taken into consideration.**

### **3. Step-by-step plan:**

#### **STEP 1: Determining the company size**

For every company within which there is a commitment of more than 25% in the group, you must state the balance sheet total, turnover and number of FTEs for the last **two** closed financial years. You can use the Excel '[ondernemingsgrootte](#)' that is made available on the website for this. You must add this to your application file.

The company size is determined with the above data according to the **European SME definition**.

#### **STEP 2: Ratios to be calculated for the UID audit**

- You can use the calculation module available via [this link](#) (in Dutch). You must add this digitally to your application file. You copy and complete the 'stand-alone' tab for each individual company within the group. If consolidated financial statements are available for the group, it is sufficient to audit this ratio only on the basis of the consolidated figures and additionally also for the applicant company. **Regardless of the size of the company** the **Equity/Issued capital ratio** will always be audited. If your company (and the group) **is a large enterprise**, additional ratios will have to be calculated (which will appear at the bottom of the calculation module after you have entered the size). You must complete the calculation modules that the Agency for Innovation & Entrepreneurship has drawn up (possibly together with your bookkeeper/accountant) and add them to your application file.