

Annex 13 Notes on UID audit for Screen Flanders applications

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](#), as of 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 a 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 do not feel that your production company is in difficulty, the results may vary according to the parameters.

A capital operation may be required to improve the situation. You should do that in good time. Your bookkeeper or accountant can help you with this.

The UID is always based on the figures from **the most recently filed annual accounts**. If you carry out a regularisation 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 time of the application. Otherwise, they cannot be taken into consideration.

Please note: an SME that has been in existence for under 3 years is not a UID by definition in accordance with article 2, point 18 of the General Block Exemption Regulation (GBER). What if your company is under 3 years old but part of a group? Then the focus turns to the oldest company in the group. If that is over 3 years old, the UID audit should take place.

UID audit: step-by-step plan

The steps of the UID audit are set out below. They are also covered in detail on the [VLAIO-website \(in Dutch\)](#), where the UID calculation module is also available to download.

STEP 1: Is your company part of a group?

- NO: In this case you need only work out your UID status from the applicant perspective ('stand-alone' tab in the UID calculation module)
- YES: Create a diagram of your company's group structure, including percentages, using the [group structure template \(Template Groepsstructuur\)](#). In the case of a group, the OIM status must be worked out from the applicant *and* group perspective.

STEP 2: Determine the size of your company in line with the SME definition

In the [Company Size Excel Form \(Overzicht Ondernemingsgrootte\)](#) give the balance sheet total, turnover and number of FTEs for the last two closed financial years. If your company is part of a group you will need to enter this information in respect of every partner in the group with a commitment of more than 25%. Then tally the figures (turnover, balance sheet total, employment) for all companies. Next, see if the entire group qualifies as an SME or large enterprise (LE) under the basic criteria set out in the [SME definition](#).

If your company is part of a consolidated LE, you will not need to complete the Company Size Excel Form.

STEP 3: Complete the [UID calculation module](#)

If your company is not part of a group, you need only complete the 'stand-alone' tab.

If your company is part of a group, copy the 'stand-alone' tab for every individual [affiliated company](#) in the group (> 50% shareholding). The group result must be entered under the 'Corporate Group' tab.

If there are consolidated financial statements available for the group, it is sufficient to audit this ratio on the basis of the consolidated figures and applicant company figures ('stand-alone' tab).

Regardless of the size of the company, the Equity/Issued capital ratio will always be audited. If your company (and the group) is an LE, additional ratios will have to be calculated. These will appear at the bottom of the calculation module automatically after you have entered the size.

STEP 4: gather all the supporting documents in annex 13

To demonstrate that you have carried out the UID audit for a support application and are not a UID you will need to add the following documents to your application file as a part of annex 13:

- Group structure showing percentages (in line with the [group structure template](#));
- Applicant's annual accounts for the last two financial years;
- Consolidated financial statements for the group if available;
- Overview of balance sheet total, turnover and FTEs for all companies in the group ([Excel 'company size' \('ondernemingsgrootte'\)](#));
- Completed [UID calculation module](#).
- In the case of a first application and following any amendments, the articles of association for the production company.

As of 2022, the UID status of your company at the time of submission is decisive. It is not possible to regularise the situation after submission.