

Determining the size of   
an enterprise

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# Is my organization a small enterprise (SE), medium-sized enterprise (ME) or large enterprise (LE)?

VLAIO applies different conditions to companies depending on their size. For example, SEs and MEs may be entitled to claim a higher subsidy rate in some cases. That’s why it is important for VLAIO to know the size category of your company or organization.

Using this document, you can determine and verify your size. We use herewith the [European SME definition](https://op.europa.eu/s/wyG1).

This document contains two sections:

* **A. Size determination of the enterprise**
* **B. Information to be added by type of enterprise**

You must upload this document when submitting your subsidy application. The legal representative of your company must declare and sign the entire digital application (and implicitly also this document) to confirm it is complete and correct.

## A. Size determination of the enterprise

### A.1 Organizational chart shareholders

Enterprise size categories are SE (small business), ME (medium-sized business) or LE (large business). Every enterprise (including companies, non-profit organizations, public law organizations, or partnerships) must determine its company size category.

Size is determined not only by the separate organization, but also by the shareholder structure of the company. This is why we request you to indicate this structure using the organizational chart below. Where appropriate, replace the word “enterprise" with "non-profit organization," "foundation," "partnership," or "public law organization”. On page 5 please find a step-by-step plan for completing the organizational chart.

**Company Z** (shareholder = legal entity)

Enterprise number:

Balance sheet total:

Turnover:

Staff headcount:

Participation rate: x%

**Peter Peeters** (= natural person)

Participation rate: x%

**Company X** (= legal entity)

Enterprise number:

Balance sheet total:

Turnover:

Staff headcount:

Participation rate: x%

**Company V** (= legal entity)

Enterprise number:

Balance sheet total:

Turnover:

Staff headcount:

Participation rate: x%

**Enterprise W** (= legal entity)

Enterprise number:

Balance sheet total:

Turnover:

Staff headcount:

Participation rate: x%

**Applicant**

Company A

Enterprise number:

Balance sheet total:

Turnover:

Staff headcount:

**To be reported only if >=25% participations in other companies**

**Only to be reported if >50% participations in other companies**

**List all shareholders, regardless of their participation rate**

**Company Y** (= legal entity)

Enterprise number:

Balance sheet total:

Turnover:

Staff headcount:

Participation rate: x%

**Step-by-step plan for completing the** **organizational chart**

Please find the steps to display parent, subsidiary and sister companies in a dense ‘circle’ around the applicant company below. If there are any enterprises in (a) subsequent layer(s), pleased extend the organizational chart where necessary. If a box does not apply, you may delete it. For example: if your company does not have a subsidiary, delete the blue box. Conversely, if your company has 2 subsidiaries, you just add an extra blue box.

1. Start with the green box (= applicant company). State the balance sheet total, turnover (= code 70) and staff headcount from the last annual financial statements filed. Start-ups that have not yet filed financial statements, please state ‘not yet available’. Please express the staff headcount in full-time equivalents (FTE). So two people working half-time count as 1 FTE. State the same figures for the other legal entities within the organizational chart.
2. Go to the blue box (= subsidiary company(s) Y).

Create a blue box for all subsidiaries in which the applicant company holds at least 25% of the capital or voting rights. Indicate in the blue box the percentage of participation owned by the applicant company.

Repeat this step for each subsequent layer. For these next layers, you only need to list the subsidiaries in which the parent company owns more than 50%.

1. Go to the pink boxes (= shareholders of the applicant company).

Provide the name of all shareholders, regardless of participation rate. Indicate in the pink box the percentage of participation in the applicant company held by shareholders.

1. Go to the black box (= parent companies)

For each legal entity with a participation of 25% or more in the applicant company A, state all other parent participations of 50% or more (= parent companies) until you get to the level of natural persons. To do so, create a new black box each time and state the participation rate in the underlying company each time.

1. Go to the orange box(es) (= other participations of the shareholders of the applicant company; i.e. sister companies V and W of the applicant company).

If a legal entity holds 25% or more of the participation in your company, state all other participations of 25% or more of this legal entity in other companies.

If a natural person has more than 50% of the participation in your company, state all other participations of more than 50% of this person in other companies. Please include in the block diagram the companies in which persons acting jointly own more than 50% of the shares, individually or together. See A.2.1 for more information about natural persons acting jointly.

### A.2 Required information for the organizational chart

1. Natural persons acting jointly

Identify natural persons acting jointly. This applies, for example, to spouses, cohabitants and relatives up to the second degree (parents, children, grandparents, grandchildren, brothers and sisters). You should also state this here if natural persons are joint shareholders in another company, and include the company in the organizational chart.

The following persons are acting jointly:

1. The participation rate is in line with control

Generally, control of the companies in the organizational chart is in line with the stated participation rate.

If control anywhere in the organizational chart does not match the specified participation rate, please specify this here:

1. Nature of participation shareholder-natural persons

When the same natural person or the same group of persons acting jointly has participations of more than 50% in different companies, VLAIO considers these activities to be interrelated by default.

If you believe that activities are not related, please provide your explanation here:

### A.3 Use the organizational chart to determine the size of the applicant company

The size of your business is determined by 3 parameters: balance sheet total, turnover and staff headcount.

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Balance sheet total** | **Turnover** | **Staff headcount** |
| **Criteria SE** | **≤ 10 M euro** | **≤ 10 M euro** | **< 50 FTE** |
| **Criteria ME** | **> 10 - ≤ 43 M euro** | **> 10 - ≤ 50 M euro** | **≥50-<250 FTE** |
| **Criteria LE** | **>43 M euro** | **>50 M euro** | **≥250 FTE** |

The employment criterion must always be met. For the criteria concerning balance sheet total and turnover, the most favourable threshold may be used, so it is sufficient to meet one of these criteria. You change your company size category only when you meet the criteria of that category for 2 consecutive financial years.

Example 1: a company has 100 employees, so it is considered as ME. However, if its balance sheet total is 50 million euros AND its turnover is 55 million euros, it will be considered as LE.

Example 2: a company has 30 employees, so it is considered as SE. However, if its balance sheet total is 30 million euros AND its turnover is 55 million euros, it will be considered as MO.

The numbers you need to apply are based on your company's figures, but possibly also on those of companies in your organizational chart. The entities to be taken into account and the percentage of their balance sheet total, turnover and staff headcount is determined by the European SME definition.

You will find a detailed explanation of the consolidation rules using examples in the [European Commission User Guide](https://op.europa.eu/s/wyG1).

The main consolidation rules in this guide states:

1. Partner companies are companies that have a participation relationship - directly or together with one or more linked companies - of 25% to 50% in the capital or voting rights (≥25% - ≤50%).

The figures of partner companies must be added up in accordance with the participation relationship.

1. Linked companies are companies that have a participation relationship - directly or through another company - of more than 50% in the capital or voting rights (>50%).

The figures of linked companies must be 100% aggregated.

VLAIO consolidates all shareholders according to standard rules. However, some shareholders may be consolidated in a favourable manner. The following types of shareholders are subject to a favourable regime as stated in the [European Commission User Guide](https://op.europa.eu/s/wyG1):

* Public equity firms, venture capital firms
* Non-profit universities or research centers including their spin-off funds
* Institutional investors, including regional development funds
* Autonomous local governments with an annual budget of less than 10 million euros and with less than 5,000 inhabitants
* Business Angels participating for less than 1.25 million euro

If shareholders from the organizational chart are categorized under a favourable regime, please disclose this here. Name the shareholders, list the favourable regime and explain why they fall under the favourable regime.

## B. Information to be added by type of enterprise

Check here which category applies for your company in terms of size (your result in A. Size determination of the company):

* SE
* ME
* LE

And in terms of the type of legal form:

* bv, nv, cv, commV, vof, partnership
* all other legal forms such as, e.g., non-profit organization, foundation or public law organization

Please find the additional information you will need to upload as an attachment to your grant application for each type of organization below. The **bold text** indicates the document’s file name.

### Limited liability company (bv), public limited company (nv), limited partnership (cv), joint venture (vof) or partnership (maatschap) with size SME (small enterprise or medium-sized enterprise)

In the digital application portal, you will need to upload the following attachments:

1. **'Determining Enterprise Size'** (this document)
2. If the most recent annual financial accounts (final version) have not yet been formally filed, we ask you to add them in a document called **'latest balance sheet and income statement'.** Do this even if your company is not required to file annual financial statements with the National Bank of Belgium.
3. The filed consolidated financial statements, or internally **‘consolidated group figures’** certified by a registered company auditor or certified accountant.
4. If there are no consolidated figures available, the latest balance sheet and income statement must be added to your application for those companies listed under “Organizational chart shareholders” which are exempt from a filing obligation for their annual financial statements (final version) with the National Bank of Belgium. This document must bear the name ‘**annual financial statements ‘company’s name’ not available’**. For example, this is necessary for foreign companies, limited partnership (cv), general partnership (vof), partnership (maatschap), or associations and foundations that keep simplified accounts,…

### Bv, nv, cv, commV, vof or maatschap with size LE (large enterprise)

In the digital application portal, you will need to upload the following attachments:

1. **'Determining enterprise size'** (this document)
2. The filed consolidated financial statements, or internally **‘consolidated group figures’** certified by a registered company auditor or certified accountant.
3. If there are no consolidated figures available, the latest balance sheet and income statement must be added to your application for those companies listed under “Organizational chart shareholders” which are exempt from a filing obligation for their annual financial statements (final version) with the National Bank of Belgium. This document must bear the name ‘**annual financial statements ‘company’s name’ not available’**. For example, this is necessary for foreign companies, limited partnership (cv), general partnership (vof), partnership (maatschap), or associations and foundations that keep simplified accounts,…

### All other legal forms, such as non-profit organizations, foundations or public law organizations regardless of size

In the digital application portal, you will need to upload the following attachments:

1. **'Determining enterprise size'** (this document)
2. The current composition of the ‘**Board of Directors’** and **'General Meeting'** (names + organization these individuals represent) of your organization. Indicate whether each Board member is eligible to vote or not.
3. The latest version of your organization's **‘Articles of Association'**.
4. The latest **'balance sheet and income statement'** (or equivalent) of the non-profit association if it is not required to file annual statements with the National Bank of Belgium.
5. The filed consolidated financial statements, or internally **‘consolidated group figures’** certified by a registered company auditor or certified accountant.
6. If there are no consolidated figures available, the latest balance sheet and income statement must be added to your application for those companies listed under “Organizational chart shareholders” which are exempt from a filing obligation for their annual financial statements (final version) with the National Bank of Belgium. This document must bear the name ‘**annual financial statements ‘company’s name’ not available’**. For example, this is necessary for foreign companies, limited partnership (cv), general partnership (vof), partnership (maatschap), or associations and foundations that keep simplified accounts,…

