

# SPAIN COMPANY REPORTS

Detailed Summary of Data, Sources & FAQs



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## OUR DATA SOURCES

Please find below the main original sources of information (e.g., Chambers of commerce, local courts, etc). This should apply to registered companies and sole traders/non-registered companies.

<b>Financial data:</b>	The Official Gazette and investigated accounts supplied by the company.
<b>Negative data:</b>	The Official Gazette, the Credit Bureaus RAI and ASNEF and court publications.
<b>Demographic data:</b>	The Official Gazette.
<b>Payment Data:</b>	Court Publications and the Credit Bureaus RAI and ASNEF.
<b>Collection data:</b>	
<b>Shareholder's data:</b>	The Official Gazette.
<b>Group Structure/Corporate hierarchy:</b>	The Official Gazette.

**Other key information:** In the investigation reports we include valuable information such as the advanced financials, provider(s), supplier(s), bank relationships, and the company's facility details.

**How often the above data is updated e.g., daily, weekly etc.?** The official information is updated whenever a new item is published. The investigation information is updated on request by the customer.

**Do you contact companies via a telephone interview or site visits at regular intervals e.g., once a year?** We have a set of companies that we visit regularly but also, we offer the possibility to request these updates on demand.

## NEGATIVE DATA

<b>What type of negative data is available in Spain?</b>	RAI and ASNEF payment incidents are supplied.
<b>Bankruptcies/Insolvencies:</b>	Yes, and receiverships as well.
<b>Court Cases/ Actions:</b>	Yes.
<b>Debt Collection cases:</b>	No.
<b>How often is this negative data updated?</b>	Daily.



## CREDIT SCORES & LIMITS

### Do you give a credit score & limit on all companies?

We issue a credit limit and score on most companies; however, we only provide a score for sole traders, credit limits are not available for sole traders.

### Are there any exceptions?

Any company not required to file accounts (e.g., co-operatives, civil societies), listed companies, financial entities, and insurance companies.

### What is the credit score intended to predict?

Solvency, Profitability (e.g., the Return on Equity) and Payment Performance.

### Is payment data included in your credit scoring model?

Yes. However, due to contractual limitations the reports must be updated on demand with this payment data. We always take into consideration the investigation information we know about a company regardless of the report.

### What does the credit limit represent?

The maximum combined credit to be given to the company over a 180-day period by all suppliers.

### How is the credit limit calculated?

Our model calculates credit limit recommendations and considers several variables, but two of the most important are a company's Equity and its Working Capital.

### What other company ratings are available?

**Delinquency rating:** This is a rating that estimates the probability that a company will meet its payment commitments over the next twelve months.

**Solvency Rating:** This is a rating that estimates the likelihood that a company will be noted at solvent in the next balance sheet filed at the Trade Registry.

**Gearing ratio:** A measure of financial leverage that shows the degree to which a firm's operations are funded by equity capital versus debt financing.



## LOCAL ACTIVITY CODES & VAT NUMBERS

### **What version of activity codes are used in the reports?**

CNAE 2009 Codes.

### **What company ID numbers are available? (e.g., the local registration number, VAT number, etc.)**

NIF Number (Similar to the VAT number but without the ES prefix).

### **How are the company ID numbers formatted?**

CIF / NIF number - These have an alphanumeric system with one letter (depending on the company type) and 8 digits. For companies, the letter comes first (a prefix) and for sole traders the letter comes last (a suffix). For sole traders, the letter changes according to our criteria. The only exception to the above is for foreign sole traders. In this case there are two (suffix) letters the first one always being an X.

### **Are companies obliged to file a VAT number?**

A VAT number will be assigned, with some exceptions, to the following persons or entities:

Entrepreneurs or professionals established or not, in the Spanish VAT application territory who make deliveries, or intra-community acquisitions, of goods subject to said tax, even if the goods traded in such intra-community acquisitions are used in the conduct of business or professional activities in another country.

The businessmen or professionals who are the recipients of the services provided by businessmen or professionals not established in the Spanish peninsular territory and the Balearic Islands, with respect to whom they are VAT taxable persons.

Entrepreneurs or professionals who provide services, which by application of the rules for locating them are understood to be provided in another Member State other than Spain, when the taxpayer is the recipient of them.

Legal persons that do not act as entrepreneurs or professionals, when they make intra-community acquisitions of goods subject to VAT.

### **How is the VAT Number derived?**

For VAT purposes, persons or entities that carry out intra-community operations, the NIF-VAT will be the one defined in accordance with the general rules (prefixed with the ES prefix), in accordance with the international standard code ISO-3166 alpha 2.

That is: VAT = "ES" + NIF.

**If they are not obliged to file and you have this data where has this data come from?**

Multiple different sources e.g., the company itself. They may provide this during an investigation, or we will get it from their balance sheet, verification through VIES, etc.

**How often is the VAT number updated?**

Due to the very nature of VAT numbers in Spain, once given it stays the same through a company's lifetime.

## LOCAL BUSINESS CLASSIFICATIONS

**Classification of an SME in Spain**

We follow the EU's criteria:

The criteria for defining the size of a business differ from country to country, with many countries having programs of business rate reduction and a financial subsidy for SMEs. According to the European Commission, SMEs are the enterprises that meet the following definition of staff headcount and either the turnover or balance sheet total definitions:

Company category	Staff headcount	Turnover	Balance sheet total
Medium-sized	< 250	≤ €50 million	≤ €43 million
Small	< 50	≤ €10 million	≤ €10 million
Micro	< 10	≤ €2 million	≤ €2 million



## FINANCIAL DATA & FILING REQUIREMENTS

### Which types of company must file financial data?

PLC's and incorporated companies.

### Are there any filing exemptions and thresholds?

SMEs are not required to publish the filing of the accounts.

There are three models of annual accounts:

**Not required:** SMEs for those companies with assets below 2.850.000 Euros, income below 5.700.000 Euros or less than 50 employees.

**Abridged:** For those companies with assets between 2.850.000 and 11.400.000 Euros, Income figure between 5.700.000 and 22.800.000 Euros and between 50 and 250 employees.

**Regular:** For any other company.

### How long after the financial year end do companies have to file financials?

One month after they are approved by the Steering Committee, and always before June 30<sup>th</sup>.

### What is the penalty for not filing the financial data, and is it likely a company would prefer the penalty rather than filing them?

Between 1.200 and 60.000 Euros. Nowadays the rate of companies filing their accounts has increased since the worst years of the financial crisis.

### How did you collect the accounts?

Most of them are provided through an XML feed. The remainder are either collected by us or the companies volunteer them to us.

### What is the number of companies that must publish accounts?

Approximately 1,6 Million.

### What is the number of companies that can decide to publish or not publish accounts?

Zero, financials are mandatory. However, the penalty for not doing so is just 30 Euros.

### Are the accounts free in this country?

No, they are approximately 10 Euros each, no matter how many are purchased.



## REGISTERED & LAW INFORMATION

### **Provisional Closure of the Registry Art.137.2 Law 43/1995 Corporation Tax**

This means that the Register closed the registration sheet because this company did not present any acts in the Register from 2003 to 2005. However, the firm is active and when they present some acts the registration sheet will come back to open.

### **Gazette Registered Deeds art 378.5**

The article 378.5 from the Spanish Trade Registry Code (publicly available) reads as follows:

If the annual accounts have not been deposited at the registry because they have not been approved by the Shareholders General Meeting:

Provisional closure of the company's registry sheet will not take place due to said lack of deposit of the annual accounts when this circumstance is accredited by:

- Certification of the administration body with legitimate signatures, in which it will be detailed the cause of the lack of approval.
- Authorised notarial copy of the general meeting attesting to the non-approval of the annual accounts.

To prevent the provisional closure of the company's registry sheet, the certification or the copy of the general meeting must be filed in the Trade Registry before the end of the period of one year counting from the date of the end of the fiscal year. The permanence of this situation must be justified every six months by any of such means. Every periodic reiteration will be subject to registration and publication in the Official Gazette of the Commercial Registry.

### **Consequences**

Provisional closure of the company's registry sheet will not take place due to the lack of deposit of accounts if the company complies with filing these certifications. The status of the company ceases to be that of Registry Closure to become Active.

### **Legal Regulation**

Royal Decree 1784/1996, of July 19, which approves the Regulations of the Trade Registry, art. 378.5 (in force).





## FAQS REGARDING UNAVAILABLE INFORMATION

### Why does the local score show as inactive, however the report status shows as active?

While it is true that the company is listed over at the registry as being active, it has not shown any signs of activity (e.g., financial filings, Operations, Director changes) during the last 4 years. Therefore, we consider it as being inactive.

### Why are the headquarters of companies not rated?

We do not rate companies performing headquarters activities as they are not a trading company themselves.

### Why is there no shareholders information?

In Spain, the only way to find out who are the shareholder of any given company is if said company decides to publish that information on the comments section of their yearly balance sheet. Since it is not mandatory to file such information, there are many companies that choose to keep that information private.

### Why are some reports not available instantly on-line?

Please see the below table for an explanation:

Sample number (NIF)	Company Type	Online/Offline	Description	% Of all companies in Spain
A28788909 or B99999999	Registered (Limited)	Online	Online registered companies e.g., private limited	55.00%
F99999999	Cooperative	Offline	Freshly investigated	0.40%
E99999999	Comunidad de Bienes	Offline	communities of goods	1.70%
X99999999	Foreign Sole trader	Online	Online if updated in last 12 months, if not request offline	<1%
27511529X	Spanish sole traders	Online	Online if updated in last 12 months, if not request offline	40.00%
N0031965G	Non-Resident entities	Offline	Non-Resident entities	<1%
J99999999	Civil Partnership	Offline	offline - not limited companies so the partners are liable with their own goods	<1%
G99999999	Associations and other civil societies	Online	Online if updated in last 12 months, if not request offline	2.50%
V82467945	Other	Offline	other company types	0.40%



## COUNTRY POPULATION & TRADE DATA

### Population

46,761,843

Link - <https://www.worldometers.info/world-population/spain-population/>

### GDP

Spain is holding the 14 positions by nominal GDP. Its national debt in 2020 was (1,537,155 million of dollars), (120% debt-to-GDP ratio) and its public debt per capita is \$32,433 dollars per inhabitant.

The last annual rate of CPI published in Spain was in November of 2021 and it was 5.6%.











In terms of the human development index (HDI) of Spain, which is the index used by the United Nations to measure the progress of a country, was 0.904 points in 2019, leaving it in 25th place in the table of 189 countries published. Domestic Product of Spain grew 16.7% in the third quarter of 2020 compared to the previous quarter. This rate is 345 -tenths of one percent higher than the figure of -17.8% published in the second quarter of 2020.

Link - <https://countryeconomy.com/countries/spain>

The Gross Domestic Product (GDP) in Spain was worth 1281.20 billion US dollars in 2020, according to official data from the World Bank. The GDP value of Spain represents 1.14 percent of the world economy.

Link - <https://tradingeconomics.com/spain/gdp>

### Import / Export

<b>Export goods</b>	Machinery, motor vehicles; foodstuffs, pharmaceuticals, medicines, other consumer goods	<b>Import goods</b>	Fuels, chemicals, semi-finished goods, foodstuffs, consumer goods, machinery and equipment, measuring and medical control instruments
<b>Main export partners</b>	 France 15.1%  Germany 11.3%  Italy 7.8%  Portugal 7.1%  United Kingdom 6.9%  United States 4.4% (2017) <sup>[5]</sup>	<b>Main import partners</b>	 Germany 14.2%  France 11.9%  China 6.9%  Italy 6.8%  Netherlands 5.1%  United Kingdom 4% (2017) <sup>[5]</sup>

Link - [https://en.wikipedia.org/wiki/Economy\\_of\\_Spain](https://en.wikipedia.org/wiki/Economy_of_Spain)

### Five Charts on Spain's Economy and Response to COVID-19

Link - <https://www.imf.org/en/News/Articles/2020/11/12/na111320-five-charts-on-spains-economy-and-response-to-covid-19>