



Are you ready for the general meeting?

Given that the legally mandated deadline for holding the general meetings of limited liability and joint stock companies is approaching, we consider it advisable to draw your attention to the wide range of associated responsibilities.

According to the regulations, it is essential that the general meetings of these types of companies should discuss the companies' regular financial statement at the latest by 30th June of the given year (this deadline only differs in the case of companies which have an accounting period which is different from the calendar year).

The compilation of the regular financial statement and the organisation of its verification by an auditor is not the sole responsibility which the legal regulations impose upon the company's bodies in association with the holding of the annual general meeting.

As well as the preparation and publication of the invitations to the general meeting, these responsibilities especially involve the following in case of joint stock companies:

- the preparation of the proposal for the distribution of profits,
- the preparation and publication of the report of the Board of Directors on the company's commercial activities and on the state of its assets,
- the preparation and publication of the company's financial statement,
- the publication of the report on the company's relations together with the Supervisory Board's report on the investigation of this report,
- the preparation of the Supervisory Board's report on its activities,
- the preparation of the Supervisory Board's report on the verification of the financial statement, the proposal for the allocation profits and the report on the company's relations.

Some of the aforementioned documents must also be drawn up in the case of limited liability companies. Furthermore, the company's Memorandum of Association or Articles of Association may also impose other obligations on the company's bodies over and above the legally mandated framework.

The process of preparing these “annual” documents and their eventual discussion or verification by the company’s bodies usually takes several weeks. Moreover, the legal regulations require some of the stated documents to be published at least 30 days before the general meeting is held. Despite the fact that the aforementioned deadline of 30th June is just under two months away, it is therefore advisable to commence the preparation of the general meeting as soon as possible.

Based on our practical experience with holding of general meetings, we also recommend that you should not underestimate the careful preparation of the general meeting and preparation of the members of the company’s bodies in this regard.

Mgr. Michal Pálinkás, attorney at law at ŘANDA HAVEL LEGAL

[Back](#) <

