

Spain

1. La sociedad anónima

Brief overview: Establishment and structure of company

Statutory basis

Various statutory regulations, in particular the L.S.A; = law on limited-liability companies

Requirements for establishment

- Certificate of establishment
- Company agreement (= statutes)
- Entry into Commercial Register
- Publication in official gazette

Minimum capital

60,101.21 euro (10,000,000 Ptas)

Organisation

1) General meeting (= of shareholders)

Tasks include

- Deciding on number and appointing and deselecting members of Administrative Board
- Amendments to statutes
- Approval of year-end financial statement auditor's report
- Decisions on merger, split and conversion

Meetings 1x annually, extraordinary meetings are possible

2) Administrative Board

Administration of the company can be put into the hands of one or more people; an Administrative Board is formed if administration is put in the hands of more than two people. To be nominated as a member of the Administrative Board you may not be a shareholder, unless the statutes allow this.

The tasks of the Administrative Board include

- Managing the business
- Preparation of year-end financial statement
- At the latest 3 months after the end of the accounting year: presentation of the annual report, the profit and loss account and the year-end financial statement (under certain conditions that will not be detailed here it may be possible to present a short version of the financial statement)
- Representation of the company externally, internally and in and out of the courts
- Convening of the Annual General Meeting and always when required

Term of office: 5 years, Re-election possible; accountable to the company, the shareholders and third parties, if damages are caused as a result of actions that infringe the law or the company's statutes.

3) Auditor

mandatory, tasks: examination of year-end financial statement including annual report and proposals for distribution of profits; submission of report on these.

Brief overview: Employee participation at board level

None.

2. La sociedad de responsabilidad limitada (S.R.L.)

Brief overview: Establishment and structure of company

Statutory basis

L.S.R.L. of 23.3.1995

Requirements for establishment

- Company agreement (= statutes)
- Notarized establishment certificate
- Entry into Commercial Register

Minimum capital

3,005.06 euro

Organisation

1) General Meeting

Tasks include

- Nomination and deselection of Managing Director
- Amendments to statutes
- Discharge of the management
- Decisions relating to disposal of profits
- Approval of year-end financial statement
- Capital increase or reduction
- Decision on conversion, merger, split
- Transfer of company shares to people outside the company only with approval of General Meeting
- Right to be elected as Managing Director

2) Managing Director

Management can be transferred to one or more people; several people must act jointly or form an Administrative Board, in order to be nominated as Managing Director one does not need to be a partner.

Tasks include

- Powers are primarily regulated in the statutes
- Representation of the company internally and externally
- Presentation of year-end financial statement within 3 months of the end of the business year, unless a short version is involved (details of regulations on this cannot be given here).

Brief overview: Employee participation at board level

None.

Source: Büggel, A. (2003) *Company law and existing legislative provision for employee participation in the EU member states*, in R. Köstler and A. Büggel, *The European Company and Company law and existing legislative provision for employee participation in the EU member states*, Brussels: ETUI. Report 79 (to order the whole report, please send an e-mail to etui@etuc.org; price: €20).