DOING BUSINESS IN ROMANIA
COMPANY FORMATION IN ROMANIA

MAIN FORMS OF COMPANY/BUSINESS IN ROMANIA

According to Romanian law (Law 31/1990), in Romania the trading companies shall be set up under one of the following forms:

- General partnership
- Limited partnership
- Joint-stock company
- Limited partnership by shares
- Limited liability company

General partnership main features:
- Unlimited liability for the debts of the social partners
- The company shall have at least two associates
- Law does not require and does not fix a minimum capital for this form of company
- Associates have the freedom to establish the value of the share capital after their own interests

Limited partnership main features:
- Two categories of partners: sleeping partners and active partners
- Assumes an unlimited and joint liability of active partners for the company’s obligations. The sleeping partners may be kept liable only up to the value of their subscribed registered capital
- The company shall have at least two associates
- The law does not require minimum capital. Founders are free to determine by mutual agreement between the value and structure of initial capital.

Joint-stock company main features:
- The number of shareholders can not be less than two
- The registered capital of the joint-stock company cannot be lower than 90.000 lei (25.000 euro)
- The shareholders may be kept liable only up to the value of their subscribed registered capital
- It may be provided in one of two forms: closed joint stock company or public company

Limited partnership by shares main features:
- Two categories of partners: sleeping partners and active partners
- Assumes an unlimited and joint liability of active partners for the company’s obligations. The sleeping partners may be kept liable only up to the value of their subscribed registered capital
- The registered capital of the joint-stock company cannot be lower than 90.000 lei (25.000 euro).

Limited liability company main features:
- The registered capital of the joint-stock company cannot be lower than 200 lei
- The number of partners may not exceed 50
- The partners may be kept liable only up to the value of their subscribed registered capital

SPECIFIC TAX CONCERNS RELATED TO ESTABLISHING A COMPANY

The costs charged by the Trade Register Office for setting up a company can vary depending on the number of partners, the share capital (for publication in the Official Monitor), the number of activities that the Company intends to pursue in the future, and other such. Frequently incorporation fees charged by the Trade Register
Office can range between 100 and 300 euro. To this, add the lawyer’s fees which can start from 150-250 euros, depending on the law firm chosen.

LEGAL ISSUES RELATED TO ESTABLISHING A COMPANY

Steps for setting up a company and documents necessary for incorporation:

1. Sets the place/pace where the company will have its headquarters and, if applicable, secondary offices
2. Sets the company name and, if applicable, the logo of the company
3. Draws up the constitutive act accordingly to chosen form of the company
4. The constitutive act shall be signed by all associates and shall be concluded in an authenticated form
5. Cash contributions are deposited in a bank and documents for property contributions in kind, as applicable, are prepared
6. Legal fees and stamp duty are paid
7. The file containing all the necessary documents is prepared and submit to the Trade Register Office from the county where the headquarters was established
8. At the Trade Register Office takes place:
   - File checking
   - Legality control of documents and authorization of company registration by the judge appointed by the Territorial Court
   - Submission for publication in the Official Gazette of the conclusion of delegated judge
   - Company registration
   - the issue of the certificate of company incorporation and the conclusion of the delegated judge
9. Company tax registration and obtaining a tax code from the Territorial Financial Administration
10. Obtaining the necessary approvals and authorization required by company operation

CULTURAL CONCERNS RELATED TO ESTABLISHING A COMPANY

There are no cultural restrictions related to establishing a company, Romania is open to all categories of entrepreneurs, regardless of nationality, origin, language, culture, etc.

For successful establishment and management of a company, the following are very important:

- entrepreneur personality (personality traits and specialized knowledge)
- appropriate choice of collaborators
- respecting ethical standards in performed activities

OTHER COUNTRY-SPECIFIC ISSUES RELATED TO ESTABLISHING A COMPANY

- Responsibility taking for all the opportunities and risks to which entrepreneurs are exposed in the decision to establish a company. Business purposes (regardless of domain) should be making a profit (in a legal framework) and entrepreneurs should identify and seize the opportunities and take inherent and unforeseeable business risks
- Knowledge of facilities related to companies: tax exemption on reinvested profit, subsidies or other facilities for stimulating the establishment of micro-enterprises by young entrepreneurs, government grants and/or European grants for a wide range of activities, etc.
PERMANENT ESTABLISHMENT IN ROMANIA: BRANCH OR SUBSIDIARY?

DEFINITION OF A PERMANENT ESTABLISHMENT

A permanent establishment is a location through which the activity of a non-resident is wholly/partly carried out, either directly/through a dependent agent. It includes a place of management, branch, office, factory, shop, workshop. Additionally, it can be the place through which an activity continues to be carried out with the assets and liabilities of a Romanian legal person that entered in a reorganization process.

DEFINITION AND MAIN DIFFERENCES BETWEEN A BRANCH AND A SUBSIDIARY

Branches
Companies without legal personality incorporated, before their activity starts, at the trade register of the county where they will carry out their activity. They can be defined as any secondary center of the parent company, with capital which is entirely controlled by its parent company and has a certain legal and economic autonomy to this company.

Characteristics:
- has no Romanian nationality, only the nationality of the parent company;
- is subject to its national law

Subsidiaries
Represent trading companies with legal personality and are set up in one of the forms according to the Romanian law. They are under the control of the parent company.

Characteristics:
- has legal personality, it is a legal company, by law, distinct from the parent company;
- can act in commercial legal relations in its own name.

The main differences between branches and subsidiaries are:

1. The branch is not an entity with legal personality. It is part of the structure of the parent company and is economically dependent on it. The subsidiary is an independent company with its own legal personality compared to the parent, under whose control it is.
2. The branch has only a few assets necessary for the activity that has been allocated by the parent company. The subsidiary has its own patrimony.
3. The branch is registered at the Trade Register, but should not have a minimum share capital; it only benefit from a patrimony which is attributed by the parent company. The subsidiary also is registered at the Trade Register with a minimum share capital required by law to the form of the company it is established.
4. The branch may have in the object of activity, only activities that the parent company has in own activity. The object of the activity of a subsidiary may be distinct of the object of the activity of the parent company.
5. The subsidiary is subject to the law of the state where it has its registered office because is an independent company, unlike a branch, which is subject to the national law of the parent company who founded it.
6. The subsidiary act in their personal name with third parties, while branch only works in the name or on behalf of the parent.
TAX AND ACCOUNTING OBLIGATIONS

Branches - tax and accounting regulations

- Permanent headquarters from Romania which belong to foreign companies are required to organize and manage their own accounts and prepare annual financial statements. The branch does not prepare annual financial statement, but is required to prepare an annual accounting report.
- The financial year in Romania coincides with the calendar year and has 12 months. The financial year may differ from the calendar year for branches established in Romania which belong to legal persons with headquarters abroad as well as for legal entities residing in Romania.
- Foreign legal persons carrying out activities through a permanent establishment in Romania are required to pay income tax for the taxable profit which is attributable to the permanent establishment.
- For foreign legal persons carrying out activities through a permanent establishment/more permanent establishment in Romania, the profit tax is applied on taxable income attributable to the permanent establishment or the taxable profit determined in the permanent establishment designated to fulfill tax obligations.
- All branches or other subunits without legal personality of a taxable person who has established its business outside Romania must be registered under one registration code for VAT purposes.
- Legal persons who have secondary offices in Romania have the status of payer of tax obligations, except for the tax on salary income, for which the tax payment is made, for the secondary offices of legal persons.

Subsidiaries - tax and accounting regulations

- Subsidiaries are established in one of the forms under the Romanian law, with the legal regime of corporate form in which it was established. The subsidiary is subject to the law of the state where it has its headquarters office, this is an independent company and therefore is subject to all applicable accounting regulations and tax resident companies.
- Subsidiary, having legal personality, elaborates financial statements according to the law of each country.
- The individual financial statements of a subsidiary may be subject to consolidation with the parent company which will issue consolidated financial statements, according to legal regulations.

At the moment, the financial statements will be accompanied by the directors report, the audit report or the censors report (as applicable) and the proposal for distribution of profit or covering of loss accounting.

REGISTRATION FORMALITIES

Branch

- Foreign companies may establish branches or other secondary locations in Romania, under Romanian law, if this right is recognized by their law, under the same conditions as Romanian companies.
- Are registered before beginning their activity in the trade register in the county in which they will operate.

Subsidiaries

- Foreign companies may establish subsidiaries in Romania, under Romanian law, if this right is recognized by their law.
- Are registered at the trade register of the subsidiary’s office.

STANDARD LEGAL OBLIGATIONS AND FORMALITIES FOR A BRANCH

- Competence of foundation/dissolution belongs to General Meetings/Extraordinary General Meeting of Shareholders, unless otherwise provided in the constitutive act.
- A branch may only pursue an economic activity within the objects of the company founders, providing some autonomy but within the limits set by the founding company.
- A branch firm consists of the company legal person who founded it, the name of the town where the headquarters is, followed by the word “branch” and the name of the town where the branch is located.
- The trader with headquarters abroad which opens branches in Romania must request their registration with the Trade Register at the headquarters of each branch.
HOW TO HIRE MY FIRST EMPLOYEE IN ROMANIA

MAIN LEGAL STEPS TO FOLLOW TO HIRE A FIRST EMPLOYEE

To hire, a company must first register at the Territorial Labor Inspectorate and get access to the Electronic Register of Employees for recording all individual employment contracts.

The main steps to recruit employees are:

- Public declaration of the available job (through company recruiting, a job announcement on the company website, or on job sites, written press, a job announcement in the local employment agency workforce);
- Examining requests from potential employees;
- Interviews with candidates who qualify for the job;
- Testing the selected candidates, if necessary;
- Selecting the best candidate and notification the other ones about the decision made
- Proper hiring of the selected candidate which involves requesting certain documents from the employee (identity card, education and other certifications, medical certificate, attesting that the concerned person is able to perform the respective activity, other documents required depending on the type of work) and then concluding the individual employment contract with the selected employee and the job description with duties and responsibilities of the post.

DESIGN AND CONTENTS OF AN EMPLOYMENT CONTRACT

The individual employment contract must contain:

- Identity of the parties, employer and employee with their identification data;
- Subject of the contract;
- Length of the individual employment contract (limited or unlimited);
- The workplace, where activity will take place;
- The position/occupation;
- Job description;
- Criteria for evaluating the professional activity of the employee;
- The length of work (full/partial);
- The length of the leave the employee is entitled to;
- The basic pay, other components of earned income;
- The payment frequency for the wage the employee is entitled to;
- Other clauses: the length of the probationary period, the conditions under which the contracting parties may give notice and its length;
- The rights and obligations regarding the employee and employer;
- How to solve conflicts related to the closure, performance, amendment, suspension or termination of employment.

CAN SOMEBODY DO BUSINESS FOR ME AND NOT BE AN EMPLOYEE?

Besides a labor contract, a person can carry out activities for the company in the following forms, if related conditions are fulfilled:

- As day laborers, to run occasional unqualified activities, for which they are paid. Employment relationship is
established by an agreement between the parties, without having to conclude an individual labor contract, for a period of at least one day;
- With civil contract for services, for occasional activities and excluding dependency report between employee and employer;
- As authorized physical persons, who are authorized to perform economic activities based on professional qualification they hold, and are registered at the territorial fiscal bodies. Authorized physical person will issue an invoice for their services. Working with authorized physical person can be made only if these are independent activities.
HOW TO READ FINANCIAL STATEMENTS IN ROMANIA

Starting with the fiscal year 2015 individual annual financial statements and consolidated annual financial statements are prepared in accordance Ministry of Public Finance Order no.1802/2014, which repeal previous regulations (Ministry of Public Finance Order no. 3055/2009)

Depending on the size criteria, entities are grouped into three categories:

- Micro-entities
- Small entities
- Medium and large entities

**Micro-entities** are entities that, on the balance sheet day, do not exceed at least two of the following three criteria:

a) total assets: 1.500.000 lei (equivalent to 338.310 euros);
b) net turnover: 3.000.000 lei (equivalent to 676.620 euros);
c) average number of employees during the financial year: 10

**Small entities** are entities that, on the balance sheet day, do not fall into the category of micro-entities and do not exceed at least two of the following three criteria:

a) total assets: 17.500.000 lei (equivalent to 3.946.953 euros);
b) net turnover: 35.000.000 lei (equivalent to7.893.906 euros);
c) average number of employees during the financial year: 50

**Medium and large entities** are entities that, on the balance sheet day, exceed at least two of the following three criteria:

a) total assets: 17.500.000 lei (equivalent to 3.946.953 euros);
b) net turnover: 35.000.000 lei (equivalent to7.893.906 euros);
c) average number of employees during the financial year: 50

Micro-entities prepare annual financial statements consisting of:
- balance sheet – in short form;
- profit and loss account – in short form;
- explanatory notes to the annual financial statements.

Small entities prepare annual financial statements consisting of:
- balance sheet – in short form;
- profit and loss account
- explanatory notes to the annual financial statements.

Medium, large entities and entities of public interest prepare annual financial statements consisting of:
- balance sheet
- profit and loss account
- statement of changes in equity
- statement of cash flow
- explanatory notes to the annual financial statements

The balance sheet format for medium and large entities is as follows:
<table>
<thead>
<tr>
<th>A. ACTIVE IMOBILIZATE</th>
<th>A. FIXED ASSETS</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. IMOBILIZĂRI NECORPORALE</td>
<td>I. INTANGIBLE FIXED ASSETS</td>
</tr>
<tr>
<td>1. Cheltuieli de constituirie</td>
<td>1. Setup ecosts</td>
</tr>
<tr>
<td>2. Cheltuieli de dezvoltare</td>
<td>2. Development costs</td>
</tr>
<tr>
<td>3. Concesiuni, brevete, licențe, mărci comerciale, drepturi și active similare și alte imobilizări necorporale</td>
<td>3. Concessions, patents, licences, trademarks and similar rights and assets</td>
</tr>
<tr>
<td>4. Active necorporale de exploatare si evaluare a resurselor minerale</td>
<td>4. Intangible assets – exploatation and evaluation of mineral resources</td>
</tr>
<tr>
<td>5. Fond comercial, in masura in care acesta a fost achizitionat cu titfu oneros</td>
<td>5. Goodwill, if it was purchased</td>
</tr>
<tr>
<td>6. Avansuri</td>
<td>6. Advance payments</td>
</tr>
<tr>
<td>II. IMOBILIZĂRI CORPORALE</td>
<td>II. TANGIBLE FIXED ASSETS</td>
</tr>
<tr>
<td>1. Terenuri și construcții</td>
<td>1. Land and buildings</td>
</tr>
<tr>
<td>2. Instalații tehnice și mașini</td>
<td>2. Plant and machinery</td>
</tr>
<tr>
<td>3. Alte instalații, utilaje și mobilier</td>
<td>3. Other tangible fixed assets</td>
</tr>
<tr>
<td>4. Investitii imobiliare</td>
<td>4. Real estate investments</td>
</tr>
<tr>
<td>5. Active corporale de exploatare si evaluare a resurselor minerale</td>
<td>5. Tangible assets – exploatation and evaluation of mineral resources</td>
</tr>
<tr>
<td>6. Active biologice productive</td>
<td>6. Biological assets</td>
</tr>
<tr>
<td>7. Avansuri și imobilizări corporale în curs de execuție</td>
<td>7. Advance payments and tangible assets in progress</td>
</tr>
<tr>
<td>III. IMOBILIZĂRI FINANCIARE</td>
<td>III. FINANCIAL ASSETS</td>
</tr>
<tr>
<td>1. Acțiuni deținute la entitățile afiliate</td>
<td>1. Shares in related parties</td>
</tr>
<tr>
<td>2. Împrumuturi acordate entităților afiliate</td>
<td>2. Loans to related parties</td>
</tr>
<tr>
<td>3. Interese de participare</td>
<td>3. Participating interests</td>
</tr>
<tr>
<td>4. Împrumuturi acordate entităților de care compania este legată în virtutea intereselor de participare</td>
<td>4. Loans to entities in which the company is linked by virtue of participating interests</td>
</tr>
<tr>
<td>5. Investiții deținute ca imobilizări</td>
<td>5. Investments held as financial assets</td>
</tr>
<tr>
<td>6. Alte împrumuturi</td>
<td>6. Other loans</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>B. ACTIVE CIRCULANTE</th>
<th>B. CURRENT ASSETS</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. STOCURI</td>
<td>I. INVENTORY</td>
</tr>
<tr>
<td>1. Materii prime și materiale consumabile</td>
<td>1. Raw materials and consumables</td>
</tr>
<tr>
<td>2. Producția în curs de execuție</td>
<td>2. Work in progress</td>
</tr>
<tr>
<td>3. Produse finite și mărfuri</td>
<td>3. Finished products and commodities</td>
</tr>
<tr>
<td>4. Avansuri</td>
<td>4. Advance payments</td>
</tr>
<tr>
<td>II. CREATANȚE (Sumele care urmează să fie încazate după o perioadă mai mare de un an trebuie prezentate separat pentru fiecare element)</td>
<td>II. Accounts receivable (The amounts to be received after more than one year must be shown separately for each item)</td>
</tr>
<tr>
<td>1. Creanțe comerciale</td>
<td>1. Trade accounts receivable</td>
</tr>
<tr>
<td>2. Sume de încazat de la entitățile afiliate</td>
<td>2. Amounts receivable from affiliated entities</td>
</tr>
</tbody>
</table>
3. Sume de încasat de la entităţile de care compania este legată în virtutea intereselor de participare  
4. Alte creaţii  
5. Capital subscris şi nevărsat  

<table>
<thead>
<tr>
<th>III. INVEŢIŢII PE TERMEN SCNURT</th>
<th>III. SHORT TERM INVESTMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Acţiuni deţinute la entităţile afiliate</td>
<td>1. Shares in affiliates</td>
</tr>
<tr>
<td>2. Alte investiţii pe termen scurt</td>
<td>2. Other short term investments</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>IV. CASĂ ŞI CONTURI LA BÂNCI</th>
<th>IV. CASH AND BANK ACCOUNTS</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>C. CHELTUIELI ÎN AVANS</th>
<th>C. PREPAYMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>D. DATORII: SUMELE CARE TREBUIE PLĂTITE ÎNTR-O PERIOADĂ DE PÂNĂ LA 1 AN</td>
<td>D. DEBTS TO BE PAID IN A PERIOD UP TO 1 YEAR</td>
</tr>
<tr>
<td>1. Împrumuturi din emisiunea de obligaţii, prezentându-se separat împrumuturile din emisiunea de obligaţii convertibile</td>
<td>1. Debenture loans, convertible debenture loans are presented separately</td>
</tr>
<tr>
<td>2. Sumele datorate instituţiilor de credit</td>
<td>2. Amounts owed to credit institutions</td>
</tr>
<tr>
<td>3. Avansuri încasate în contul comenzilor</td>
<td>3. Advance payments from customers</td>
</tr>
<tr>
<td>5. Efecte de comerţ de plătit</td>
<td>5. Bills of exchange payable</td>
</tr>
<tr>
<td>6. Sume datorate entităţilor afiliate</td>
<td>6. Payables to affiliated entities</td>
</tr>
<tr>
<td>7. Sume datorate entităţilor de care compania este legată în virtutea intereselor de participare</td>
<td>7. Payables to entities in which the company is linked by virtue of participating interests</td>
</tr>
<tr>
<td>8. Alte datorii, inclusiv datoriile fiscale şi datoriile privind asigurările sociale</td>
<td>8. Other debts, including tax and social security debts</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>E. ACTIVE CIRCULANTE NETE/ DATORII CURENTE NETE</th>
<th>E. NET CURRENT ASSETS/ NET CURRENT LIABILITIES</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>F. TOTAL ACTIVE MINUS DATORII CURENTE</th>
<th>F. ASSETS LESS CURRENT LIABILITIES</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>G. DATORII: SUMELE CARE TREBUIE PLĂTITE ÎNTR-O PERIOADĂ MAI MARE DE 1 AN</th>
<th>G. DEBTS TO BE PAID IN A PERIOD OF MORE THAN 1 YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Împrumuturi din emisiunea de obligaţii, prezentându-se separat împrumuturile din emisiunea de obligaţii convertibile</td>
<td>1. Debenture loans, convertible debenture loans are presented separately</td>
</tr>
<tr>
<td>2. Sumele datorate instituţiilor de credit</td>
<td>2. Amounts owed to credit institutions</td>
</tr>
<tr>
<td>3. Avansuri încasate în contul comenzilor</td>
<td>3. Advance payments from customers</td>
</tr>
<tr>
<td>5. Efecte de comerţ de plătit</td>
<td>5. Bills of exchange payable</td>
</tr>
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</tr>
<tr>
<td>7. Sume datorate entităţilor de care compania este legată în virtutea intereselor de participare</td>
<td>7. Payables to entities in which the company is linked by virtue of participating interests</td>
</tr>
<tr>
<td>8. Alte datorii, inclusiv datoriile fiscale şi datoriile privind asigurările sociale</td>
<td>8. Other debts, including tax and social security debts</td>
</tr>
</tbody>
</table>
### H. PROVIZIOANE | H. PROVISIONS
--- | ---
1. Provizioane pentru litigii | 1. Provisions for litigations
2. Provizioane pentru garantii acordate clientilor | 2. Provisions for customer warranties
3. Provizioane pentru pensii și obligații similare | 3. Provisions for pensions and similar obligations
5. Alte provizioane | 5. Other provisions

### I. VENITURI IN AVANS | I. ACCRUED INCOME

### J. CAPITALURI PROPRIII | J. NET EQUITY

### I. CAPITAL SUBCRIS | I. SUBSCRIBED CAPITAL
1. Capital subcris vărsat | 1. Subscribed and paid in capital
2. Capital subcris nevărsat | 2. Subscribed and not paid in capital

### II. PRIME DE CAPITAL | II. SHARE PREMIUMS

### III. REZERVE DIN REEVALUARE | III. REVALUATION RESERVES

### IV. REZERVE | IV. RESERVES
1. Rezerve legale | 1. Legal reserves
2. Rezerve statutare sau contractuale | 2. Statutory or contractual reserves
3. Alte rezerve | 3. Other reserves

### V. PROFITUL SAU PIERDEREA REPORTATA | V. PROFIT / LOSS BROUGHT FORWARD

### VI. PROFITUL SAU PIERDEREA EXERCIȚIULUI FINANCIAR | VI. RESULT FOR THE YEAR (PROFIT OR LOSS)
The balance sheet format for micro-entities and small entities include all elements of balance sheet for medium and large entities, as shown above, but more centralized. The main active and passive items which are found in the balance sheet of these entities are:

- fixed assets
- current assets
- prepayments
- debts to be paid in a period up to 1 year
- debts to be paid in a period of more than 1 year
- provisions
- accrued incom
- net equity

The format of the profit and loss account prepared by small and medium-sized and large entities is as follows:
1. **Cifra de afaceri neta**  
2. **Variatia stocurilor de produse finite si a productiei in curs de executie**  
3. **Productia realizata de entitate pentru scopurile sale proprii si capitalizata**  
4. **Alte venituri dinexploatare**  
5. a) **Cheltuieli cu materiile prime si materialele consumabile**  
   b) **Alte cheltuieli externe**  
6. **Cheltuieli cu personalul:**  
   a) **Salarii si indemnizatii**  
   b) **Cheltuieli cu asigurarile sociale**  
7. a) **Ajustari de valoare privind imobilizarile corporale si imobilizarile necorporale**  
   b) **Ajustari de valoare privind activele circulante, in cazul in care acestea depasesc suma ajustarilor de valoare care sunt normale in entitata in cauza**  
8. **Alte cheltuieli de exploatare**  
9. **Venituri din interese de participare, cu indicarea distincta a celor obtinute de la entitatile affiliate**  
10. **Venituri din alte investitii si imprumuturi care fac parte din activele imobilizate, cu indicarea distincta a celor obtinute de la entitatile affiliate**  
11. **Alte dobanzi de incasat si venituri similare, cu indicarea distincta a celor obtinute de la entitatile affiliate**  
12. **Ajustari de valoare privind imobilizarile financiare si investitiile detinute ca active circulante**  
13. **Dobanzi de platit si cheltuieli similare, cu indicarea distincta a celor de platit entitatilor affiliate**  
14. **Impozitul pe profit**  
15. **Profitul sau pierderea dupa impozitare**  
16. **Alte impozite neprezentate la elementele de mai sus**  
17. **Profitul sau pierderea exercitiului financiar**

<table>
<thead>
<tr>
<th>Romanian</th>
<th>English</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Cifra de afaceri neta</td>
<td>1. Net turnover</td>
</tr>
<tr>
<td>2. Variatia stocurilor de produse finite si a productiei in curs de executie</td>
<td>2. Changes in inventories of finished products and production in progress</td>
</tr>
<tr>
<td>3. Productia realizata de entitate pentru scopurile sale proprii si capitalizata</td>
<td>3. Production achieved by the entity for its own purposes and capitalized</td>
</tr>
<tr>
<td>4. Alte venituri din exploatare</td>
<td>4. Other operating incomes</td>
</tr>
<tr>
<td>5. a) Cheltuieli cu materiile prime si materialele consumabile</td>
<td>5. a) Raw materials and consumables expenses</td>
</tr>
<tr>
<td>b) Alte cheltuieli externe</td>
<td>b) Other external expenses</td>
</tr>
<tr>
<td>6. Cheltuieli cu personalul:</td>
<td>6. Staff expenses</td>
</tr>
<tr>
<td>a) Salarii si indemnizatii</td>
<td>a) Salary and allowances</td>
</tr>
<tr>
<td>b) Cheltuieli cu asigurarile sociale</td>
<td>b) Social security contributions</td>
</tr>
<tr>
<td>7. a) Ajustari de valoare privind imobilizarile corporale si imobilizarile necorporale</td>
<td>7. a) Adjustment on tangible and intangible assets</td>
</tr>
<tr>
<td>b) Ajustari de valoare privind activele circulante, in cazul in care acestea depasesc suma ajustarilor de valoare care sunt normale in entitata in cauza</td>
<td>b) Adjustment for current assets, if they exceed the amount of adjustments value which are normal in the entity concerned</td>
</tr>
<tr>
<td>8. Alte cheltuieli de exploatare</td>
<td>8. Other operating expenses</td>
</tr>
<tr>
<td>9. Venituri din interese de participare, cu indicarea distincta a celor obtinute de la entitatile affiliate</td>
<td>9. Incomes from participating interests, with distinct indication of that derived from affiliated entities</td>
</tr>
<tr>
<td>10. Venituri din alte investitii si imprumuturi care fac parte din activele imobilizate, cu indicarea distincta a celor obtinute de la entitatile affiliate</td>
<td>10. Income from other investments and loans forming part of the assets, with a separate indication of that derived from affiliated entities</td>
</tr>
<tr>
<td>11. Alte dobanzi de incasat si venituri similare, cu indicarea distincta a celor obtinute de la entitatile affiliate</td>
<td>11. Other interest receivable and similar income, with separate indication of that derived from affiliated entities</td>
</tr>
<tr>
<td>12. Ajustari de valoare privind imobilizarile financiare si investitiile detinute ca active circulante</td>
<td>12. Adjustments value on financial assets and investments held as current assets</td>
</tr>
<tr>
<td>13. Dobanzi de platit si cheltuieli similare, cu indicarea distincta a celor de platit entitatilor affiliate</td>
<td>13. Interest payable and similar charges, with a separate indication of those paid to affiliated entities</td>
</tr>
<tr>
<td>15. Profitul sau pierderea dupa impozitare</td>
<td>15. Profit or loss after tax</td>
</tr>
<tr>
<td>16. Alte impozite neprezentate la elementele de mai sus</td>
<td>16. Other taxes not shown on the above items</td>
</tr>
<tr>
<td>17. Profitul sau pierderea exercitiului financiar</td>
<td>17. Profit or Loss for the year</td>
</tr>
</tbody>
</table>
Micro-entities prepare a profit and loss account comprising following items:

- net turnover
- other income
- the cost of raw materials and consumables
- salary expenses
- value adjustments
- other expenses
- taxes
- profit or loss