

DECISION No 14-64

of 8 July 1964

on business books and accounting documents which undertakings must produce for inspection by officials or agents of the High Authority carrying out checks or verifications as regards prices

THE HIGH AUTHORITY,

Having regard to Articles 8, 47, 60 to 64, 80, 82 and 86 of the Treaty establishing the European Coal and Steel Community;

Whereas it is the task of the High Authority to ensure that the objectives set out in the Treaty are attained and in particular that undertakings fulfil the obligations imposed on them by the provisions of the Treaty and the Decisions taken in application thereof;

Whereas the fulfilment of that task, in particular as regards prices, entails checks and verification in undertakings of their records;

Whereas such checks and verifications can be effective only if the facts and transactions which constitute the necessary source of information for the High Authority can be ascertained from business books and accounting documents;

Whereas, therefore, undertakings must be able to produce for inspection to officials or agents of the High Authority business books and accounting documents which contain the information needed to check effectively that the rules relating to prices have been complied with;

Whereas such checks and verifications must also enable the officials or agents of the High Authority to determine the value of sales which, under Article 64 of the Treaty, are irregular and also where necessary the turnover of the undertaking within the meaning of Article 82 of the Treaty;

Whereas Member States have enacted laws and regulations imposing on undertakings the obligation to keep regular accounts; whereas, however, such laws and regulations do not provide for the imposition of penalties corresponding to the requirements of the High Authority;

Whereas, without prejudice to the obligation on undertakings to make available to the High Authority for the purposes of checks and verifications all such business books and accounting documents as may be needed by the High Authority to fulfil its tasks, it is necessary in particular to prevent undertakings from evading an effective verification by alleging that they do not possess accounts or business records;

Whereas, having regard to Article 47 of the Treaty, it is necessary to make it obligatory for undertakings to keep business books and all supporting documents so that these can be made available to the persons entrusted by the High Authority with carrying out checks or verifications;

Whereas, notwithstanding the obligations imposed on undertakings by national law in respect of their accounts, it is necessary to specify by a decision binding on all undertakings the items which must be shown in their accounts;

Whereas it is also necessary for undertakings to make out for each sale an invoice or other document containing the requisite information for purposes of effective verification;

Whereas a limit should be set to the length of time for which undertakings must retain their business records, bearing in mind that the tasks of the High Authority may necessitate investigations to be made as regards prices;

DECIDES:

Article 1

Undertakings shall keep, and make available to the officials or agents of the High Authority carrying out checks or verifications as regards prices, business

books and accounting documents including at least the following:

- (a) Records of orders with related correspondence filed in such a way as to permit checking;
- (b) In respect of each sale a copy of the invoice or any other written record established for accounting purposes which contains at least the following items of information:
 - name and address of the purchaser;
 - nature, quality and quantity of the product sold;
 - date of invoice and of delivery;
 - price and all other conditions of sale;

such documents being filed in such a way as to enable the entries in the accounts to be checked;

- (c) A sales journal or any other accounting document in which all sales are entered in chronological order, showing at least the date of the contract for sale, the name of the customer or the invoice number, and the amounts payable;
- (d) A cash book recording in chronological order all receipts and payments with dates, names of purchasers and amounts, kept in such a way as to enable the cash balance to be checked at any time;
- (e) Statements of account and other documents relating to bank accounts and postal cheque accounts, separately for each financial establishment and in chronological order, kept in such a way as to enable the balance to be checked at any time;
- (f) Statements, receipts, bills and abstracts of account relating to payments and receipts, filed in such a way as to enable the cash book mentioned in subparagraph (d) to be verified;

- (g) Accounts for individual customers recording with dates all amounts due from and paid by customers; separate accounts for customers need not be kept if such amounts with dates are recorded in the sales journal or other document mentioned in subparagraph (c).

Article 2

Undertakings must be able to produce, for inspection by officials and agents of the High Authority entrusted with the task of checking or verification, their business books and accounting documents for the current calendar year and for not less than the five preceding calendar years.

Article 3

Undertakings which evade their obligations under this Decision shall be liable to the penalties provided for in the third paragraph of Article 47 of the Treaty.

Article 4

This Decision shall be published in the *Official Journal of the European Communities*. It shall enter into force on 1 November 1964.

This Decision was considered and adopted by the High Authority at its meeting on 8 July 1964.

For the High Authority

The President

Dino DEL BO