



Updated SCARP criteria for Irish companies

Insights - 16/07/2024

The financial thresholds of the Small Companies Administrative Rescue Procedure (SCARP) have been increased, meaning that SCARP is now a potential option for a larger number of companies in Ireland.

SCARP, which was introduced in 2021, aims to provide a cost-effective restructuring option for viable but insolvent companies. It is available to small and micro companies as defined in the Companies Act and is not an option for larger companies, which must use other restructuring mechanisms.

When first introduced, SCARP was available to companies meeting two of the following criteria:

- no more than 50 employees
- a turnover not exceeding €12 million
- a balance sheet not exceeding €6 million, with certain exceptions

As of 1 July 2024, the financial thresholds have been increased to:

- no more than 50 employees
- a turnover not exceeding €15 million
- a balance sheet not exceeding €7.5 million

The net impact of this change is that SCARP will now be a potential option for a bigger pool of companies.

For further information, see our original article on the [key workings of the SCARP progress for Irish businesses](#).

For more details, please contact a member of our Dispute Resolution team via their contact details below.

About Ogier

Ogier is a professional services firm with the knowledge and expertise to handle the most demanding and complex transactions and provide expert, efficient and cost-effective services to all our clients. We regularly win awards for the quality of our client service, our work and our people.

Disclaimer

This client briefing has been prepared for clients and professional associates of Ogier. The information and expressions of opinion which it contains are not intended to be a comprehensive study or to provide legal advice and should not be treated as a substitute for specific advice concerning individual situations.

Regulatory information can be found under [Legal Notice](#)

Key Contacts



Clodagh Buckley

Senior Associate

Ireland

E: clodagh.buckley@ogier.com



Ronan McGoldrick

Partner

Ireland

E: ronan.mcgoldrick@ogier.com

T: +353 1 632 3116

Related Services

Dispute Resolution

Corporate and Financial Services Disputes

Related Sectors

Restructuring and Insolvency