









Illustrative Annual Accounts

In accordance with Luxembourg GAAP

November 2020

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Foreword

Dear Readers,

The principles guiding the preparation of the annual accounts in Luxembourg are based on legislation established within the Grand Duchy; including but not limited to, the Law of 10 August 1915 on commercial companies, the Law of 19 December 2002 on the register of commerce and companies and the accounting and annual accounts of undertakings, and the Law of 10 December 2010 relating to the introduction of IFRS. Luxembourg has also implemented EU Directives such as the Fair Value Directive, the Modernisation Directive or the Transparency Directive. The amendments sometimes raised questions on the interpretation and application of some new concepts.

A further step in improving the consistency in the application of some provisions was the Law of 30 July 2013 reforming the “Commission des normes comptables” which provided clarifications and guidance to users in the preparation of the annual accounts. This law had been further modified by the Law of 18 December 2015 providing for a new presentation of the profit and loss accounts and additional disclosure requirements.

In that context, this brochure provides an illustrative template of the annual accounts of an Undertaking under Luxembourg GAAP. The template complies with the Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts and it provides guidelines based on best practices.

This version of the brochure incorporates the latest developments to the Accounting and Company Law, applicable at the date of the issue of this guide. It does not anticipate any future amendment of the law.

This illustrative brochure seeks to give guidance and provide practical examples to preparers and reviewers on how to present the financial position and results of a Luxembourg Undertaking in compliance with local laws and generally accepted accounting principles. It further provides references to applicable Articles of relevant laws and proposes a format of presenting information in a logical and easy-to-read manner. The proposed disclosures presented herein represent our view of current best practices. These should however not be considered as the only acceptable form of presentation. The form and content of the Company’s annual accounts are the responsibility of its management.

Additional information has been included in order to help the readers and provide useful guidelines for the preparation and filing of their annual accounts. In that context, this publication also includes: the requirements to audit the annual accounts and a taxonomy of the auditor fees, the contents of the management report, the eCDF forms, the standard chart of accounts, practical points regarding the filing procedure and the list of the CNC recommendations.

In case the annual accounts are prepared in accordance with IFRS, we refer to the Deloitte “[Model Financial statements for the year ended 31 December 2019](#)” available in our website www.deloitte.lu and www.iasplus.com. If you are interested in a comparison between the Luxembourg GAAP and the IFRS, we also refer to our publication “[IFRS versus LUX GAAP](#)”, also available on our website.

We hope you find these illustrative annual accounts helpful and encourage you to contact us for further discussion or additional information.



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General information



Legal framework in Luxembourg as used in this brochure

Law of 10 August 1915, on commercial companies, as amended (the “Company Law”) (the numbering of its articles and sections has been reorganised by Grand-Ducal Regulation of 5 December 2017)

[Law of 19 December 2002](#), on the register of commerce and companies and the accounting and annual accounts of undertakings, as amended (the “Accounting Law”)

Law of 19 May 2006 on the takeover bids.

Law of 11 May 2007 on the “société de gestion de patrimoine familial” (the “SPF”)

Grand-Ducal Regulation of 14 December 2011, amending the regime in relation to the filing of accounts by entities with the Luxembourg register of commerce and companies¹

Law of 30 July 2013, reforming the “Commission des normes comptables” (CNC - Accounting Standards Commission) and amending various provisions relating to companies' accounting

Law of 18 December 2015, on annual and consolidated accounts transposing Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 relating to annual financial statements, consolidated financial statements and reports of certain types of companies, modifying the Company Law and the Accounting Law.

Grand-Ducal Regulation of 18 December 2015, in relation to annual accounts and consolidated accounts, determining the form and content of the layouts of the Balance Sheet and of the Profit and Loss account

Law of 23 July 2016 concerning the audit profession (the “Audit Law”)

Grand-Ducal Regulation of 15 December 2016, introducing certain derogation from the standardised Balance Sheet and Profit and Loss Account layouts, as set out in [Article 27](#) of the Accounting Law and repealing the Grand-Ducal Regulation of 29 June 1984 determining the specific forms for a SPF to establish its annual accounts

Law of 23 December 2016 transposing Directive EU 2016/881, relating the automatic exchange of information and relating to the country-by-country reporting

Grand-Ducal Regulation of 5 December 2017, in relation to the coordination of the amended Law of 10 August 1915 on commercial companies, significantly reorganising the numbering of its articles and sections²

[Grand-Ducal Regulation of 12 September 2019](#) on the content and presentation of a standard chart of account

Law of 10 December 2010, relating to the introduction of International Financial Reporting Standards (IFRS) and the modernisation of Company Accounting Law

¹ “Registre de commerce et des sociétés Luxembourg”, abbreviated “RCSL”, has changed its denomination to become the Luxembourg Business Registers, abbreviated “LBR”, as from 29 March 2018. This change only affects the denomination and no other aspects.

² See the concordance table in Appendix 8.



Abbreviations and Definitions

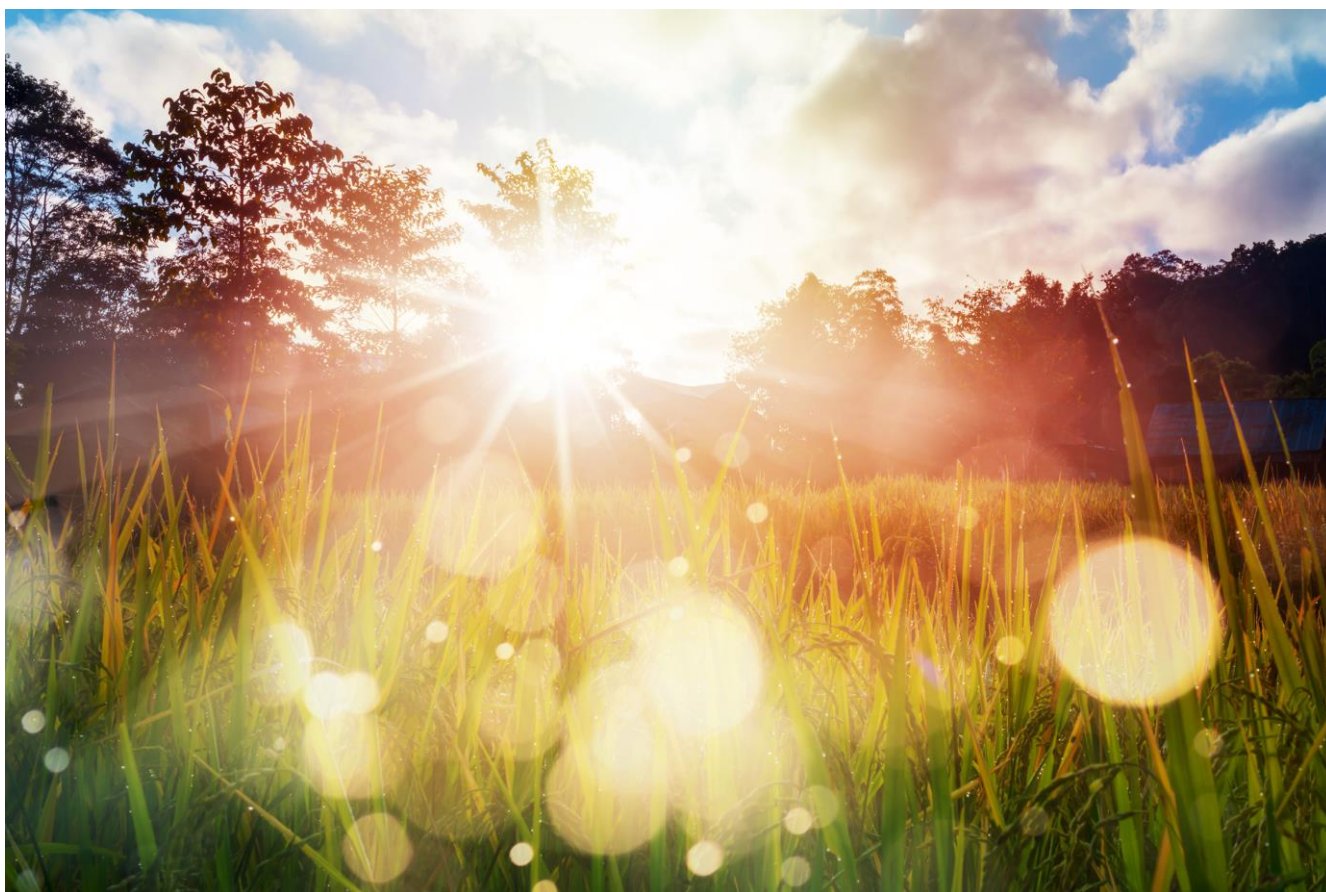
Company Law

Law of 10 August 1915, on commercial companies, as amended (reference to the applicable Articles is indicated **in green** in the illustrative template)

Accounting Law

Law of 19 December 2002, on the register of commerce and companies and the accounting and annual accounts of undertakings, as amended, (reference to the applicable Articles is indicated **in teal** in the illustrative template)

Art.	Article
CNC	Commission des Normes Comptables
eCDF	E lectronic platform for the collection of financial data
EU	European Union
Financial holding companies	Article 31(2) of the Accounting Law mentions that financial holding companies are those companies for which the sole object is to acquire holdings in other undertakings, manage such holdings and turn them to profit, without involving themselves directly or indirectly in the management of those undertakings, without prejudice to the rights of the financial holding companies as shareholders or members
FV	Fair value, as per IFRS, the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction
FV option	Fair value option for the preparation of the accounts, as introduced by the Law of 10 December 2010
GAAP	Generally Accepted Accounting Principles
GDR	Grand-Ducal Regulation (reference to the applicable Articles is indicated in black in the illustrative template as "GDR Art. Reference")
IFRS	International Financial Reporting Standards (as adopted by EU)
Investment companies	Article 30(1) §2 of the Accounting Law mentions that investment companies shall be understood as companies, the exclusive object of which is to invest their funds in various transferable securities, real estate or other assets with the sole purpose of spreading the investment risks and giving the shareholders the benefit of the results of the management of their assets.
IRE	Institut des Réviseurs d'Entreprises
Lux GAAP	Luxembourg Generally Accepted Accounting Principles which are derived from Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts (excluding the option to apply IFRS) and market practices



PIE (Public Interest Entities)

Article 1 (20) of the Law of 23 July 2016 on the audit profession defines the "public interest entities" as follows:

- a) entities governed by the law of a Member State whose transferable securities are admitted to trading on a regulated market of any Member State within the meaning of point (21) of Article 4(1) of Directive 2014/65/EC;
- b) credit institutions as defined in point (12) of Article 1 of the Law of 5 April 1993 on the financial sector, other than those referred to in Article 2 of Directive 2013/36/EU;
- c) insurance and reinsurance undertakings as defined in points (5) and (9) of Article 32(1) of the Law of 7 December 2015 on the insurance sector, excluding undertakings and bodies referred to in Articles 38, 40 and 42, pension funds referred to in point (14) of Article 32(1), captive insurance undertakings referred to in point (8) of Article 43 and captive reinsurance undertakings referred to in point (9) of Article 43 of the Law of 7 December 2015 on the insurance sector.

PCN

Standardised chart of accounts (Plan Comptable Normalisé)

RCS

Trade and Company Register (Registre de Commerce et des Sociétés)

SICAR

Venture Capital Investment Funds (*Société d'investissement en capital à risque*)

Related party

It has the same meaning as in the IFRS (adopted by EU), in particular by reference to IAS 24.



In accordance with [Article 24](#) and [Article 25, Title II](#) of the Accounting Law applies to the following undertakings (the “Undertakings”):

- public limited companies (*sociétés anonymes or S.A.*),
- partnerships limited by shares (*sociétés en commandite par actions or S.C.A.*),
- private limited liability companies (*sociétés à responsabilité limitée or S.à r.l.*),
- cooperative companies (*sociétés coopératives or SCoop*),
- economic interest groupings (*groupements d'intérêt économique or GIE*),
- European economic interest groupings (*groupements européens d'intérêt économique or GEIE*),
- limited partnerships (*sociétés en commandite simple or SCs*),
- general partnerships (*sociétés en nom collectif or S.N.C.*),
- individual business owners whose annual turnover exceeds EUR 100,000 (exclusive of VAT).

Luxembourg branches of foreign companies are included in the definition of an "Undertaking" as stipulated by the Commercial Code, and thus fall under the application of the Accounting Law.

[Article 25](#) also specifies that the rules apply to *sociétés d'investissement à capital variable* (SICAV, investment companies with variable capital) and to financial holding companies, referred to in [Articles 30](#) and [31](#), except where the Accounting Law provides for a derogation therefrom.

[Article 30](#) provides the following derogations:

- (1) By way of derogation from paragraph (1) of [Article 29](#), investment companies shall draw up their annual accounts in accordance with the rules laid down on the basis of Article 151 (3) and (5) of the amended law of 17 December 2010 relating to undertakings for collective investment or of Article 52, paragraph (4) of the amended law of 13 February 2007 relating to specialised investment funds.

For the purpose of this article, investment companies shall be understood as companies, the exclusive object of which is to invest their funds in various transferable securities, real estate or other assets with the sole purpose of spreading the investment risks and giving their shareholders the benefit of the results of the management of their assets.

- (2) By way of derogation from [paragraph \(1\) of Article 29](#), a Grand-Ducal Regulation may prescribe a particular layout for the balance sheet and profit and loss account of those companies associated with fixed-capital investment companies if the sole object of those associated companies is to acquire fully paid shares issued by those investment companies.

[Article 31 \(1\)](#) of the Accounting Law outlines that “financial holding companies” may draw up their balance sheet and profit and loss account in accordance with a special layout prescribed by Grand-Ducal Regulation. [Article 31 \(2\)](#) of the Accounting Law defines the “financial holding companies” as those companies for which the sole object is to acquire holdings in other undertakings, manage such holdings and turn them to profit, without involving themselves directly or indirectly in the management of those undertakings, without prejudice to the rights of the financial holding companies as shareholders or members. The CNC opinion 09/001 clarifies that only private asset management companies governed by the Law dated 11 May 2007 (*société de gestion de patrimoine familial - “SPF”*) can benefit from this provision, and that this provision does not apply to companies commonly known as SOPARFI. The Grand-Ducal Regulation of 29 June 1984 determining the specific forms for a SPF to establish its annual accounts has been repealed by the Grand-Ducal Regulation of 15 December 2016. Since 2017 the SPF format is no longer applicable.

Article 25 specifically excludes the following undertakings:

- individual business owners whose annual turnover is below EUR 100,000 (exclusive of VAT),
- special limited partnerships (*sociétés en commandite spéciale*),
- credit institutions and insurance and re-insurance companies,
- savings-pension companies with variable capital (*sociétés d'épargne-pension à capital variable*).

Even if the Accounting Law does not apply as such to special limited partnerships (*sociétés en commandite spéciale*), not-for-profit associations, or foundations, these entities may apply the accounting policies laid down in the Accounting Law.





Size criteria and consequences

The Accounting Law permits Small-sized undertakings to draw up abridged balance sheets, and Small-sized and Medium-sized undertakings to draw up abridged balance sheets, abridged profit and loss accounts, and abridged notes to their accounts provided that they do not exceed at least two of the three limits noted below.

These options do however not apply to undertakings whose securities are admitted to trading on a regulated market of any Member State of the European Union within the meaning of Article 1 point 11 of the amended Law of 13 July 2007 on markets in financial instruments (“MiFID”) (hereafter “quoted securities on a European regulated stock exchange”).

When an undertaking, on its balance sheet date, either exceeds or ceases to exceed two of the three limits, this will affect the application of the derogation provided for under this article only if it occurs in two consecutive financial years (Article 36 of the Accounting Law). Two positions could be considered: one is to apply this rule at the end of the second financial year, the other is to apply it at the end of the third financial year. In [Q&A CNC 19/019](#), CNCs recently concluded that for existing companies, exceeding (respectively not meeting any more) two limits in two consecutive years (n and n+1), will lead to a change in size classification and its related consequences in the following year (N+2). However a newly created company which expects to exceed 2 limits in its first financial year (N) shall be subject to requirements of the relating size in their first financial year (N).

(1) Small-sized undertakings:

An undertaking that does not exceed at least two or more of the below criteria (as set out in Article 35 of the Accounting Law) for two or more consecutive financial years:

- | | |
|---|-----|
| • Total Balance Sheet (million EUR): | 4.4 |
| • Net turnover* (million EUR): | 8.8 |
| • Average number of full-time staff employed during the financial year: | 50 |

* Net turnover as defined per Article 48 of the Accounting Law: “The net turnover shall comprise the amounts derived from the sale of products and the provision of services after deducting sales rebates and value added tax and other taxes directly linked to turnover.”

Abridged balance sheet (Art. 2 of the Grand-Ducal Regulation of 18 December 2015)

The Small-sized undertakings may prepare an abridged balance sheet with only those items preceded by capital letters and roman numerals, disclosing separately the Debtors and Creditors/Debts that are due and payable within one year from those that are due and payable after more than one year, but in total for each.

Abridged Profit and Loss Account (Art. 4 of the Grand-Ducal Regulation of 18 December 2015)

The Small-sized undertakings may also prepare an abridged profit and loss account by grouping items 1. to 5. (1. Net turnover, 2. Variation in stocks and WIP, 3. Work performed for its own purposes, 4. Other operating income, 5.a) Raw materials and consumables, and 5.b) Other external charges) under one caption “**Gross results**”.

Abridged notes to the accounts

Article 66 of the Accounting Law mentions that the Small-sized undertakings may prepare abridged notes to the accounts without the following information required in Article 65 paragraph (1) 2° to 5°, 8°, 11°, 12°, 14°, 15° a), 16°, 17° and 18° as well as Article 39 (3) a) and (4) and Article 53 (2), respectively:

	Accounting Law
Information on the name and registered office of the undertaking if shareholding is > 20% or if the Company has unlimited liability on the undertaking. In addition, information on the proportion of capital held, amount of capital and reserves and the profit or loss for the latest financial year. HOWEVER: This information may not be omitted when it is considered significant for the purposes of providing a true and fair view.	Art. 65(1) 2°
Movements in the number and nominal value/accounting par value of shares	Art. 65(1) 3°
Number and nominal value/accounting par value of each class	Art. 65(1) 4°
Existence of any profit units, convertible bonds, warrants, options or similar securities or rights, with an indication of their number and the rights they confer.	Art. 65(1) 5°
The net turnover with the meaning of Article 48 (“amounts derived from the sale of products and the provision of services after deducting sales rebates and value added tax and other taxes directly linked to the turnover”), broken down by categories of activity and into geographical markets insofar as, taking into account of the manner in which the sale of products and the provision of services falling within the undertaking’s ordinary activities are organised, these categories and markets differ substantially from one another.	Art. 65(1) 8°
The difference between the taxes charged for the financial year and for earlier financial years and the amount of tax already paid or payable in respect of those years, to the extent that this difference is material for the purposes of future taxation. a) This amount may also be disclosed in the balance sheet as a cumulative amount; b) Where valuation at fair value has been applied in accordance with section 7bis, undertakings shall show, as the case may be, deferred tax liabilities in the balance sheet as a cumulative amount; c) Where a provision for deferred tax is recognised in the balance sheet, the deferred tax balances at the end of the financial year, and the movement in those balances during the financial year. HOWEVER, when fair value measurement has been applied in accordance with section 7bis, the Small-sized undertakings are not exempt from the application of Article 65 paragraph (1) 11° b) and c).	Art. 65(1) 11°
The amount of the emoluments granted in respect of the financial year to the members of “the management and supervisory bodies” in that capacity and any commitments arising or entered into in respect of retirement pensions for former members of those bodies. This information must be given as a total for each category.	Art. 65(1) 12°
Information concerning material income/charges in respect of the financial year which is/are receivable/payable after financial year-end.	Art. 65(1) 14°
The name and registered office of the undertaking which draws up the consolidated accounts of the largest body of undertakings of which the undertaking is a subsidiary.	Art. 65(1) 15° a)
The total fees for the financial year received by each <i>réviseur d'entreprises agréé</i> [approved statutory auditor] or the <i>cabinet de révision agréé</i> [approved audit firm] for the statutory audit of the annual accounts and, the total fees received by each <i>réviseur d'entreprises agréé</i> [approved statutory auditor] or <i>cabinet de révision agréé</i> [approved audit firm] for other assurance services, for tax advisory services and for other non-audit services. This requirement shall not apply where the undertaking is included within the consolidated accounts required to be drawn up under Article 22 of Directive 2013/34/EU, provided that such information is given in the notes to the consolidated accounts.	Art. 65(1) 16°

	Accounting Law
<p>Disclosure of qualitative and quantitative information on the derivative instruments when valuation at fair value of financial instruments has not been applied:</p> <p>a) for each class of derivative financial instruments:</p> <p style="padding-left: 20px;">i) the fair value of the instruments, if such a value can be determined by any of the methods prescribed in Article 64ter paragraph (1);</p> <p style="padding-left: 20px;">ii) information about the extent and the nature of the instruments; and</p> <p>b) for financial fixed assets covered by Artide 64bis, carried at an amount in excess of their fair value and without use being made of the option to make a value adjustment in accordance with Artide 35, paragraph (1), point c) aa):</p> <p style="padding-left: 20px;">i) the book value and the fair value of either the individual assets or appropriate groupings of those individual assets;</p> <p style="padding-left: 20px;">ii) the reasons for not reducing the book value, including the nature of the evidence that provides the basis for the belief that the book value will be recovered.</p>	Art. 65(1) 17°
Nature and financial effect of material events arising after the balance sheet date	Art. 65(1) 18°
Movements in the various fixed asset items shall be shown in the notes to the accounts. To this end there shall be shown separately for each fixed asset item, starting with the purchase price or production cost, on one hand, additions, disposals and transfers during the financial year and, on the other, cumulative value adjustments at the balance sheet date and the rectifications made during the financial year to the value adjustments of previous financial years. Value adjustments shall be shown in the notes to the accounts.	Art. 39 (3) a)
Paragraph (3) items a) of Article 39 (movements) shall apply to the presentation of “Formation expenses”.	Art. 39 (4)
The amounts entered under the “Formation Expenses” item must be commented upon in the notes to the accounts.	Art. 53 (2)

As a reminder, the Grand-Ducal Regulation of 18 December 2015 imposed the following new disclosures for small-sized companies:

	Accounting Law
Any financial commitments, guarantees or contingencies not included in the balance sheet and indication of the nature and form. Any commitments concerning pensions and affiliated or associated undertakings shall be disclosed separately.	Art. 38
Amount and nature of extraordinary incomes or charges	Art. 49
The notes to the annual accounts are presented in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account.	Art. 65(1)
Obligation to disclose the accounting policies and measurement bases	Art. 65(1) 1°
Details on maturity of debts and debts secured by collateral on assets furnished by the entity	Art. 65(1) 6°
Financial commitments, commitments concerning pensions and commitments <i>vis-à-vis</i> affiliated undertakings	Art. 65(1) 7°
Nature and business purpose of arrangements not included in the balance sheet if these could have a material impact in term of risks or benefits.	Art. 65(1) 7bis°
Related-party transactions: amount, nature and information necessary for an understanding of the financial position (information may be aggregated):	Art. 65(1) 7ter°
. Not mandatory if concluded under normal market conditions;	
. Exception within entities wholly owned within a Group.	
Average number of staff employed during the financial years, broken down by categories	Art. 65(1) 9°
Movements in deferred tax liabilities and amount of deferred tax liabilities at year-end	Art. 65(1) 11° c)

(2) Medium-sized undertakings:

An undertaking that does not exceed at least two or more of the below criteria (as set out in [Article 47](#) of the Accounting Law) for two or more consecutive financial years:

- Total Balance Sheet (million EUR): 20
- Net turnover* (million EUR): 40
- Average number of full-time staff employed during the financial year: 250

* Net turnover as defined per [Article 48](#) of the Accounting Law: “The net turnover shall comprise the amounts derived from the sale of products and the provision of services after deducting sales rebates and value added tax and other taxes directly linked to turnover.”

The Medium-sized undertakings (including the Small-sized undertakings) may also prepare an abridged profit and loss account by grouping items 1. to 5. (1. Net turnover, 2. Variation in stocks and WIP, 3. Work performed for its own purposes, 4. Other operating income, 5.a) Raw materials and consumables, and 5.b) Other external charges) under one caption “**Gross results**” (*Art 4 of the Grand-Ducal Regulation of 18 December 2015*).

As a reminder, the Grand-Ducal Regulation of 18 December 2015 imposes the following new disclosures for Medium-sized companies:

	Accounting Law
Related-party transactions: amount, nature and information necessary for an understanding of the financial position (information may be aggregated): <ul style="list-style-type: none"> . Not mandatory if concluded under normal market conditions (“at arm’s length”); . Exception within entities wholly owned within a Group; . For medium-sized companies, disclosure could be limited to transactions with related parties entered into with: <ul style="list-style-type: none"> (i) Owners holding a participating interest in the undertaking; (ii) Undertakings in which the undertaking itself has a participating interest; and (iii) Members of the administrative, management or supervisory bodies of the undertaking. 	Art. 65(1) 7ter°

(3) Large-sized undertakings:

A company that exceeds two or more of the below criteria (as set out in [Article 47](#) of the Accounting Law) for two or more consecutive financial years:

- Total Balance Sheet (million EUR): 20
- Net turnover* (million EUR): 40
- Average number of full-time staff employed during the financial year: 250

* Net turnover as defined per [Article 48](#) of the Accounting Law: “The net turnover shall comprise the amounts derived from the sale of products and the provision of services after deducting sales rebates and value added tax and other taxes directly linked to turnover.”



General accounting principles

General principles relating to the content and presentation of the annual accounts

The below table describes the general principles regarding the preparation of annual accounts. Those are mainly described in sections 1 and 2 “General provisions” of the Chapter II “On the preparation of annual accounts” of the Accounting Law.

	Accounting Law
Contents	
The annual accounts comprise a balance sheet, a profit and loss account and notes to the accounts. These documents shall constitute a composite whole. Undertakings may include other statements in the annual accounts (such as cash flows statement, a statement of change in net equity, or a statement on corporate governance).	Art. 26 (1)
Presentation	Art. 26 (2)
The annual accounts shall be drawn up clearly and in accordance with the provisions of Chapter II of the Law.	
In the balance sheet and in the profit and loss account, the items must be shown separately in the order indicated in the Grand-Ducal Regulations enacted pursuant to Articles 34, 35 (1), 46 and 47 (1) .	Art. 29 (1)
A Grand-Ducal Regulation to be made with the benefit of an opinion of the <i>Commission des normes comptables</i> shall determine the form and the content of the layouts of the balance sheet and of the profit and loss account. Medium-sized undertakings (including small-sized undertakings) may draw up an abridged profit and loss account and small-sized undertakings may draw up an abridged balance sheet, the form and content of which shall be determined by a Grand-Ducal Regulation to be made with the benefit of an opinion of the <i>Commission des normes comptables</i> . The Grand-Ducal Regulation of 18 December 2015 has implemented Articles 34, 35, 46 and 47 of the Accounting Law of 19 December 2002.	Art. 34 Art. 35 Art. 46 Art. 47
Where an asset or a liability relates to more than one layout item, its relationship to other items must be disclosed either under the item where it appears, or in the notes to the accounts, if such disclosure is necessary for the comprehension of the annual accounts.	Art. 37 (1)
In addition to the information required under other provisions of the Chapter II of the Law, the notes to the accounts shall disclose the information in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account.	Art. 65 (1)
The notes to the accounts must include the “accounting policies and measurement bases”. (A description of the accounting policies is required in addition to the valuation policies; i.e. depreciation methods, inventory pricing (LIFO/FIFO/weighted average/etc.) for depreciable assets or financial instruments).	Art. 65 (1) 1°
True and fair view	
The annual accounts shall give a true and fair view of the undertaking's assets, liabilities, financial position and results.	Art. 26 (3)
Where the application of the provisions set out in the Law is not sufficient to give a true and fair view within the meaning of Article 26 (3) , additional information must be given.	Art. 26 (4)
Where in exceptional cases the application of a provision of the Law is incompatible with the provision of Article 26 (3) (true and fair view principle), that provision must be derogated from in order to give a true and fair view. Any such derogation must be disclosed in the notes to the accounts together with an explanation of the reasons for it and a statement of its effect on the assets, liabilities, financial position and results.	Art. 26 (5)

	Accounting Law
Materiality	
Where a provision of the Law refers to the term “material”, this term shall mean the status of information where its omission or misstatement could reasonably be expected to influence decisions that users make on the basis of the annual accounts of the undertaking. The materiality of individual items shall be assessed in the context of other similar items.	Art. 26 (6)
The requirements set out in Chapter II of the Law regarding presentation and disclosures in the notes to the accounts need not be complied with when the effect of complying with these requirements is immaterial in light of the principle of materiality.	Art. 51 (1) (g)
Substance over form	
The presentation of the amounts within the profit and loss account and the balance sheet may have regard to the substance of the relevant transaction or arrangement. (The substance over form approach is therefore optional, although the commentary of the Law indicates this must not prevent undertakings from presenting a true and fair view of the annual accounts.) Recent CNC Q&A 20/021 clarifies that the choice of the option is not general to the presentation of the annual accounts but targeted to a <u>category</u> of transactions or contracts and for selective transactions. Moreover the substance approach once chosen has to apply to all aspects of an operation; i.e. initial recognition and subsequent evaluations, presentation and information provided in the notes to the annual accounts.	Art. 29 (3)
Offsetting	
Any set-off between asset and liability items or between income and expenditure items shall be prohibited without any prejudice to the cases where there is a right of set-off pursuant the Law. In the case where a set-off has been performed between asset and liability items or between income and expenditures items, the amounts set-off shall be specified as gross amounts in the notes to the accounts.	Art. 33
Comparative figures	
In respect of each balance sheet and profit and loss account item, the figure relating to the corresponding item for the preceding financial year must be shown. Where the figures from one year are not comparable to figures of the next year, and where the figures of the preceding year have been adjusted, this must be disclosed in the notes to the accounts with relevant comments.	Art. 29 (2)
The layout of the balance sheet and of the profit and loss account, particularly as regards the form adopted for their presentation, may not be changed from one financial year to the next.	Art. 28
Change in accounting policies	
The measurement (or valuation) of the items shown in the annual accounts shall be made in accordance with the following principle: (b) Accounting policies and measurement (valuation) bases may not be modified from one financial year to another.	Art. 51 (1) (b)
Where in exceptional cases the application of a provision of this Law is incompatible with the obligation laid down in Article 26 (3) (true and fair view principle), that provision shall be disapplied in order to give a true and fair view of the undertaking’s assets, liabilities, financial position and profit or loss. The disapplication of any such provision shall be disclosed in the notes to the accounts together with an explanation of the reasons for it and of its effects on the undertaking’s assets, liabilities, financial position and profit or loss. (For comparison purposes, a comparative table including a column with pro-forma figures where the data from the previous years have been restated using the new accounting rules, may be included in the notes to the accounts).	Art. 51 (2)
Correction of errors	Art. 51 (1) (f)

	Accounting Law
The opening balance sheet for each financial year must correspond to the closing balance sheet for the preceding financial year (Consequently corrections of errors must be recorded when discovered and, disclosures and explanation must be included in the notes to the accounts).	

General principles relating to the valuation

Luxembourg Undertakings are allowed to prepare their annual accounts according to the 4 following options:

- Lux GAAP: primary accounting framework based on [Article 51](#) of the Accounting Law.
- Lux GAAP with Fair Value (FV) options - The Accounting Law allows undertakings to use the fair value model for financial instruments, derivatives and for certain categories of assets ([Articles 64bis to 64nonies](#)).
- When financial instrument cannot use the above fair value model, [Article 64bis\(5bis\)](#) provides an alternative and allows to value the financial instruments in accordance with the IFRS (as adopted by the European Union), provided that the measurement at fair value is allowed under the IFRS (as adopted by the European Union). If this option is used, the disclosures must be made in accordance with the IFRS requirements.
- IFRS (as adopted by the European Union): based on [Articles 72bis](#) of the Chapter IIbis “On the preparation of annual accounts in accordance with international accounting standards” of the Accounting Law.³

The below table highlights the general principles regarding the valuation. Those are mainly set out under the “General provisions” of the Chapter II “On the preparation of annual accounts” of the Accounting Law, for Lux GAAP, in section 7, and Lux GAAP with an IFRS option, in section 7bis.

As regards with financial statements prepared under IFRS, we refer to the Deloitte “[Model Financial statements for the year ended 31 December 2019](#)” available on our Deloitte IASplus website.

	Accounting Law
LUX GAAP	
<p>The measurement (valuation) of items shown in the annual accounts shall be made in accordance with the following general principles:</p> <p>(a) the undertaking is presumed to be carrying on its business as a going concern (<i>going concern principle</i>);</p> <p>(b) Accounting policies and measurement (valuation) bases may not be modified from one financial year to another (<i>consistency principle</i>);</p> <p>(c) valuation must be made on a prudent basis (<i>prudence principle</i>), and in particular:</p> <p>aa) only profits realised at the balance sheet date may be included;</p> <p>bb) accounts must be taken of all “liabilities” which have arisen in the course of the financial year concerned or in a previous financial year, even if such “liabilities” become apparent only between the date of the balance sheet and the date on which it is drawn up;</p> <p>(Art. 51 (1bis)) In addition to the amount recorded pursuant to Article 51 (1) c bb), undertakings have the option to take into account all foreseeable “liabilities” and potential losses which have</p>	<p>Art. 51 (1) (a) to (e)</p> <p>Art. 51 (1bis)</p>

³ Pursuant to Regulation (EC) n° 1606/2002, of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards, a Member State may permit or require listed companies to prepare their annual accounts and companies other than listed companies to prepare their consolidated and/or their annual accounts in conformity with “international accounting standards” meaning the International Accounting Standards (IAS), the International Financial Reporting Standards (IFRS) and related interpretations and interpretations and standards adopted in the future by the International Accounting Standards Board (IASB). This option was introduced in Luxembourg by the Law of 10 December 2010 on the introduction of international accounting standards. See also [Art. 72bis](#) hereafter and [Article 1780-1](#) of the Law of 1915 with respect to consolidated accounts.

	Accounting Law
<p>arisen in the financial year concerned or in a previous financial year, even if such “liabilities” or losses become apparent only between the date of the balance sheet and the date on which it is drawn up;</p> <p>c) accounts must be taken of all depreciations, irrespective of whether the result of the financial year is a loss or a profit;</p> <p>(d) account must be taken of income and charges relating to the financial year in respect of which the accounts are drawn up irrespective of the date of receipt or payment of such income or charges (cut-off principle);</p> <p>(e) the components of asset and liability items must be valued separately (principle of a valuation on an individual basis).</p>	
Expenditure incurred during the financial year but relating to a subsequent financial year must be shown under the asset item “prepayments and accruals” (cut-off principle).	Art. 42
Income received before the balance sheet date but relating to a subsequent financial year must be shown under the liabilities item “accruals and deferred income” (cut-off principle).	Art. 45
Value adjustments shall comprise all adjustments intended to take reductions in the values of individuals assets established at the balance sheet date into account, whether that reduction is final or not (prudence principle).	Art. 43
At the balance sheet date, a provision shall represent the best estimate of the expenses likely to be incurred or, in the case of a liability, of the amount required to meet that liability (prudence principle).	Art. 64
<p>Where in exceptional cases the application of a provision of this Law is incompatible with the obligation laid down in Article 26 (3) (true and fair view principle), that provision shall not be disapplied in order to give a true and fair view of the undertaking’s assets, liabilities, financial position and profit or loss. The disapplication of any such provision shall be disclosed in the notes to the accounts together with an explanation of the reasons for it and of its effects on the undertaking’s assets, liabilities, financial position and profit or loss.</p> <p>(For comparison purposes, a comparative table including a column with pro-forma figures where the data from the previous years have been restated using the new accounting rules, may be included in the notes to the annual accounts.)</p>	Art. 51(2)
Historical cost model	
<p>The items shown in the annual accounts shall be measured in accordance with Articles 53, 55, 56, 59 to 64, which are based on the principle of purchase price or production cost</p> <p>(This model of the Luxembourg Accounting Law essentially derives from the EEC 4th Directive of 1978 (Fourth Council Directive of 25 July 1978 on the annual accounts of certain types of companies (78/660/EEC)).</p>	Art. 52
The purchase price shall be calculated by adding to the price paid the expenses incidental thereto.	Art. 55(2)
<p>The production costs shall be calculated by adding to the purchase price of the raw materials and consumables, the costs directly attributable to the product in question.</p> <p>A reasonable portion of the costs which are only directly attributable to the production in question may be added into the production costs to the extent to which they relate to the period of production.</p>	Art. 55(3)
Interest on capital borrowed to finance the production of fixed assets may be included in the production costs to the extent to which they relate to the period of production. In that event, the inclusion of such interest must be disclosed in the notes to the accounts.	Art. 55(4)
Distribution costs may not be included in the production costs .	Art. 61(2)
Fair value model	
The general principles described above are still applicable to the fair value model, except for the booking of realised gains as defined by the prudence principle from which undertakings derogate by applying fair	

	Accounting Law
value to the financial instruments and derivatives defined by the Law, and some other categories of assets.	
By way of a derogation from Article 52 and subject to the conditions set out in Article 64bis (2) to (4) , undertakings have the option to carry out a measurement at fair value of <i>financial instruments, including derivatives</i> . As an alternative (Art. 64bis (5bis)), for items that cannot be fair valued according to the Article 64bis (2) to (4) , undertakings can value their <i>financial instruments</i> in accordance with IFRS as adopted by the European Union. In this case, the disclosure should also follow IFRS requirements.	Art. 64bis
By way of a derogation from Article 52 , undertakings may also measure specified categories of <i>assets other than financial instruments</i> at amounts determined by reference to their fair value, provided that their measurement at fair value is authorised under IFRS as adopted by the European Union.	Art. 64sexies
IFRS	
Undertakings referred to in Article 25 have the option of preparing their annual accounts according to IFRS as adopted by the European Union and are permitted, to the extent necessary therefor, to derogate from the provisions of Chapter II, of the Title II of the Law. In that case, undertakings concerned remain subject to the provisions of Article 65 (1) points 2°, 9°, 12°, 13°, 15° and 16° (see below) and Articles 68 and 68bis (obligation to related to the management report), Articles 69, 69bis and 69ter (obligation related to auditing), and Articles 70 and 71 (special conditions applicable to parent companies and subsidiaries).	Art. 72bis



The provisions of **Article 65 (1) points 2°, 9°, 12°, 13°, 15° and 16°** are respectively:

	Accounting Law
<p>Information on the names and registered offices of the undertakings if shareholding is > 20% or if the Company has unlimited liability on the undertaking.</p> <p>In addition, information on the proportion of capital held, amount of capital and reserves and the profit or loss for the latest financial year.</p> <p>HOWEVER: This information may not be omitted where it's material for the purposes of the true and fair view.</p>	Art. 65(1) 2°
The average number of staff employed during the financial year, broken down by categories.	Art. 65(1) 9°
The amount of the emoluments granted in respect of the financial year to the members of "the management and supervisory bodies" in that capacity and any commitments arising or entered into in respect of retirement pensions for former members of those bodies. This information must be given as a total for each category.	Art. 65(1) 12°
The amount of advances and loans granted to the members of the management and supervisory bodies, with indications of the interest rates, main conditions and the amounts which may have been repaid, as well as commitments entered into on their behalf by way of guarantees of any kind.	Art. 65(1) 13°
<p>This information must be given as a total for each category.</p> <p>The name and registered offices of the undertaking which draws up the consolidated accounts of the <i>largest</i> body of undertakings of which the undertaking is a subsidiary.</p> <p>The name and registered office of the undertaking which draws up the consolidated accounts of the <i>smallest</i> body of undertakings of which the undertaking is a subsidiary.</p> <p>The place where copies of the consolidated accounts referred to in points above, may be obtained unless they are unavailable.</p>	Art. 65(1) 15°
<p>The total fees for the financial year received by each <i>réviseur d'entreprises agréé</i> [approved statutory auditor] or the <i>cabinet de révision agréé</i> [approved audit firm] for the statutory audit of the annual accounts and, the total fees received by each <i>réviseur d'entreprises agréé</i> [approved statutory auditor] or <i>cabinet de révision agréé</i> [approved audit firm] for other assurance services, for tax advisory services and for other non-audit services.</p> <p>This requirement shall not apply where the undertaking is included within the consolidated accounts required to be drawn up under Article 22 of Directive 2013/34/EU, provided that such information is given in the notes to the consolidated accounts.</p>	Art. 65(1) 16°

Other principles

Limitation of distributable reserves

The Accounting Law limits the distribution of reserves in the following cases:

	Accounting Law
Formation expenses	
Insofar as formation expenses have not been completely written off, no distribution of profits shall take place unless the amount of the reserves available for distribution and profits brought forward is at least equal to that of the expenses not written off.	Art. 53(1) b
Development costs	Art. 59(3)
Article 53(1) b) shall apply to the "Cost of development" items.	
Realised or "quasi realised" gains when applying Fair Value options	Art. 72 ter
The Accounting Law limits (for undertakings other than investment companies as defined in Article 30 of the Law) the distributable amount to realised and "quasi realised" (see below) gains, for public limited	

companies (S.A.), European companies (SE), private limited liability companies (S.à r.l.), corporate limited partnerships (SCA) and cooperative companies (SCoop).

- (1) Undertakings referred to **Article 77, paragraph 2, item 1°** (S.A., SE, SCA, S.à r.l., Scoop excluding savings pension), other than investment companies as defined in **Article 30**, having exercised the option set forth in **Article 72bis**, may not distribute or use for any other purposes:
 - a) unrealised income and gains, net of tax related thereto, shown in the profit and loss account;
 - b) unrealised income and gains, net of tax related thereto, shown in the capital and reserves which did not flow through the profit and loss account;
 - c) positive variations of capital and reserves, net of tax related thereto, recorded in the opening balance sheet of the first annual accounts drawn up in application of Chapter IIbis or where a standard was first applied to a category of assets or to an asset or a liability or to a specific instrument of capital and reserves.
- (2) The items referred to in paragraph (1) above shall be allocated to an undistributable reserve, either immediately upon their being recorded in the accounts, or subsequently upon the allocation of the results for the financial year. Such undistributable reserve may not be used for the following or similar purposes:
 - a) an increase of capital by incorporation of reserves;
 - b) an allocation to the legal reserve;
 - c) the creation of the undistributable reserve related to the acquisition of own shares;
 - d) the creation of the undistributable reserve related to the granting of financial assistance in view of the acquisition of the shares of the undertaking by a third party;
 - e) the creation of the undistributable reserve related to the issue of redeemable shares;
 - f) the determination of the loss of half or three-quarters of the share capital;
 - g) the special reserve established in accordance with paragraph (8a) of the amended Law of 16 October 1934 on net wealth tax.
- (3) By derogation from paragraphs (1) and (2) above, the following items shall not be considered as undistributable and may therefore be distributed or used for another purpose:
 - a) unrealised income referred to in **paragraph (1) item a)** related to financial instruments held as part of the trading portfolio and currency exchange-rate variations and variations in the context of a fair value hedge accounting system;
 - b) variations of capital and reserves referred to in **paragraph (1) item c)** related to reversals of provisions and value adjustments, which may not be maintained on the balance sheet as a result of the exercise of the option referred to in **Article 72bis** other than those calculated in order to systematically depreciate the value of assets over their period of use.
- (4) If the results for the financial year are lower than the amount of the unrealised income and gains, net of tax related thereto, referred to in **paragraph (1) item a)**, the undistributable reserve referred to in **paragraph (2)** is set up, with respect to such balance, by using the distributable reserves or, in the absence thereof, by deducting them from the results carried forward.
- (5) The undistributable reserve referred to in **paragraph (2)** shall be adjusted for a corresponding amount in line with the realisation of the income, gains and variations referred to in **paragraph (1)**, including through systematic amortisation, or where revaluations are cancelled due to a value adjustment.
- (6) For those cases not covered by this article, reference is made to the general principle of **Article 51 paragraph (1) item c)** which lays down the principle of prudence and the principle of revenue recognition.

Currency of presentation of the annual accounts

LUX GAAP

The currency of presentation of the annual accounts is in principle the currency in which the subscribed capital is expressed.

However, nothing prevents an undertaking to choose another currency, for instance, the functional currency of the group for reporting purposes.

However, attention should be paid to the potential tax consequences when the reporting currency is different from the euro, which remains the currency to be used to determine due taxes.

IFRS

IAS 21 prescribes specific rules regarding:

- The functional currency which is the currency of the primary economic environment in which the entity operates and which is the currency in which the entity will report all its transactions; and
- The reporting of all transactions into the functional currency and, in case of presentation currency different from the functional currency, the translation to the presentation currency.

Extraordinary items

There is no special caption foreseen in the profit and loss account to disclose any extraordinary items. However [Article 49](#) of the Accounting Law requires that the amount and nature of items of income or charges with an extraordinary size or impact shall be shown in the notes to the accounts.

Distinction between fixed and current assets

	Accounting Law
Whether particular assets are to be shown as fixed assets or current assets shall depend upon the purpose for which they are intended.	Art. 39(1)
Fixed assets shall comprise those assets which are intended for use on a continuing basis for the purpose of the undertaking's activity.	Art. 39(2)



Presentation of the annual accounts

Art. Reference

12 of the
Commercial Code
(as amended by
Article 24 of the
Accounting Law)

GUIDANCE:

Accounts used are defined in a chart of accounts which is appropriate for the undertaking's activities. The chart of accounts is permanently kept at the registered office of the undertaking to be available to all who are concerned by it.
The content of a standard chart of accounts is determined by a Grand-Ducal Regulation⁴.

Art. Reference

13 of the
Commercial Code
(as amended by
Article 24 of the
Accounting Law)

GUIDANCE:

Article 12 does not apply to credit institutions, insurance and reinsurance companies, or to undertakings of the financial sector which are subject to the prudential supervision of the *Commission de Surveillance du Secteur Financier* (CSSF)⁵, except for support PFS referred to in sub-section 3 of section 2 of chapter 2 of part I of the amended Law of 5 April 1993 on the financial sector.

According to [Article 9 of the Commercial Code](#) (as amended by [Article 24](#) of the Accounting Law), the Undertakings have the obligation to keep accounts appropriate to the nature and extent of its activities and in complying with the specific legal provisions with concern them. As per Article 12 of the Commercial Code the accounts (as amended by [Article 24](#) of the Accounting Law), and except for entities referred above in Article 13 of the Commercial Code (as amended by [Article 24](#) of the Accounting Law), the accounts must be defined in a chart of accounts (PCN) which has been determined by the [Grand-Ducal Regulation of 12 September 2019](#) (PCN 2020). PCN 2020 is applicable for financial years commencing January 1, 2020. With PCN 2020, a switchboard is being introduced aiming to improve the traceability of accounting information and to simplify the process of the preparation of the annual accounts, in particular for small companies. This standard chart of accounts is included in [Appendix 5](#).

Article 6 of the [Grand-Ducal Regulation of 12 September 2019](#) provides the option of not keeping their accounts in accordance with the standardized chart of accounts. Companies exercising the option adequately document the correspondence between their internal chart of accounts and the standardized chart of accounts. For filing purposes those

⁴ Grand-Ducal Regulation of 12 September 2019 on the content and presentation of a standard chart of accounts is applicable for financial years starting 1 January 2020

⁵ According to Article 2(1) of the Law of 23 December 1998 establishing a *Commission de Surveillance du Secteur Financier*, as amended: "The CSSF is the competent authority for the prudential supervision of credit institutions, PFS within the meaning of the Law of 5 April 1993 on the financial sector, alternative investment fund managers authorised under the Law of 12 July 2013 on alternative investment fund managers, undertakings for collective investment, pension funds having the form of a SEPCAV for an ASSEP, authorised securitisation undertakings, fiduciary representatives acting with respect to securitisation undertakings and SICARs as well as payment institutions and electronic money institutions within the meaning of the Law of 10 November 2009 on payment services".

companies transpose annually their balances into the standardized chart of accounts, indicating that their accounting is kept according to an internal chart of accounts.

For filing purposes with the Luxembourg Trade and Company Register (RCS), eCDF formats have been published which outline the layout of the Grand-Ducal Regulation of 18 December 2015. The illustrative annual accounts follows this layout defined in the Grand-Ducal Regulation of 18 December 2015. The 2 types of eCDF format are included in [Appendix 4](#) and are available on www.ecdf.lu.

[Comparative tables PCN2009 versus PCN2020](#) and mappings with the annual accounts are available at the [CNC internet page](#).





Commission des Normes Comptables (“CNC”) or the Luxembourg Accounting Standard Committee

Art. Reference
27 of the
Accounting Law

GUIDANCE:

The Minister of Justice can, in special cases and on the reasoned opinion of the *Commission des normes comptables*, grant derogations from the rules issued under Articles 11 (*see below*) and 12 (*see previous section*) of the Commercial Code, the provisions of this Chapter and of Chapter IV of Title II of this Law as well as the provisions of section XVI of the amended Law of 10 August 1915 on Commercial Companies.

A Grand-Ducal Regulation may, after advice has been taken from the *Commission des normes comptables*, authorise the undertakings referred to in [Article 25](#) or certain categories thereof to derogate from the rules adopted under Articles 11 and 12 of the Commercial Code, the provisions of this Chapter and Chapter IV of Title II of this Law and the provisions of Section XVI of the amended Law of 10 August 1915 on commercial companies.

Art. Reference
11 of the
Commercial
Code (as
amended by
[Article 24](#)
of the
Accounting Law)

GUIDANCE:

The accounting books shall be kept in accordance with a system of books and accounts which comply with the standard rules of double entry bookkeeping, except for individual business persons referred to in Article 13, sub-paragraph 1 (*see below*), who are entitled to keep simplified accounting books.

All transactions are recorded without delay, fairly and without omission and in chronological order, either in a single ledger, or in a system of specialised ledgers. In the latter case, all data recorded in specialised ledgers are reported in a single centralised ledger together with an indication of the various accounts affected.

Art. Reference
13§1 of the
Commercial
Code (as
amended by
[Article 24](#)
of the
Accounting
Law)

GUIDANCE:

Individual business persons whose turnover for the last financial year, excluding value added tax, does not exceed 100,000 euros, have the option to not keep their accounting books in accordance with the requirements of Article 12, 2nd paragraph. Such an option also exists for *sociétés en nom collectif* and *sociétés en commandite simple* except for those referred to in [Article 77 paragraph, items 2° and 3°](#) of the amended Law of 19 December 2002 on the register of commerce and companies and the accounting and annual accounts of undertakings. This option exists for *sociétés en commandite spéciale* regardless of their turnover.

The objectives of the CNC

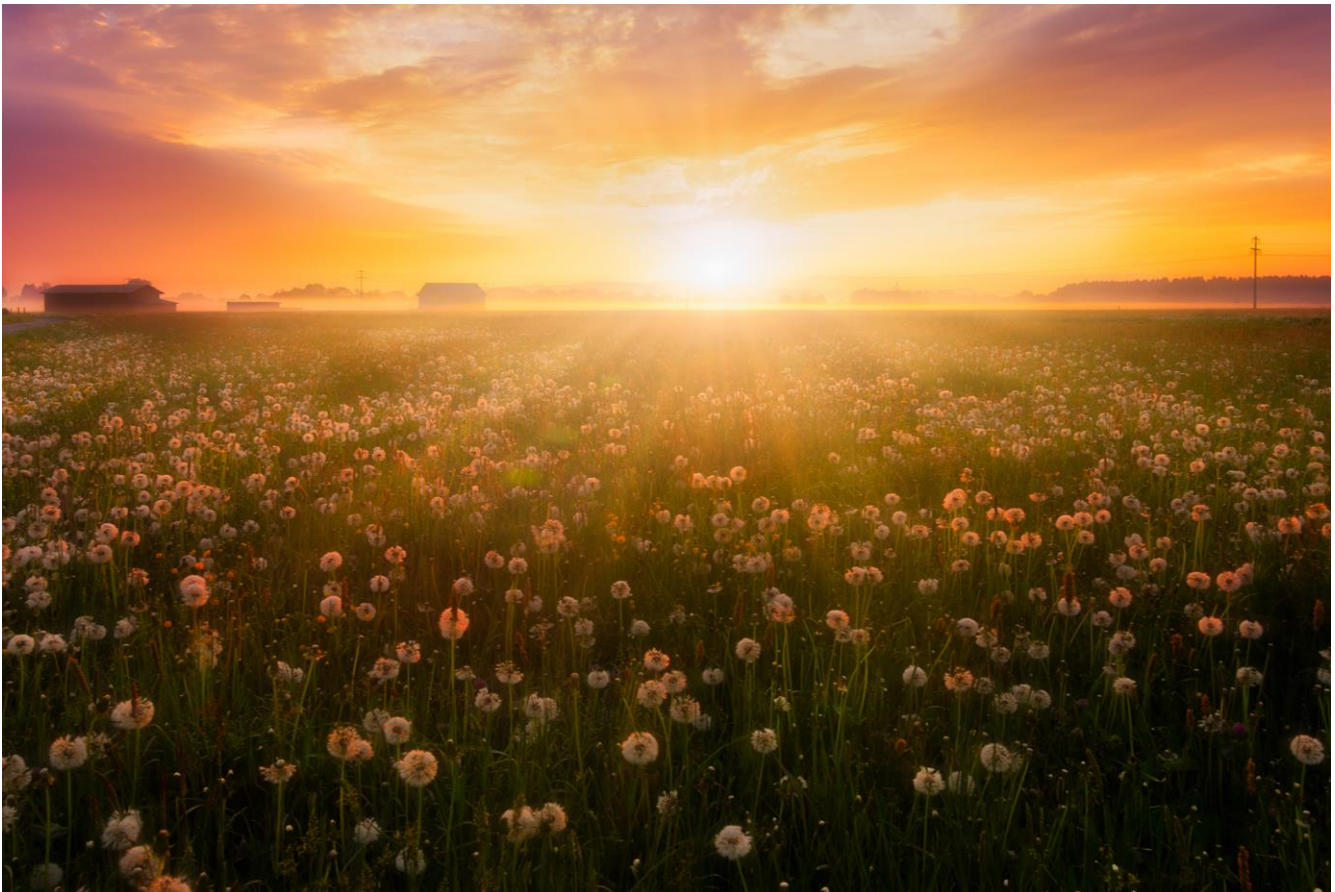
The objectives of the CNC are enumerated in [Article 73](#) of the modified Law of December 19, 2002 relating to the register of commerce and companies as well as the accounting and annual accounts of Companies:

“The Government gives mission to an economic interest group (*groupement d'intérêt économique*) named “*Commission des normes comptables*” to:

- a) give, upon request of the Government or on initiative, all advices on accounting matters applicable to undertakings governed by the present law and relating notably to the accounting of the annual accounts and the consolidated accounts;
- b) contribute to the development of an accounting doctrine, where appropriate through advices or recommendations of a general nature;
- c) participate in debates relating to accounting debates within European or International Institutions;
- d) assume responsibilities entrusted to it by law.”

The doctrine issued by the CNC

The recommendations and general opinions of the CNC are available under <http://www.cnc.lu/publications/doctrine/>.



The following table summarises the recommendations and general opinions available at the date of this publication.

Date of publication	Number	Title
2020		
September 2020	Q&A CNC 20/021	The option principal of substance over form (art. 29 (3) LRCS)
May 2020	Q&A CNC 20/020	Impact of the Covid-19 pandemic on the annual and consolidated accounts of Luxembourg companies and groups
2019		
September 2019	Q&A CNC 19/019	Categorisation of companies: interpretation of the repetition criterion referred to in article 36 LRCS
February 2019	Q&A CNC 19/018	Reserved alternative investment funds (RAIF): Standardized chart of accounts (PCN) and formalism for filing financial data
January 2019	Q&A CNC 19/017	Deadline for filing with the RCS of consolidated accounts established for legal purposes
January 2019	Q&A CNC 19/016	Accounting compensation for orders in progress and down payments received on orders
2017		
July 2017	Q&A CNC 17/015	Disclosure in the notes to the accounts participating interest held (Art. 65(1) 2 ^o LRCS) and exception to the principle of omission for small undertakings (Art. 66 LRCS)
July 2017	Q&A CNC 17/014	Notes to the annual accounts of parent undertakings and subsidiaries: information on consolidated accounts
July 2017	Q&A CNC 17/013	Concept of turnover (Art. 48 LRCS): consequence of the modifications introduced by the Law of December 2015
July 2017	Q&A CNC 17/012	Research and development cost: new accounting regime applicable (2016)
2016		
July 2016	Q&A CNC 16/011	eCDF / PCN – Modifications in the presentation of financial charges and income (2016): practical consequences
June 2016	Q&A CNC 16/010	eCDF / PCN – New balance sheet and profit and loss forms (2016): practical consequences
June 2016	Q&A CNC 16/009	Investment property under LUX GAAP and LUX GAAP - FV: cost mode vs- fair value model
March 2016	Q&A CNC 16/008	eCDF / PCN – Removal of the categories extraordinary charges and extraordinary income: practical consequences
March 2016	Q&A CNC 16/007	Land and buildings under LUX GAAP: application of the cost model
2015		
November 2015	Q&A CNC 15/006	Subsidiaries of investment companies (IFRS 10 § 27) and maintenance of the consolidation exemption of sub-groups (Art. 1711-5, 1711-6 and 1711-7) LSC)
November 2015	Q&A CNC 15/005	Investment entities: accounting of the exception to consolidation (IFRS 10 § 31) with obligation to consolidate (section XVI LSC)
November 2015	Q&A CNC 15/004	Exemption to prepare consolidated accounts of sub-groups: notions of conformity and equivalence (Art. 1711-7 point b) LSC)
2014		
November 2014	Q&A CNC 14/003	Revaluation of intangible assets
November 2014	Q&A CNC 14/002	Revaluation of tangible fixed assets
November 2014	Q&A CNC 14/001	Luxembourg accounting Law: 3 separate systems

Date of publication	Number	Title
July 2014	Opinion CNC 14/004	Accounting concept of investment companies in risk capital
April 2014	Opinion CNC 14/003	Accounting concept of floating year
2009		
December 2009	Opinion CNC 09/002	Interpretation of Article 1711-8 (3) c) LSC in the particular case of investment companies in risk (venture capital / private equity)
February 2009	Opinion CNC 09/001	Interpretation of the repealed Article (previously 312 LSC) and the Article 31 LRCS: financial holding company (<i>société de participation financière</i>)





Audit of the annual accounts

Art. Reference

69

GUIDANCE:

- (1) a) Companies incorporated under Luxembourg Law referred to in Article 1 of Council Directive 78/660/EEC of 25 July 1978⁶ must have their annual accounts audited by one or more *réviseurs d'entreprises agréés* [approved statutory auditors] appointed by the general meeting.
- In the companies referred to in Article L. 426-1 of the Labour Code, those persons shall be designated by the general meeting upon the proposal of the employer following the procedure provided for in Section 4 of Chapter IV of Title One of Book IV of the Labour Code⁷.
- The persons referred to in the two foregoing paragraphs shall be appointed for a period laid down in a contract for the provision of services, which may be terminated only on serious grounds or by mutual agreement.^{8, 9, 10}
- b) In addition, the *réviseur(s) d'entreprises agréé(s)* [approved statutory auditor(s)] shall
- aa) express an opinion on:
- i) whether the management report is consistent with the annual accounts for the same financial year, and

⁶ If this reference is to be read as a reference to Article 1.1 of Directive 2013/34/EU, these are:

- (i) *sociétés anonymes, sociétés en commandite par actions* and *sociétés à responsabilité limitée*,
(ii) *sociétés en nom collectif* and *sociétés en commandite simple* where all their direct or indirect members, having otherwise unlimited liability, but in fact have limited liability by reason of these companies being of the type referred to in (i) above, or are similar types of companies in the other Member States listed in Annex I of Directive 2013/34/EU, or are companies not governed by the laws of a Member State but which have a legal form comparable to those of the companies referred to in such Annex I.

⁷ See Articles L.414-10° to L.414-13° of the Labour Code.

⁸ The Law of 23 July 2016 on the audit profession as amended contains provisions regarding the appointment, dismissal and resignation of *réviseurs d'entreprises agréés* [approved statutory auditors] and *cabinets de révision agréés* [approved audit firms]:

“Article 31. Appointment of *réviseurs d'entreprises agréés* [approved statutory auditors] or *cabinets de révision agréés*. *Réviseurs d'entreprises agréés* [approved statutory auditors] and *cabinets de révision agréés* [approved audit firms] are appointed by the general meeting of shareholders or members of the audited entity, without prejudice to the provisions contained in other laws.

Any contractual clause restricting the choice by the general meeting of shareholders or members of the audited entity pursuant to the first paragraph to certain categories or lists of *réviseurs d'entreprises agréés* (approved statutory auditors), *cabinets de révision agréés* (approved audit firms) or audit firms as regards the appointments of a particular *réviseur d'entreprises agréé* (approved statutory auditor), *cabinet de révision agréé* (approved audit firm) or audit firm to carry out the statutory audit of that entity shall be prohibited. Any such existing clauses shall be null and void.

Article 32. Dismissal and resignation of *réviseurs d'entreprises agréés* [approved statutory auditors] or *cabinets de révision agréés*. *Réviseurs d'entreprises agréés* [approved statutory auditors] and *cabinets de révision agréés* [approved audit firms] may only be dismissed on proper grounds. Divergence of opinion on accounting treatments or audit procedures shall not be proper grounds for dismissal.

The audited entity and the *réviseur d'entreprises agréé* [approved statutory auditor] or the *cabinet de révision agréé* [approved audit firm] shall inform the CSSF of the dismissal or resignation of the *réviseur d'entreprises agréé* [approved statutory auditor] or the *cabinet de révision agréé* [approved audit firm] during the term of the mandate and give an adequate explanation of the reasons therefor”.

In the case of a statutory audit of a public-interest entity:

- the shareholders representing 5% or more of the voting rights or of the share capital;
- the other legal bodies of the audited entities;
- the CSSF;

may bring a claim before the *Tribunal d'Arrondissement* (District Court) sitting in commercial matters for the dismissal of the *réviseur d'entreprises agréé* (approved statutory auditor), the *cabinet de révision agréé* (approved audit firm) or the audit firm where there are proper grounds for so doing.

⁹ In addition, in accordance with Article 38 of the Law of 13 July 2007 relating to markets in financial instruments, the *réviseur d'entreprises agréé* [approved statutory auditor] of a Luxembourg law company whose shares or units are admitted to dealing on a regulated market authorised in Luxembourg, must justify its professional qualification and an adequate professional experience to the CSSF and any replacement of the *réviseur d'entreprises agréé* [approved statutory auditor] is subject to prior authorisation of the CSSF.

¹⁰ For Luxembourg companies whose transferable securities are admitted to trading on a regulated market of any Member State, the proposal of the administrative or supervisory body for the appointment of a *réviseur d'entreprises agréé* [approved statutory auditor] or *cabinet de révision agréé* [approved audit firm] shall be based on a recommendation made by the audit committee.

- ii) whether the management report has been prepared in accordance with the applicable statutory requirements;
 - bb) state whether, in the light of the knowledge and understanding of the undertaking and its environment obtained in the course of the audit, he, she or it has identified material misstatements in the management report, and shall give an indication of the nature of any such misstatements.
 - cc) points aa) and bb) of the present point do not apply to the non-financial statement referred to in Article 68*bis* paragraph (2), nor to the separate report referred to in Article 68*bis* paragraph (5), nor to the information referred to in paragraph (1), points a), b), e) f) and g) of Article 68*ter*. points aa) and bb) of the present point do not apply to the non-financial statement referred to in Article 68*bis* paragraph (2), nor to the separate report referred to in Article 68*bis* paragraph (5), nor to the information referred to in paragraph (1), points a), b), e) f) and g) of Article 68*ter*.
- (2) The companies referred to in [Article 35](#) shall be exempted from the obligation laid down in paragraph (1).

This exemption does however not apply to undertakings whose securities are admitted to trading on a regulated market of any Member State of the European Community within the meaning of Article 4 paragraph (1) item 14 of directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments. [Article 36](#) shall apply.
- (3) The institution of the *commissaires aux comptes* [supervisory auditors] provided for in [Articles 443-1 and 710-27](#) of the amended Law of 1915 on commercial companies shall not apply to those companies which have their annual accounts audited by a *réviseur d'entreprises agréé* [approved statutory auditor] pursuant to paragraph (1).
- (3bis) *A société en commandite par actions*, which causes, or is obliged to have, its annual accounts audited by a *réviseur d'entreprises agréé* [approved statutory auditor], may decide not to establish a supervisory board.
- (4) In the case referred to in paragraph (2) and where the annual accounts or the annual report are not drawn up in accordance with the present Law, any interested party may request the president of the *Tribunal d'Arrondissement* dealing with commercial matters and sitting as in urgent matters to designate at the expense of the company, for a period of up to five years, a person fulfilling the requirements of paragraph (1) and for the purposes of that paragraph.

According to the [Article 69](#) of the Law, public limited companies (*sociétés anonymes*), partnerships limited by shares (*sociétés en commandites par actions*) and limited liability companies (*sociétés à responsabilité limitée*), as well as general partnerships (*sociétés en nom collectif*) and limited partnerships (*sociétés en commandite simple*), provided that they have limited liabilities¹¹ must have their annual accounts audited by one or more approved statutory auditors (the "auditor" or if applicable the "auditors") appointed by the general meeting of shareholders/unitholders from the members of the *Institut des Réviseurs d'Entreprises* (IRE). This or these auditor(s) is/are appointed for a period laid down by contract.

The companies referred to in [Article 35](#) of the Law (i.e. small-sized undertakings) are exempt from the obligation to be audited by one or more auditors, except if the undertaking has securities quoted on a European regulated stock exchange. However, one or more supervisory auditors (*commissaires*) have to be appointed for *sociétés anonymes*, *sociétés en commandite par actions* and *sociétés à responsabilité limitée* that have more than 25 unitholders.

The institution of the *commissaires aux comptes* provided for in [Articles 443-1 and 710-27](#) of the Company Law shall not apply to those companies that have their annual accounts audited by an approved statutory auditor ("*Réviseur d'entreprises agréé*").



¹¹ In addition, certain branches may also have their annual accounts audited (see conditions of [Art. 1300-10](#) of the Company Law).

A *société en commandite par actions*, which voluntarily causes, or is obliged to have, its annual accounts audited by an authorised auditor, may decide not to establish a supervisory board.

Art. Reference
69bis

GUIDANCE:

- (1) *The réviseur(s) d'entreprises agréé(s)* [approved statutory auditor(s)] or *cabinet(s) de révision agréé(s)* [approved audit firm(s)] shall present the outcome of the statutory audit of the accounts in an audit report. This report shall be drawn up in accordance with such international auditing standards as adopted for Luxembourg by the *Commission de surveillance du secteur financier*.¹²
- (2) The audit report shall be in writing and:
 - a) identify the undertaking, the annual accounts of which are the subject of the statutory audit; specify the relevant annual accounts, the balance sheet date and the period covered; and identify the financial reporting framework that has been applied for their preparation;
 - b) contain a description of the scope of the statutory audit of the accounts, which shall, as a minimum, identify the auditing standards in accordance with which the statutory audit was conducted;
 - c) contain an audit opinion, which shall be either unqualified, qualified or an adverse opinion and shall clearly state the opinion of the *réviseur(s) d'entreprises agréé(s)* [approved statutory auditor(s)] or the *cabinet(s) de révision agréé(s)* [approved audit firm(s)] as to:
 - i) whether the annual accounts give a true and fair view in accordance with the relevant financial reporting framework, and
 - ii) where appropriate, whether the annual accounts comply with statutory requirements.
 If the *réviseur(s) d'entreprises agréé(s)* [approved statutory auditor(s)] or the *cabinet(s) de révision agréé* [approved audit firm(s)] are unable to express an audit opinion, the report shall contain a disclaimer of opinion;
 - d) refer to any other matters to which the *réviseur(s) d'entreprises agréé(s)* [approved statutory auditor(s)] or the *cabinet(s) de révision agréé(s)* [approved audit firm(s)] draw attention by way of emphasis without qualifying the audit opinion;
 - e) include the opinion and statement, both based on the work performed during the audit, referred to in [Article 69, paragraph \(1\), point b\)](#) of this Law;
 - f) include a statement on potential material uncertainties related to events or to conditions that may cast significant doubt upon the undertaking's ability to continue as a going concern;
 - g) specify the place of establishment of the *réviseur(s) d'entreprises agréé(s)* [approved statutory auditor(s)] or the *cabinet(s) de révision agréé(s)* [approved audit firm(s)].

¹² See CSSF Regulation No 19-02.

- (3) Where the statutory audit of the accounts has been carried out by several *réviseurs d'entreprises agréés* [approved statutory auditors] or *cabinets de révision agréés* [approved audit firms], they shall together agree on the outcome of the statutory audit of the accounts and present a joint report and opinion. In case of disagreement, each *réviseur d'entreprises agréé* [approved statutory auditor] or *cabinet de révision agréé* [approved audit firm] shall express its opinion in a paragraph that is separate from the audit report and shall set out the reasons for the disagreement.
- (4) The audit report shall be signed and dated by the *réviseur d'entreprises agréé* [approved statutory auditor]. Where a *cabinet de révision agréé* [approved audit firm] carries out the statutory audit of the accounts, the audit report shall bear the signature of at least the *réviseur(s) d'entreprises agréé(s)* [approved statutory auditor(s)] carrying out the statutory audit of the accounts on behalf of the audit firm. Where several *réviseurs d'entreprises agréés* [approved statutory auditors] or *cabinets de révision agréés* [approved audit firms] have worked at the same time, the audit report shall be signed by all *réviseurs d'entreprises agréés* [approved statutory auditors] or at least by the *réviseurs d'entreprises agréés* [approved statutory auditors] carrying out the statutory audit of the accounts on behalf of each *cabinet de révision agréé* [approved audit firm].





Filing and publication of the annual accounts and other information

Art. Reference
69ter

GUIDANCE:

The members of the administrative, management and supervisory bodies of the company collectively have the duty to ensure that the annual accounts, the management report and, when provided separately, the corporate governance statement to be provided pursuant to

Article 69bis are drawn up and published in accordance with the requirements of this Law and, where applicable, in accordance with the international accounting standards adopted in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council on the application of international accounting standards. Such bodies shall act within the competences assigned to them by law.

According to the **Article 69ter** of the Accounting Law, board members, supervisory boards and the management of the company have a collective obligation to apply and ensure compliance with the Law, and if applicable with IFRS, as regards the preparation and publication of the annual accounts, the management report and the corporate governance declaration¹³ (where applicable) when this is separately published.

Art. Reference
75

GUIDANCE:

Undertakings referred to in **Article 25** shall deposit with the Luxembourg Business Register, their annual accounts, duly approved in the case of legal entities, and the balance of the accounts featured in the standard of accounts defined in Article 12 paragraph 2 of the Commercial Code, within a month of their approval and at the latest seven months after the end of the calendar year, in the case of individual business persons or the financial year-end, in case of legal entities.

By derogation to the preceding paragraph, undertakings referred to in paragraph 5 of 13 of the Commercial Code as well as undertakings having exercised the option provided by **Article 72bis** and those undertakings who have obtained a derogation from the obligation to comply with the standard chart of accounts pursuant to **Article 27**, are exempted from the obligation to deposit the balance of the accounts featured in the standard chart of accounts with the Luxembourg Business Register.

Annual accounts and the balance of the accounts featured in the standard chart of accounts are drawn up in only one language. For this purpose, undertakings are free to use the German or the English language instead of the French language. Documents which must be deposited at the same time as the annual accounts are in that case drawn up in the same language as the annual accounts.

A Grand-Ducal Regulation taken on the opinion of the Council of State and the *Commission des normes comptables* will determine the procedure for the deposit, the form in which the documents are lodged in

¹³ The Art. 1500-2 2° of the Company Law mentions a fine of 500 to 25,000 EUR in case of non-compliance.

application of the preceding paragraph and the conditions upon which they can be submitted to arithmetic and logical controls.

According to the [Article 75](#) of the Accounting Law, undertakings defined by [Article 25](#) of this Law, have to file, if applicable, their duly approved annual accounts, the management report and the auditor's report with the Luxembourg Business Register within a month of their approval, and at the latest seven months after the accounting balance sheet date. Undertakings that have not exercised the option of [Article 72bis](#) (IFRS) or obtained a derogation pursuant to [Article 27](#) must also file their trial balance shown in the Standard Chart of Accounts format within the same timeframe, except for these regulated companies referred to in paragraph 5 of Article 13 of the Commercial Code (SICAR, management companies, etc.).

Annual accounts and the balance of the accounts featured in the standard chart of accounts are to be drawn up in only one language. For this purpose, undertakings are free to use the German or the English language instead of the French language. Documents that must be filed at the same time as the annual accounts are to be drawn up in the same language as the annual accounts.

The Grand-Ducal Regulation of 14 December 2011 as amended by GDR of 12 September 2019 determines the filing procedure, as well as the presentation of annual accounts and arithmetic and logical monitoring conditions.

Art. Reference
76

GUIDANCE:

- (1) The documents to be deposited in accordance with [Article 75](#) are transmitted by the register of commerce and companies to the *Institut national de la statistique et des études économiques* (STATEC, the National Institute on statistics and economic studies), manager of the *Centrale des Biens* (Central balance sheet office), which shall ensure that they are archived, that they can be utilised and that they are stored in electronic format.
- (2) *Sociétés en commandite spéciale* shall file a financial report with the Luxembourg Business Register for statistical purposes. The filing process, form and content of such report shall be determined by a Grand-Ducal Regulation.¹⁴ Such financial report is transmitted by the Luxembourg Business Register to the STATEC.

Art. Reference
77

GUIDANCE:

A Grand-Ducal Regulation shall determine the conditions of access of the public and of public administrations to the information kept at the *Institut national de la statistique et des études économiques* (the National Institute on statistics and economic studies), manager of the *Centrale des Biens* (Central balance sheet office), in accordance with [Article 76](#) of this Chapter and the applicable tariff.

The access of the public is limited to the annual accounts of the following companies:

¹⁴ Such a Grand-Ducal Regulation has not been issued at the date of publication of this brochure.

- 1° *sociétés anonymes, sociétés européennes (SE), sociétés en commandite par actions, sociétés à responsabilité limitée* and *sociétés coopératives* but excluding savings pension companies with variable capital;
- 2° *sociétés en nom collectif* and *sociétés en commandite simple* where all, their members which have unlimited liability are companies of the type set out in Article 1, paragraph 1 sub-paragraph 1 of amended Directive 78/660/EEC of 25 July 1978¹⁵ or companies which are not governed by the laws of a Member State of the European Community but which have a legal form comparable to those referred to in Directive 68/151/EEC of 9th March 1968¹⁶
- 3° the types of company referred to under item 2° where all their members having unlimited liability are themselves organised as one of the types of companies referred to under item 1° or under item 2° or in Article 1, paragraph (1) sub-paragraph 1 or sub-paragraph 2 of amended Directive 78/660/EEC¹⁷.

A copy of the annual accounts of the companies referred to in the preceding paragraph is lodged in the file of the company held at the Trade and companies register.

The access of the public is limited to the annual accounts of the companies referred to in Article 77 of the Accounting Law.

Art. Reference
79

GUIDANCE:

- (1) For the undertakings referred to in **Article 25** and which are organised as one of the types of companies referred to in items **1°** to **3°** of the **second paragraph of Article 77**, the annual accounts duly approved and the management report, together with the opinion drawn up by the person or persons responsible for auditing the accounts, must be published on the "*Recueil des sociétés et associations*"¹⁸, by way of a reference to the filing at the Luxembourg Business Register within one month of approval and no later than seven months after the financial year end, in accordance with **Article 100-13, §3** of the amended Law of 10 August 1915 on commercial companies and the provisions of Chapter *Vbis* of Title I of this Law¹⁹.

¹⁵ As this directive has been abrogated and replaced by Directive 2013/34/EU, this reference should have been to Article 1.1. a) of Directive 2013/34/EU. For Luxembourg, these are *sociétés anonymes, sociétés en commandite par actions* and *sociétés à responsabilité limitée*.

¹⁶ This directive has been abrogated and replaced by Directive 2009/101/EC, replaced by Directive (EU) 2017/1132 as amended. For Luxembourg, these are *sociétés anonymes, sociétés en commandite par actions* and *sociétés à responsabilité limitée*.

¹⁷ As this directive has been abrogated and replaced by Directive 2013/34/EU, this reference should have been to Article 1.1. a) and b) of Directive 2013/34/EU. For Luxembourg, these are:

(i) *sociétés anonymes, sociétés en commandite par actions* and *sociétés à responsabilité limitée*,

(ii) *sociétés en nom collectif* and *sociétés en commandite simple* where all their members which have unlimited liability are companies of the type referred to in (i) above or are similar types of companies in the other Member States listed in Annex I of Directive 2013/34/EU or are companies of a third country which have a legal form comparable to those of the companies referred to in Directive 68/151/EEC of 9 March 1968 [read 2009/101/EU] (for Luxembourg, these are the companies referred to sub (i) above).

¹⁸ Amended by Article 20, the catch all Article of the Law of 27 May 2016.

¹⁹ See footnote under **Article 100-13** of the Law of 1915. "Chapter *Vbis*. - Publications on the *Recueil électronique des sociétés et associations* Art. 19-1.

Deeds, extracts therefrom and information the publication of which is provided for by law shall be filed by electronic means with the register of commerce and companies within one month after the date of the finalized deed.

Art. 19-2.

However, the management report need not be published as prescribed in the foregoing paragraph. In such case, the report shall be made available to the public at the registered office of the company. It must be possible to obtain a copy of all or part of such report free of charge upon request.

- (1bis) By way of derogation from paragraph (1), the undertakings referred to in [Article 25](#) and which are organised as one of the types of companies referred to in items 2° and 3° of the [second paragraph of Article 77](#) are exempted from publishing their annual accounts in accordance with [Article 100-13, §3](#) of the amended Law of 1915 on commercial companies and the provisions of Chapter *Vbis* of Title I of this Law²⁰ provided that those accounts are available to the public at the registered office, where:
- a) all their members having unlimited liability are companies referred to in Article 1 paragraph (1), sub-paragraph 1 of Directive 78/660/EEC of 25 July 1978 governed by the laws of other Member States of the European Union²¹ and none of those companies publishes the accounts of the company concerned with its own accounts; or where
 - b) all their members having unlimited liability are companies which are not governed by the Laws of a Member State but which have a legal form comparable to those referred to in Directive (EU) 2017/1132 on coordination of safeguards which, for the protection of the interests of members and third parties, are required by Member States of companies within the meaning of the second paragraph of Article 48 of the Treaty, with a view to making such safeguards equivalent²².

Copies of the accounts must be obtainable upon request. The price of such a copy may not exceed its administrative cost.

In case of failure to comply with the obligations imposed in this paragraph, [Article 1500-2, 3°](#) of the amended Law of 1915 on commercial companies shall apply²³.

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- (1) The publication provided for by law and relating to the persons referred to in Article 1, except for state and municipal public institutions, shall be carried out by electronic means on a central electronic platform for official publications designated as the *Recueil électronique des sociétés et associations*. The publication on the *Recueil électronique des sociétés et associations* shall solely contain information which is required to be published by law, as well as deeds amending information which is required by law to be filed and published. In any legal or regulatory provision or in any deed or document, references to the *Recueil électronique des sociétés et associations* may be made by using its abbreviated form: "RESA".
 - (2) Publication shall be made within fifteen days of filing, except for convening notices for general meetings for which the person making the file shall indicate the dates on which publication is to be made.
 - (3) Information which is required by law to be published on the *Recueil électronique des sociétés et associations* shall be filed and published either in full, or by way of an extract, or by way of a reference to the filing, according to what the law requires.

Publication in full corresponds to the full reproduction of the deed or document.

Publication by way of extract corresponds to publication of the information required by law.

Publication by way of a reference to the filing corresponds to publication of the subject and date of the deed or document filed. "

²⁰ See footnote under [Article 100-13](#) of the Law of 1915. See footnote above.

²¹ As this directive has been abrogated and replaced by Directive 2013/34/EU, this reference should have been to Article 1.1 a) of Directive 2013/34/EU.

²² For Luxembourg (but also Germany, Belgium and France), the comparison would be with *société anonyme*, the *société en commandite par action* and the *société à responsabilité limitée*.

²³ The introduction of this offence by reference to [Article 1500-2, 3°](#) of the Commercial Law is redundant as [Articles 1500-2, 2°](#) and [1500-5](#) already sanction the infringement of this Article 79. Furthermore, the reference to [Article 1500-2, 3°](#) is inappropriate as its item 3° deals with a different topic.

- (2) By way of derogation from paragraph (1), the undertakings referred to in [Article 25](#) and which are organised as one of the types of companies referred to in item 1° of the second paragraph of [Article 77](#), which do not exceed the limits of [Article 35](#) and draw up their annual accounts in accordance with the provisions of Chapter II of Title II of this Law, may publish:
- a) abridged balance sheets showing only those items referred to in [Article 35](#), disclosing separately the claims and debts which are due and payable after more than one year in items D.II under “Assets” and B. and D. under “Liabilities” respectively, but in total for all the items concerned;
 - b) Abridged notes to the accounts in accordance with [Article 66](#). [Article 36](#) shall apply. In addition, such undertakings need not publish their profit and loss account as well as, as the case may be, their management report and the opinion of the person responsible for auditing the accounts.
- (3) By way of derogation from paragraph (1), the undertakings referred to in [Article 25](#), which are organised as one of the types of companies referred to in item 1° of the second paragraph of [Article 77](#), which do not exceed the limits of [Article 47](#) and which draw up their annual accounts in accordance with the provisions of Chapter II of Title II of this Law may publish:
- a) an abridged balance sheet drawn up in accordance with [Article 34](#),
 - b) an abridged profit and loss account drawn up in accordance with [Article 47](#),
 - c) abridged notes to the accounts in accordance with [Article 67, paragraph \(2\), sub-paragraphs 2 and 3](#) and without the information required in [Article 65 paragraphs \(1\) 5°, 6°, and 11°](#).

However, the notes to the accounts must give the information specified in [Article 65 paragraph \(1\) 6°](#), in total for all the items concerned.

This paragraph shall be without prejudice to [paragraph \(1\)](#) insofar as it relates to the management report and the opinion of the person responsible for auditing the accounts.

[Article 36](#) shall apply.

- (3bis) The derogations provided by [paragraphs \(1\), sub-paragraphs 2 and 3, \(1bis\), \(2\) and \(3\)](#) do not apply to undertakings whose securities are admitted to trading on a regulated market of a Member State of the European Union within the meaning of Article 4 paragraph (1) item 14 of directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments.
- (3ter) Without prejudice to the provisions related to the management report as well as to the report of the person or persons responsible for the statutory audit of the accounts, the undertakings referred to in [Article 25](#) which are organised as one of the types of companies referred to in item 1° of [Article 77, sub-paragraph 2](#) and which draw up their annual accounts in accordance with the provisions of Chapter IIbis of Title II of this Law, must publish their full annual accounts as drawn up in accordance with the international accounting standards adopted in accordance with the

procedure laid out in Article 6 paragraph 2 of Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards.



Art. Management report

Reference Not filing the management report is permitted. In such a case, the report has instead to be made available to the public at the registered office of the Company, and a copy of any part of such report shall be made available free of charge and upon request.

79 (1)

Art. Small-sized companies

Reference The companies referred to in [Article 35](#) may publish an abridged balance sheet and abridged notes to the accounts. Such companies do not need to publish their profit and loss account and management report, nor the opinion of the person responsible for auditing the accounts.

79 (2)

Art. Medium-sized companies

Reference The companies referred to in [Article 47](#) are authorised to publish a full balance sheet, an abridged profit and loss account and abridged notes to the accounts. These companies may be exempt from publishing a management report so long as it is available to the public at the registered office of the Company.

79 (3)

Art. Reference GUIDANCE:

80

Whenever the annual accounts and the management report are published in full, they must be reproduced in the form and text on the basis of which the person responsible for auditing the accounts has drawn up his opinion. They must be accompanied by the full text of the auditor's report.

Whenever the annual accounts and the management report are published in full²⁴, they must be reproduced in the form and text on the basis of which the auditor has drawn up the auditor's opinion, and must be accompanied by the full text of his report.

Art. Reference GUIDANCE:

81

If the annual accounts are not published in full, it must be indicated that the version published is abridged and reference must be made to the deposit made in accordance with [Article 79 paragraph \(1\)](#). Where such filing has not yet been made, the fact must be disclosed.

The report shall not accompany this publication, but it shall be disclosed whether an unqualified, qualified or adverse audit opinion was expressed, or whether the *réviseur d'entreprises agréé* [approved statutory auditor] was unable to express an audit opinion. It shall also be disclosed whether the report included a reference to any matters to which the *réviseur d'entreprises agréé* [approved statutory auditor] drew attention by way of emphasis without qualifying the audit opinion.

When the annual accounts are not published in full, indication must be made that the version published is abridged and reference must be made to the filing made in accordance with [Article 79 \(1\)](#).

²⁴ Under certain conditions, parent companies and subsidiaries can opt for exemption to prepare and publish certain information, refer to [Art. 70](#) and [Art. 71](#), and to section "Special conditions applicable to parent and subsidiaries" hereafter.

When the audit report is not filed with the published annual accounts, it must be stated whether the opinion issued was an unqualified, qualified, or negative opinion, or if the auditor was not in a position to issue an opinion. If the report includes an emphasis of matter, this must also be noted.

Art. Reference
82

GUIDANCE:

The following must be published together with the annual accounts, and in the same manner:

- the proposed appropriation of the profit or treatment of the loss,
- the appropriation of the profit or treatment of the loss.

in case these items do not appear in the annual accounts.

Publication of the proposed appropriation of the profit or treatment of the loss

The Law makes no provision for including the proposed appropriation of the profit or treatment of the loss in the annual accounts. Nevertheless, this proposed appropriation decided by the Board of Directors, the Management or Board of Managers and the appropriation agreed by the shareholders or the unitholders must be published together with the annual accounts and in accordance with the same terms.

This separate publication is not required if the proposed and agreed appropriations are included in the annual accounts.

Art. Reference
430-12

GUIDANCE:

A statement regarding the capital of the company shall be published once each year, at the end of the balance sheet.

It shall comprise:

- the number of shares subscribed for;
- the amounts paid-up;
- a list of the shareholders who have not yet paid-up their shares, specifying the sums remaining due from them.

The publication of this list shall, as regards the changes of the shareholders recorded therein, have the same effect as a publication made in accordance with [Article 100-13](#).

In the event of an increase of capital, the statement shall indicate a mention of the portion of the capital which shall not yet have been subscribed for.

Publication of the statement regarding the share capital

Public limited companies must publish at the end of the balance sheet a list of the shareholders that have not yet paid up their shares, specifying the sums remaining due from them. In the event of a capital increase, the statement shall specify the portion of the share capital that has not yet been subscribed for.

Art. Reference
461-8

GUIDANCE:

The annual accounts, excepting for at the commencement thereof the date of publication of the constitutive instruments of the company, must within one month after approval thereof be published by the directors or

by the management board, as applicable, at the expense of the company in accordance with [Article 100-13](#). At the end of the annual accounts there shall be published the names, first names, occupations and domicile of the directors, the members of the management board, as applicable, and the *commissaires* [supervisory auditors] for the time being in office, as well as a table indicating the use and allocation of the net profits in accordance with the resolutions of the general meeting.

Other items for publication

The names, first names, occupations and domiciles of the Directors and *commissaire aux comptes* currently in office as well as a table indicating the use and appropriation of the net profits in accordance with the resolutions of the general meeting must be published at the end of the annual accounts.

For more information, please refer to practical aspects of the filing procedure in [Appendix 3](#).





Special conditions applicable to parent companies and subsidiaries

Art. Reference
70

GUIDANCE:

- (1) Subsidiaries need not apply the provisions of this Chapter or of Chapter IV regarding the content, the audit and the publication of annual accounts, if the following conditions are fulfilled:
- a) the parent undertaking must be subject to the Laws of a Member State of the European Community;
 - b) all shareholders or members of the subsidiary have declared their agreement to the exemption from such obligation; this declaration must be made in respect of every financial year;
 - c) the parent undertaking must have declared that it guarantees the commitments entered into by the subsidiary;
 - d) the declarations referred to in b) and c) are published by the subsidiary in the form provided for by [Article 100-13 §3](#) of the amended Law of 10 August 1915 on commercial companies and the provisions of Chapter Vbis of Title I of this Law²⁵;
 - e) the subsidiary is included in the consolidated accounts drawn up by the parent undertaking in accordance with Council Directive 83/349/EEC of 13 June 1983 based on the Article 54 (3) (g) of the Treaty on consolidated accounts (known as the “Seventh Directive”)²⁶ or in accordance with the international accounting standards adopted in accordance with the procedure laid out in Article 6 paragraph 2 of Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards²⁷;
 - f) the exemption referred to above is disclosed in the notes to the consolidated accounts drawn up by the parent undertaking;
 - g) the consolidated accounts referred to in e), the consolidated management report and the report by the person(s) responsible for auditing those accounts must be published by the subsidiary in the form provided for by [Article 100-13 §3](#) of the amended Law of 10 August 1915 on commercial companies and the provisions of Chapter Vbis of Title I of this Law²⁸.

²⁵ See above related footnote under [Article 100-13](#) of the Law of 1915. “Chapter Vbis. - Publications on the *Recueil électronique des sociétés et associations*.”

²⁶ This directive has been abrogated and replaced by Directive 2013/34/EU.

²⁷ Commission Regulation (EC) No 1725/2003 of 29 September 2003 (O.J. L261 of 13 October 2003) realised such adoption.

²⁸ See above related footnote under [Article 100-13](#) of the Law of 1915. “Chapter Vbis. - Publications on the *Recueil électronique des sociétés et associations*.”

According to the [Article 70](#) of the Accounting Law, subsidiaries of a European parent undertaking can be exempted from the rules on the content, the audit and the publication of the annual accounts provided that the conditions under paragraphs b) to g) are fulfilled, in particular the consolidated accounts of the parent undertaking including the subsidiary must be published in Luxembourg.

Art. Reference **GUIDANCE:**

71

A parent company need not apply the provisions of this Chapter and of Chapter IV concerning the audit and publication of the profit and loss account where the following conditions are fulfilled:

- a) the parent company draws up consolidated accounts in accordance with Council Directive 83/349/EEC²⁹ or in accordance with the international accounting standards adopted in accordance with the procedure laid out in Article 6 paragraph 2 of Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards³⁰ and is included in the consolidation;
- b) the above exemption is disclosed in the notes to the annual accounts of the parent company;
- c) the above exemption is disclosed in the notes to the consolidated accounts drawn up by the parent company;
- d) the profit or loss of the parent company determined in accordance with this Chapter is shown in the balance sheet of the parent company.

According to the [Article 71](#) of the Accounting Law, a parent company can be exempted from the rules on the audit and the publication of the profit or loss accounts in the standalone accounts provided that the conditions under paragraphs a) to d) are fulfilled, in particular the consolidated accounts of the parent undertaking must publish the profit or loss of the parent in the balance sheet of the consolidated accounts.

Art. Reference **GUIDANCE:**

72

This Title is not applicable to those companies incorporated under Luxembourg Law referred to in Article 1, paragraph 1, sub-paragraphs 2 and 3 of Council Directive 78/660/EEC of 25 July 1978³¹ where:

- (1) the companies governed by Luxembourg Law referred to in Article 1, paragraph 1, sub-paragraph 1 of Council Directive 78/660/EEC of 25 July 1978³² which are members having unlimited liability in any of the companies incorporated under Luxembourg Law referred to in Article 1, paragraph 1

²⁹ This directive has been abrogated and replaced by Directive 2013/34/EU.

³⁰ Commission Regulation (EC) No 1725/2003 of 29 September 2003 (O.J. L261 of 13 October 2003) introduced such adoption.

³¹ As this directive has been abrogated and replaced by Directive 2013/34/EU, this reference should have been to Article 1.1 b) of Directive 2013/34/EU referring to *sociétés en nom collectif* and *sociétés en commandite simple* described under item (ii) in the footnote to [Article 68\(1\)](#).

If this reference is to be read as a reference to Article 1.1 of Directive 2013/34/EU, these are:

- (i) *sociétés anonymes*, *sociétés en commandite par actions* and *sociétés à responsabilité limitée*,
- (ii) *sociétés en nom collectif* and *sociétés en commandite simple* where all their direct or indirect members, having otherwise unlimited liability, but in fact have limited liability by reason of these companies being of the type referred to in (i) above, or are similar types of companies in the other Member States listed in Annex I of Directive 2013/34/EU, or are companies not governed by the laws of a Member State but which have a legal form comparable to those of the companies referred to in such Annex I.

³² *Sociétés anonymes*, *sociétés en commandite par actions* and *sociétés à responsabilité limitée*.

sub-paragraphs 2 and 3 of Council Directive 78/660/EEC of 25 July 1978³³, draw up, have audited and publish, with their own accounts and in conformity with the provisions of this Title, the accounts of those companies.

- (2) a) the accounts of these companies are drawn up, audited and published in conformity with the provisions of Directive 78/660/EEC³⁴ or in accordance with the international accounting standards adopted in accordance with the procedure laid out in Article 6 paragraph 2 of Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards³⁵, by a company referred to in Article 1, paragraph (1), first sub-paragraph of that Directive³⁶ which is a member having unlimited liability and is governed by the Law of another Member State of the European Union;
 - b) these companies are included in consolidated accounts drawn up, audited and published in accordance with Directive 83/349/EEC³⁷ or in accordance with the international accounting standards adopted in accordance with the procedure laid out in Article 6 paragraph 2 of Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards³⁸ by a member having unlimited liability, or where they are included in the consolidated accounts of a larger body of undertakings drawn up, audited and published in conformity with Directive 83/349/EEC³⁹ or in accordance with the international accounting standards adopted in accordance with the procedure laid out in Article 6 paragraph 2 of Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards by a parent undertaking governed by the Law of a Member State. This exemption must be disclosed in the notes to the consolidated accounts.
- (3) In these cases, these companies must reveal, to whomsoever so requests, the name of the company publishing the accounts.

³³ As this directive has been abrogated and replaced by Directive 2013/34/EU, this reference should have been to Article 1.1 b) of Directive 2013/34/EU referring to *sociétés en nom collectif* and *sociétés en commandite simple* described under item (ii) in the footnote to Article 68(1). See above.

³⁴ As this directive has been abrogated and replaced by Directive 2013/34/EU, this reference should have been to Directive 2013/34/EU. Commission Regulation (EC) No 1725/2003 of 29 September 2003 (O.J. L261 of 13 October 2003) realized such adoption.

³⁵ These are *sociétés anonymes*, *sociétés en commandite par actions* and *sociétés à responsabilité limitée*. As this directive has been abrogated and replaced by Directive 2013/34/EU, this reference should have been to Article 1.1 a) of Directive 2013/34/EU.

³⁶ This directive has been abrogated and replaced by Directive 2013/34/EU.

³⁷ Commission Regulation (EC) No 1725/2003 of 29 September 2003 (O.J. L261 of 13 October 2003) introduced such adoption.

³⁸ This directive has been abrogated and replaced by Directive 2013/34/EU.



Country-by-country reporting

Art. Reference 72quarter 72quinquies 72sexies 72septies 72octies 72nonies	Public interest entities (“PIEs”) and large non-PIEs in such industries must disclose material payments made to governments (above EUR 100,000). The following types of payments must be reported, as per Article 72quarter (5): <ol style="list-style-type: none">production rightstaxes levied on the income, production or profits of companies, excluding taxes levied on consumption such as value added taxes, personal income taxes or sales taxes;royalties;dividends;signature, discovery and production bonuses;licence fees, rental fees, entry fees and other considerations for licences and/or concessions; andpayments for infrastructure improvements.
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A separate report must be published, by way of a reference to being filed on the Luxembourg Trade and Companies Register, within 12 months of the end of the financial year.

There is no audit requirement for this report.

Law of 23 December 2016 transposing EU Directive 2016/881	Luxembourg tax resident Ultimate parent entities of multinational Groups with a consolidated turnover of EUR 750 million or more, should file a country-by-country (“CbC”) report with the Luxembourg tax authority (<i>l’Administration des contributions directes</i>). Subject to conditions, a secondary filing mechanism is in place whereby a subsidiary should perform the filing of the CbC report if the ultimate parent fails to do so and no other entity was designated as a surrogate.
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The subsidiaries part of a multinational Group should submit CbCR notifications annually indicating the entity within the Group that will submit the CbC report.

CbC Report is to be filed 12 months after the last day of the reporting fiscal year for which report is to be filed.

CbC Notifications are due each year by the last day of the reporting fiscal year for which report is to be filed.



Illustrative Annual Accounts

ABC Company S.A. [S.à r.l.]

Société Anonyme [*Société à responsabilité limitée*]

ANNUAL ACCOUNTS
AND
REPORT OF THE *RÉVISEUR D'ENTREPRISES AGRÉÉ*

FOR THE YEAR [*PERIOD FROM XX TO XX*]⁴⁰ ENDED

31 DECEMBER 20XX

[Address]

L-[XX] LUXEMBOURG

R.C.S. Luxembourg: [B XXX XXX]

“Other legal forms are available. However, the S.A. and S.à r.l. are the most common legal forms used.”

⁴⁰ If the financial period is less than or exceeds one year (for example in the first year) the annual accounts should refer to the period from “opening date” to “closing date”. This period should not exceed 18 months.

ABC Company S.A. [S.à r.l.]

Société Anonyme [*Société à responsabilité limitée*]

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⁴¹ All captions and notes in the illustrative annual accounts which are not applicable to the activity of the Undertakings should be deleted and others might need to be added based on the options offered by [Articles 35](#) (abridged balance sheet), [47](#) (abridged profit and loss account), and [66](#) and [67](#) (abridged notes to the accounts) of the Accounting Law.

ABC Company S.A. [S.à r.l.]

Société Anonyme [*Société à responsabilité limitée*]

MANAGEMENT REPORT

COMMENTARY (based on Article 68 of the Accounting Law):

Undertakings are required to present a management report, except if they are small-sized companies.

If there is no requirement to prepare a management report then the Undertaking need only disclose the information regarding the acquisition of own shares in the notes to the annual accounts (**Article 68 (3)** of the Accounting Law).

The content of the management report is detailed in **Article 68** of the Accounting Law and should include:

- A fair review of the development of the Undertaking's business, its financial performance and position, together with a description of the principal risks and uncertainties that it faces.
The review shall be a balanced and comprehensive analysis of the development and performance as well as its position, consistent with the size and complexity of the business.
- To the extent necessary for an understanding of the Undertaking's development, performance or position, the analysis shall include both financial and, where appropriate, non-financial key performance indicators relevant to the particular business, including information relating to environmental or employee matters.
The Medium-sized Undertaking is exempt from the obligation of reporting non-financial key performance indicators relevant to their business, except in case of quoted securities on a European regulated stock exchange.
- Where appropriate, references to and additional explanations of the amounts reported in the annual accounts.

The management report shall also indicate:

- a) The Undertaking's likely future development;
- b) Activities in the field of research and development, as prescribed in **Article 68 2(c)** of the Accounting Law *;
- c) In respect of the acquisitions of own shares, the information prescribed in **Article 430-18 (2)** of the Company Law **;

- d) The existence of branches of the Undertaking;
- e) In relation to the Undertaking's use of financial instruments and where material for the assessment of its assets, liabilities, financial position and profit or loss:
 - the Undertaking's financial risk management objectives and policies, including its policy for hedging each major type of forecasted transaction for which hedge accounting is used, and
 - the Undertaking's exposure to price risk, credit risk, liquidity risk and cash flow risk;
- f) *transactions carried out under Article 420-26(6) of the Company Law in relation to the allocation of free shares.*

** if applicable: if the Undertaking did not have any activities in research and development, disclose the following:*

"The Undertaking had no activities in the field of research and development during the year ended 31 December 20XX."

*** if applicable: if the Undertaking did not acquire its own shares, disclose the following:*

"The Undertaking did not acquire any of its own shares during the year ended 31 December 20XX."

Additional information for undertakings with securities quoted on a European regulated stock exchange

- (1) The companies listed in Article 1(1) (of the Law of 19 May 2006 on takeover bids)⁴² shall publish detailed information on the following:
 - (a) the structure of their capital, including securities which are not admitted to trading on a regulated market in a Member State, where appropriate with an indication of the different classes of shares and, for each class of shares, the rights and obligations attaching to it and the percentage of total share capital that it represents;
 - (b) any restrictions on the transfer of securities, such as limitations on the holding of securities or the need to obtain the approval of the company or other holders of securities, without prejudice to Article 46 of Directive 2001/34/EC;
 - (c) significant direct and indirect shareholdings (including indirect shareholdings through pyramid structures and cross-shareholdings) within the meaning of Directive 2004/109/EC;
 - (d) the holders of any securities with special control rights and a description of those rights;

⁴² This law applies to takeover bids for the securities of companies governed by the laws of a Member State of the European Union or the European Economic Area (hereinafter referred to as a "Member State") where all or some of those securities are admitted to trading on a regulated market in one or more Member States (hereinafter referred to as a "regulated market").

- (e) the system of control of any employee share scheme where the control rights are not exercised directly by the employees;
 - (f) any restrictions on voting rights, such as limitations of the voting rights of holders of a given percentage or number of votes, deadlines for exercising voting rights, or systems whereby, with the company's cooperation, the financial rights attaching to securities are separated from the holding of securities;
 - (g) any agreements between shareholders which are known to the company and may result in restrictions on the transfer of securities or voting rights within the meaning of Directive 2004/109/EC;
 - (h) the rules governing the appointment and replacement of board members and the amendment of the articles of association;
 - (i) the powers of board members, and in particular the power to issue or buy back shares;
 - (j) any significant agreements to which the company is a party and which take effect, alter or terminate upon a change of control of the company following a takeover bid, and the effects thereof, except where their nature is such that their disclosure would be seriously prejudicial to the company; this exception shall not apply where the company is specifically obliged to disclose such information on the basis of other legal requirements;
 - (k) any agreements between the company and its board members or employees providing for compensation if they resign or are made redundant without valid reason or if their employment ceases because of a takeover bid.
- (2) The companies with registered office in Luxembourg shall publish the information referred to in paragraph 1 in the company's management report pursuant to [Article 68](#) of the Law of 19 December 2002 concerning the Trade and companies register, as well as the accounting and annual accounts of companies, and in the consolidated management report pursuant to [Article 1720-1](#) of the Law of 10 August 1915 on commercial companies as amended.
- (3) The board of such companies shall present an explanatory report to the annual general meeting of shareholders on the matters referred to in paragraph 1.

Art.
Reference
68bis

Non-Financial Statement:

- (1) The present article applies to the undertakings referred to in [Article 25](#) which fulfil all of the following conditions:
- a) being organised in the form of a *société anonyme*, a *société européenne* (SE), a *société en commandite par actions*, a *société à responsabilité limitée* or in one of the company forms referred to in [Article 77](#), paragraph (2) points 2° and 3°; and

- b) being a public interest entity in the meaning of Article 2, point 1) of Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings⁴³; and
- c) exceeding, on its balance sheet date and during two consecutive financial years, the numerical thresholds of at least two of the three criteria referred to in [Article 47](#);
- d) exceeding, on its balance sheet date, the criterion of the average number of 500 employees during the financial year.

(2) The undertakings referred to in paragraph (1) shall include in the management report a non-financial statement containing information to the extent necessary for an understanding of the undertaking's development, performance, position and impact of its activity, relating to, as a minimum, environmental, social and employee matters, respect for human rights, anti-corruption and bribery matters, including:

- (a) a brief description of the undertaking's business model;
- (b) a description of the policies pursued by the undertaking in relation to those matters, including due diligence processes implemented;
- (c) the outcome of those policies;
- (d) the principal risks related to those matters linked to the undertaking's operations including, where relevant and proportionate, its business relationships, products or services which are likely to cause adverse impacts in those areas, and how the undertaking manages those risks;
- (e) non-financial key performance indicators relevant to the particular business. Where the undertaking does not pursue policies in relation to one or more of those matters, the non-financial statement shall provide a clear and reasoned explanation for not doing so.

The non-financial statement referred to in the first sub-paragraph of this paragraph shall also, where appropriate, include references to, and additional explanations of, amounts reported in the annual financial statements.

Information relating to impending developments or matters in the course of negotiation may be omitted in exceptional cases where, in the duly justified opinion of the members of the administrative, management and supervisory bodies, acting within the competences assigned to them by law and having collective responsibility for that opinion, the disclosure of such information would be seriously prejudicial to the commercial position of the undertaking, provided that such omission does not prevent a fair and balanced understanding of the undertaking's development, performance, position and impact of its activity.

In the disclosure of the information referred to in the first subparagraph, undertakings may rely on national, European Union-based or international frameworks. Undertakings shall specify which frameworks they have relied upon.

⁴³ For the definition of "public interest entities" by Article 2 point 1) of Directive 2013/34/EU, see footnote under [Article 1730-1 \(1\) subparagraph a\)](#) of the Law of 1915.

- (3) Undertakings fulfilling the obligation set out in paragraph (2) shall be deemed to have fulfilled the obligation relating to the analysis of non-financial information set out in [Article 68](#), paragraph (1), point b).
- (4) An undertaking which is a subsidiary undertaking within the meaning of [Article 1711-1](#), paragraph (2) of the amended Law of 10 August 1915 on commercial companies, shall be exempted from the obligation set out in paragraph (2) if that undertaking and its subsidiary undertakings are included in the consolidated management report or the separate report of another undertaking, drawn up in accordance with Article 29 and Article 29a of Directive 2013/34/EU.
- (5) Where an undertaking prepares a separate report corresponding to the same financial year, whether or not relying on national, European Union-based or international frameworks and covering the information required for the non-financial statement as provided for in paragraph (2), that undertaking is exempted from the obligation to prepare the non-financial statement laid down in paragraph (2), provided that such separate report:
 - a) is published together with the management report in accordance with [Article 79](#); or
 - b) is made publicly available within a reasonable period of time, not exceeding six months after the balance sheet date, on the undertaking's website, and is referred to in the management report.

Paragraph (3) shall apply mutatis mutandis to undertakings preparing a separate report as referred to in the first subparagraph of this paragraph.
- (6) The *réviseur d'entreprises agréé* [approved statutory auditor] checks whether the consolidated non-financial statement referred to in paragraph (2) or the separate report referred to in paragraph (5) has been provided.

**Art.
Reference
68ter**

Corporate Governance Statement:

1. A company whose securities are admitted to trading on a regulated market within the meaning of Article 4, paragraph 1, point 14, of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments shall include a corporate governance statement in its management report.
That statement shall be included as a specific section of the management report and shall contain at least the following information:
 - a) a reference to:
 - i) the corporate governance code to which the company is subject, and/or
 - ii) the corporate governance code which the company may have voluntarily decided to apply, and/or
 - iii) all relevant information about the corporate governance practices applied beyond the requirements under Law.

Where points i) and ii) apply, the company shall also indicate where the relevant texts are publicly available. Where point iii) applies, the company shall make its corporate governance practices publicly available;

- b) to the extent to which a company, in accordance with national law, departs from one of the corporate governance codes referred to under points a), i) or ii), an explanation by the company as to which parts of the corporate governance code it departs from and the reasons for doing so. Where the company has decided not to apply any provisions of a corporate governance code referred to under points a), i) or ii), it shall explain its reasons for doing so;
 - c) a description of the main features of the company's internal control and risk management systems in relation to the financial reporting process;
 - d) the information required by Article 10, paragraph 1, points c), d), f), h) and i) of directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids, where the company is subject to that Directive⁴⁴;
 - e) unless the information is already fully provided for in national laws or regulations, the operation of the shareholder meeting and its key powers, and a description of shareholders' rights and how they can be exercised;
 - f) "the composition and operation of the administrative, management and supervisory bodies and their committees";
 - g) a description of the diversity policy applied in relation to the undertaking's administrative, management and supervisory bodies with regards to aspects such as, for instance, age gender, or educational and professional backgrounds, the objectives of that diversity policy, how it has been implemented and the results in the reporting period. If no such policy is applied, the statement shall contain an explanation as why this is the case.
2. The information required by this Article may be set out in a separate report published together with the management report in the manner set out in [Article 68](#) or by means of a reference in the management report where such document is publicly available on the company's website. In the event of a separate report, the corporate governance statement may contain a reference to the management report where the information required in [paragraph \(1\), point d\)](#) is made available. [Article 68, paragraph \(1\), second sub-paragraph](#) shall apply to the provisions of [paragraph \(1\), points c\)](#) and [d\)](#) of this Article.

For the remaining information, the *réviseur d'entreprises agréé* [approved statutory auditor] shall check that the corporate governance statement has been produced.

Companies which have only issued securities other than shares admitted to trading on a regulated market, within the meaning of Article 4, paragraph (1), point 14), of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments, from the application of the provisions of paragraph (1), points a), b), e) and f), unless such companies have issued shares which are traded in a multilateral trading facility, within the meaning of Article 4,

⁴⁴ See above - additional information for undertakings with securities quoted on a European regulated stock exchange.

paragraph (1), point 15), of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments⁴⁵.

According to the [Article 69\(1\)aa](#) of the Accounting Law, the *réviseur d'entreprises agréé* shall indicate in their audit opinion whether the management report is consistent with the annual accounts and whether it has been prepared in accordance with applicable legal requirements for the same financial year. We refer to the last paragraph of the 3 illustrative audit opinions.



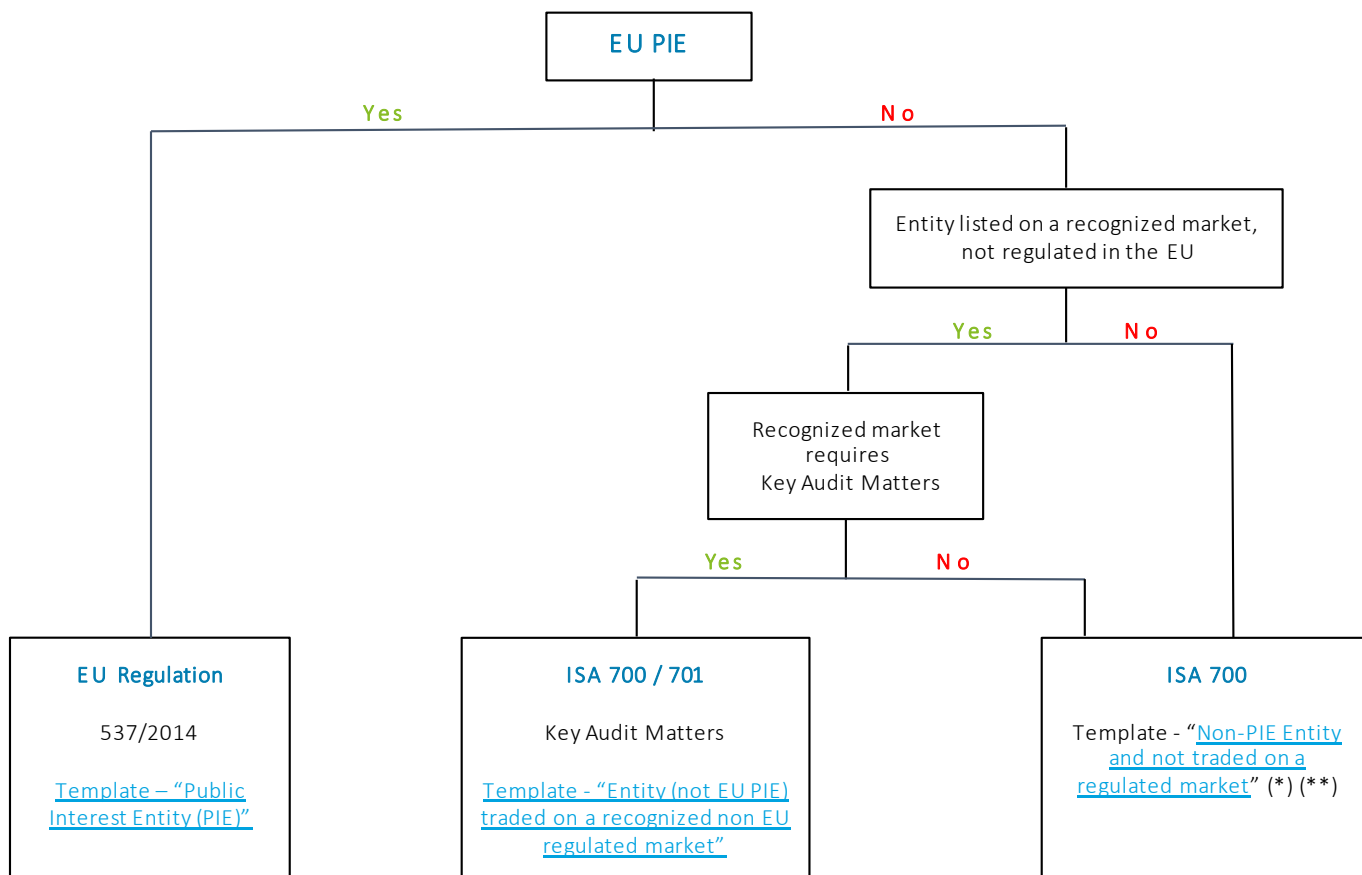
⁴⁵ The directive defines “multilateral trading facilities (MTF)” as “a multilateral system operated and/or managed by a market operator, which brings together or facilitates the bringing together of multiple third-party buying and selling interests in financial instruments [*Note: meaning those instruments specified in Section C of Annex I of that directive*] - in the system and in accordance with its non-discretionary rules - in a way that results in a contract, in respect of the financial instruments admitted to trading under its rules and/or systems, and which is authorised and functions regularly and in accordance with the provisions of Title III” of the directive.

REPORT OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ/INDEPENDENT AUDITOR'S REPORT

The general dispositions applicable to the audit report are in the Article 35 of the Law of 26 July 2016 on the audit professions (the "Audit Law"). When an audited entity is a public interest entity ("PIE") in accordance with Article 1 point (29) of the Audit Law, the dispositions included in Article 10 of the Regulation (EU) n° 538/2014 of the European Parliament and of the Council of 16 April 2014 on the specific requirement applicable to legal control of PIE accounts apply in addition.

When applying these dispositions, the independent auditor must determine if the audited entity is or not (1) a PIE entity in accordance with the Audit Law, and (2) a "Listed entity" as defined in the "Handbook of International Quality Control, Auditing, Review, Other Assurance and Related Services Pronouncements" of the International Federation of Accountants (IFAC) as adopted by the CSSF. In the appendix of the CSSF 19-02 Regulation, the "Listed entity" are defined as entities governed by Luxembourg law whose securities are admitted to trading on a recognized market.

A decision tree describes below the different scenarios allowing the independent auditor to define the appropriate audit opinion given the specificities of the audited entity.



(*) On a voluntary basis, the audited entity may ask its *Réviseur d'Entreprises Agréé* to report the Key Audit Matters in its report. In such a case, the model of report presented in Template - "Entity (not EU PIE) traded on a recognized non EU regulated market" should be considered.

(**) For listed Entities that do not require Key Audit Matters, include the sentence "We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards."

Template - "Non-PIE Entity and not traded on a regulated market"

[Text] in italics has to be adapted according to the nature of the entity]

To the Shareholders of [*To the Board of Directors / To the Management / To the Board of Managers*] of
[Name of the audited entity]

REPORT OF THE *RÉVISEUR D'ENTREPRISES AGRÉÉ*
(INDEPENDENT AUDITOR'S REPORT)
(Under Lux GAAP and LUX GAAP with an IFRS option)⁴⁶

Report on the Audit of the Annual Accounts

Opinion

We have audited the annual accounts of *ABC* (the "Company"), which comprise the balance sheet as at *[date]*, and the profit and loss account for the year then ended *[for the period from (date) to (date)]*, and notes to the annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying annual accounts give a true and fair view of *[present fairly, in all material respects,]* the financial position of the Company as at *[date]*, and *[of]* the results of its operations for the year then ended *[for the period from (date) to (date)]* in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier* (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the *Réviseur d'Entreprises Agréé* for the Audit of the Annual Accounts" section of our report. We are also independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

⁴⁶ This draft opinion is applicable even in case of annual accounts reported under Luxembourg GAAP with an IFRS option. As Luxembourg GAAP allows for IFRS option, the audit opinion is still referring to Luxembourg legal and regulatory requirements only.

Other information⁴⁷

The Board of Directors [*Management/Board of Managers*] is responsible for the other information. The other information comprises the information stated in the [*annual report including the*] management report [*annual report*] but does not include the annual accounts and our report of the *Réviseur d'Entreprises Agréé* thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors [*Management/Board of Managers*] and Those Charged with Governance for the Annual Accounts⁴⁸

The Board of Directors [*Management/Board of Managers*] is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the Board of Directors [*Management/Board of Managers*] determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Directors [*Management/Board of Managers*] is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors [*Management/Board of Managers*] either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

*[Those charged with governance are responsible for overseeing the Company's financial reporting process.]*⁴⁹

⁴⁷ It is not always mandatory to include other information and/or a management report. In these cases, if no additional information is added to the financial statements, the section "other information" is to be removed from the audit report.

⁴⁸ When the Board of Directors also represents Those Charged With Governance, no reference is made to Those Charged With Governance.

⁴⁹ When individuals responsible for the oversight of the financial reporting process are the same as those responsible for the preparation of the annual accounts, no reference to the individuals responsible for this oversight is required and this sentence should be removed.

Responsibilities of the Réviseur d'Entreprises Agréé for the Audit of the Annual Accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the *Réviseur d'Entreprises Agréé* that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors [*Management/Board of Managers*].
- Conclude on the appropriateness of Board of Directors' [*Management's/Board of Managers'*] use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the *Réviseur d'Entreprises Agréé* to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the *Réviseur d'Entreprises Agréé*. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

[We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.]⁵⁰

Report on Other Legal and Regulatory Requirements

The management report is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

For Deloitte Audit, *Cabinet de Révision Agréé*

[Name of the Partner], *Réviseur d'Entreprises Agréé*
Partner

[Date of the report]

⁵⁰ For Listed entities only

Template – Public Interest Entity “PIE”

[Text] in italics has to be adapted according to the nature of the entity

To the Shareholders of [*To the Board of Directors / To the Management*] of
[*Name of the audited entity*]

REPORT OF THE *RÉVISEUR D'ENTREPRISES AGRÉÉ*
(INDEPENDENT AUDITOR'S REPORT)
(*Under Lux GAAP and LUX GAAP with an IFRS option*)⁵¹

Report on the Audit of the Annual Accounts

Opinion

We have audited the annual accounts of *ABC* (the “Company”), which comprise the balance sheet as at [*date*], and the profit and loss account for the year then ended [*for the period from (date) to (date)*], and notes to the annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying annual accounts give a true and fair view of [*present fairly, in all material respects,*] the financial position of the Company as at [*date*], and [*of*] the results of its operations for the year then ended [*for the period from (date) to (date)*] in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

Basis for Opinion

We conducted our audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier* (CSSF). Our responsibilities under EU Regulation N° 537/2014, the Law of 23 July and ISAs as adopted for Luxembourg CSSF are further described in the “Responsibilities of the *Réviseur d'Entreprises Agréé* for the Audit of the Annual Accounts” section of our report. We are also independent of the Company in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

⁵¹ This draft opinion is applicable even in case of annual accounts reported under Luxembourg GAAP with an IFRS option. As Luxembourg GAAP allows for IFRS option, the audit opinion is still referring to Luxembourg legal and regulatory requirements only.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of the audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

[Description of each key audit matter in accordance with ISA 701 (Luxembourg) - §R13-1]⁵²

[Where relevant, key observations arising with respect to those risks.]⁵³

[Where relevant to the above information provided in the audit report concerning each significant assessed risk of material misstatement, include in the audit report a clear reference to the relevant disclosures in the annual accounts]

Other information

The Board of Directors [*Management/Board of Managers*] is responsible for the other information. The other information comprises the information stated in the [*annual report including the*] management report and the Corporate Governance Statement⁵⁴ but does not include the annual accounts and our report of the *Réviseur d'Entreprises Agréé* thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

⁵² In an audit where no Key Audit Matters have been determined, the sentence: We have not determined key audit matters to communicate in our report, would replace this paragraph.

⁵³ Applicable for PIE as defined in the Directive 2006/43/EC as amended (EU PIE).

⁵⁴ For Listed PIE only.

Responsibilities of the Board of Directors [Management/Board of Managers] and Those Charged with Governance for the Annual Accounts⁵⁵

The Board of Directors [Management/Board of Managers] is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the Board of Directors [Management/Board of Managers] determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Directors [Management/Board of Managers] is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors [Management/Board of Managers] either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

[Those charged with governance are responsible for overseeing the Company's financial reporting process.]⁵⁶

Responsibilities of the Réviseur d'Entreprises Agréé for the Audit of the Annual Accounts

The objectives of our audit are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the Réviseur d'Entreprises Agréé that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

⁵⁵ When the Board of Directors also represents Those Charged With Governance, no reference is made to Those Charged With Governance.

⁵⁶ When individuals responsible for the oversight of the financial reporting process are the same as those responsible for the preparation of the annual accounts, no reference to the individuals responsible for this oversight is required and this sentence should be removed.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors [*Management/Board of Managers*].
- Conclude on the appropriateness of Board of Directors' [*Management's/Board of Managers'*] use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the *Réviseur d'Entreprises Agréé* to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the *Réviseur d'Entreprises Agréé*. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.⁵⁷

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.⁵⁸

⁵⁷ For Listed PIE only

⁵⁸ The exception of disclosures of key audit matters foreseen under §14b ISA 701) "when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication" does not apply to public interest entities.

Report on Other Legal and Regulatory Requirements

We have been appointed as *Réviseur d'Entreprises Agréé* by the General Meeting of the Shareholders [*the Board of Directors/the Management*] on [*date*] and the duration of our uninterrupted engagement, including previous renewals and reappointments, is [*X*] years.

[The management report is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.]

*The Corporate Governance Statement is included in the management report. The information required by Article 68ter paragraph (1) letters c) and d) of the Law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements]*⁵⁹

Or

[The management report is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.]

*The accompanying Corporate Governance Statement is presented on pages [...] to [...]. The information required by Article 68ter paragraph (1) letters c) and d) of the Law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.]*⁶⁰

Or

[The management report is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.]

*The Corporate Governance Statement, as published on the Company's website [address of relevant page of the website], is the responsibility of the Board of Directors [Management/Board of Managers]. The information required by Article 68ter paragraph (1) letters c) and d) of the Law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent, at the date of this report, with the annual accounts and has been prepared in accordance with applicable legal requirements.]*⁶¹

Or

⁵⁹ For Listed PIE only.

⁶⁰ For Listed PIE only.

⁶¹ For Listed PIE only.

[The management report [annual report] is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.]⁶²

We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.⁶³

We confirm that the prohibited non-audit services referred to in the EU Regulation N° 537/2014, on the audit profession were not provided and that we remain independent of the Company in conducting the audit.]

[Where neither disclosed in the management report nor in the annual accounts, disclose here any services, in addition to the statutory audit, that were provided to the Company and its controlled undertakings.]⁶⁴

For Deloitte Audit, *Cabinet de Révision Agréé*

[Name of the Partner], *Réviseur d'Entreprises Agréé*
Partner

[Date of the report]



⁶² For Non-Listed PIE only.

⁶³ Not applicable if the public interest entity benefits from one of the exemptions provided for in Article 52 (5) of the law of 23 July 2016 on the audit profession.

⁶⁴ Where relevant, indicate here whether other assurance services, tax services or other services have been provided. It is up to the REA to decide whether or not he/she will disclose the related amounts. When no services other than legal audit have been provided, no disclose is made in the auditor's report in that respect.

Template - "Entity (not EU PIE) traded on a recognized non EU regulated market requiring Key Audit Matters"

[Text] in italics has to be adapted according to the nature of the entity

To the Shareholders of *[To the Board of Directors / To the Management]* of
[Name of the audited entity]

REPORT OF THE *RÉVISEUR D'ENTREPRISES AGRÉÉ*
(INDEPENDENT AUDITOR'S REPORT)
*(Under Lux GAAP and LUX GAAP with an IFRS option)*⁶⁵

Report on the Audit of the Annual Accounts

Opinion

We have audited the annual accounts of *ABC* (the "Company"), which comprise the balance sheet as at *[date]*, and the profit and loss account for the year then ended *[for the period from (date) to (date)]*, and notes to the annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying annual accounts give a true and fair view of *[present fairly, in all material respects,]* the financial position of the Company as at *[date]*, and *[of]* the results of its operations for the year then ended *[for the period from (date) to (date)]* in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier* (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the *Réviseur d'Entreprises Agréé* for the Audit of the Annual Accounts" section of our report. We are also independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

⁶⁵ *This draft opinion is applicable even in case of annual accounts reported under Luxembourg GAAP with an IFRS option. As Luxembourg GAAP allows for IFRS option, the audit opinion is still referring to Luxembourg legal and regulatory requirements only.*

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of the audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

[Description of each key audit matter in accordance with ISA 701 § 13] ⁶⁶

Other information⁶⁷

The Board of Directors [*Management/Board of Managers*] is responsible for the other information. The other information comprises the information stated in the [*annual report including the*] management report but does not include the annual accounts and our report of the *Réviseur d'Entreprises Agréé* thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors [*Management/Board of Managers*] and Those Charged with Governance for the Annual Accounts⁶⁸

The Board of Directors [*Management/Board of Managers*] is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the Board of Directors [*Management/Board of Managers*] determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

⁶⁶ In an audit where no Key Audit Matters have been determined, the sentence: We have not determined key audit matters to communicate in our report, would replace this paragraph.

⁶⁷ It is not always mandatory to include other information and/or a management report. In these cases, if no additional information is added to the financial statements, the section "other information" is to be removed from the audit report.

⁶⁸ When the Board of Directors also represents Those Charged With Governance, no reference is made to Those Charged With Governance.

In preparing the annual accounts, the Board of Directors [*Management/Board of Managers*] is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors [*Management/Board of Managers*] either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

*[Those charged with governance are responsible for overseeing the Company's financial reporting process.]*⁶⁹

Responsibilities of the Réviseur d'Entreprises Agréé for the Audit of the Annual Accounts

The objectives of our audit are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the *Réviseur d'Entreprises Agréé* that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors [*Management/Board of Managers*].
- Conclude on the appropriateness of Board of Directors' [*Management's/Board of Managers'*] use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the *Réviseur d'Entreprises Agréé* to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the

⁶⁹ When individuals responsible for the oversight of the financial reporting process are the same as those responsible for the preparation of the annual accounts, no reference to the individuals responsible for this oversight is required and this sentence should be removed.

Réviseur d'Entreprises Agréé. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

The management report is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

For Deloitte Audit, *Cabinet de Révision Agréé*

[Name of the Partner], *Réviseur d'Entreprises Agréé*
Partner

[Date of the report]

ABC Company S.A. [S.à r.l.]
Société Anonyme [Société à responsabilité limitée]

BALANCE SHEET⁷⁰
 As of 31 December 20XX

ASSETS	Notes	31 December 20XX [Currency]	31 December 20XX-1 [Currency]
A. SUBSCRIBED CAPITAL UNPAID	12	[XX]	[XX]
I. Subscribed capital not called	12	[XX]	[XX]
II. Subscribed capital called but unpaid	12	[XX]	[XX]
B. FORMATION EXPENSES	3.2., 4	[XX]	[XX]
C. FIXED ASSETS	3.3., 3.4., 3.5., 3.6., 5, 6, 7	[XX]	[XX]
I. Intangible assets	3.3., 5	[XX]	[XX]
1. Costs of development	3.3., 5	[XX]	[XX]
2. Concessions, patents, licenses, trade marks and similar rights and assets, if they were	3.3., 5	[XX]	[XX]
a) acquired for valuable consideration and need not be shown under C.I.3	3.3., 5	[XX]	[XX]
b) created by the undertaking itself	3.3., 5	[XX]	[XX]
3. Goodwill, to the extent that it was acquired for valuable consideration	3.3., 5	[XX]	[XX]
4. Payments on account and intangible assets under development	3.3., 5	[XX]	[XX]
II. Tangible assets	3.4., 6	[XX]	[XX]
1. Land and buildings	3.4., 6	[XX]	[XX]
2. Plant and machinery	3.4., 6	[XX]	[XX]
3. Other fixtures and fittings, tools and equipment	3.4., 6	[XX]	[XX]
4. Payments on account and tangible assets in the course of construction	3.5., 6	[XX]	[XX]
III. Financial assets	3.6., 7	[XX]	[XX]
1. Shares in affiliated undertakings	3.6., 7	[XX]	[XX]
2. Loans to affiliated undertakings	3.6., 7	[XX]	[XX]
3. Participating interests	3.6., 7	[XX]	[XX]
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	3.6., 7	[XX]	[XX]
5. Investments held as fixed assets	3.6., 7	[XX]	[XX]
6. Other loans	3.6., 7	[XX]	[XX]

The accompanying notes are an integral part of these annual accounts.

⁷⁰ The form and content of the balance sheet are defined by the Article 1 of Grand-Ducal Regulation of 18 December 2015 which has implemented the Article 34 of the Accounting Law of 19 December 2002.

ABC Company S.A. [S.à r.l.]
Société Anonyme [Société à responsabilité limitée]

BALANCE SHEET
 As of 31 December 20XX
 - continued -

	Notes	31 December 20XX [Currency]	31 December 20XX-1 [Currency]
D. CURRENT ASSETS	3.7., 3.8., 3.9., 3.10., 8, 9, 10	[XX]	[XX]
I. Stocks	3.7., 3.8., 8	[XX]	[XX]
1. Raw materials and consumables	3.7., 8	[XX]	[XX]
2. Work in progress	8	[XX]	[XX]
3. Finished goods and goods for resale	3.8., 8	[XX]	[XX]
4. Payments on account	8	[XX]	[XX]
II. Debtors	3.9., 9	[XX]	[XX]
1. Trade debtors	3.9., 9	[XX]	[XX]
a) becoming due and payable within one year	3.9., 9	[XX]	[XX]
b) becoming due and payable after more than one year	3.9., 9	[XX]	[XX]
2. Amounts owed by affiliated undertakings	3.9., 9	[XX]	[XX]
a) becoming due and payable within one year	3.9., 9	[XX]	[XX]
b) becoming due and payable after more than one year	3.9., 9	[XX]	[XX]
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	3.9., 9	[XX]	[XX]
a) becoming due and payable within one year	3.9., 9	[XX]	[XX]
b) becoming due and payable after more than one year	3.9., 9	[XX]	[XX]
4. Other debtors	3.9., 9	[XX]	[XX]
a) becoming due and payable within one year	3.9., 9	[XX]	[XX]
b) becoming due and payable after more than one year	3.9., 9	[XX]	[XX]
III. Investments	3.10., 10	[XX]	[XX]
1. Shares in affiliated undertakings	3.10., 10.1.	[XX]	[XX]
2. Own shares	3.10., 10.2.	[XX]	[XX]
3. Other investments	3.10., 10.3., 10.4.	[XX]	[XX]
IV. Cash at bank and in hand		[XX]	[XX]
E. PREPAYMENTS	3.11., 11	[XX]	[XX]
BALANCE SHEET TOTAL (ASSETS)		[XX]	[XX]

The accompanying notes are an integral part of these annual accounts.

ABC Company S.A. [S.à r.l.]
Société Anonyme [Société à responsabilité limitée]

BALANCE SHEET
 As of 31 December 20XX
 - continued -

CAPITAL, RESERVES AND LIABILITIES	Notes	31 December 20XX [Currency]	31 December 20XX-1 [Currency]
	3.12., 3.18., 12, 13, 14, 15, 16, 17, 18	[XX]	[XX]
A. CAPITAL AND RESERVES			
I. Subscribed capital	12	[XX]	[XX]
II. Share premium account	13	[XX]	[XX]
III. Revaluation reserve	14	[XX]	[XX]
IV. Reserves	15	[XX]	[XX]
1. Legal reserve	15.1.	[XX]	[XX]
2. Reserve for own shares	15.2.	[XX]	[XX]
3. Reserves provided for by the articles of association	15.3	[XX]	[XX]
4. Other reserves, including the fair value reserve	15.4.	[XX]	[XX]
a) Other available reserves	15.4.	[XX]	[XX]
b) Other non available reserves	15.4.	[XX]	[XX]
V. Profit or loss brought forward	17	[XX]	[XX]
VI. Profit or loss for the financial year	17	[XX]	[XX]
VII. Interim dividends	3.18., 16	[XX]	[XX]
VIII. Capital investment subsidies	3.12., 18		
B. PROVISIONS	3.13., 19	[XX]	[XX]
1. Provisions for pensions and similar obligations	3.13., 19.1.	[XX]	[XX]
2. Provisions for taxation	3.13., 19.2.	[XX]	[XX]
3. Other provisions	3.13., 19.3.	[XX]	[XX]
C. CREDITORS	3.14., 3.15., 20	[XX]	[XX]
1. Debenture loans	3.14., 20	[XX]	[XX]
a) Convertible loans	3.14., 20	[XX]	[XX]
i) becoming due and payable within one year	3.14., 20	[XX]	[XX]
ii) becoming due and payable after more than one year	3.14., 20	[XX]	[XX]
b) Non convertible loans	3.14., 20	[XX]	[XX]
i) becoming due and payable within one year	3.14., 20	[XX]	[XX]
ii) becoming due and payable after more than one year	3.14., 20	[XX]	[XX]

The accompanying notes are an integral part of these annual accounts.

ABC Company S.A. [S.à r.l.]
Société Anonyme [Société à responsabilité limitée]

BALANCE SHEET
As of 31 December 20XX
- continued -

		Notes	31 December 20XX [Currency]	31 December 20XX-1 [Currency]
2.	Amounts owed to credit institutions	3.14., 20	[XX]	[XX]
	a) becoming due and payable within one year	3.14., 20	[XX]	[XX]
	b) becoming due and payable after more than one year	3.14., 20	[XX]	[XX]
3.	Payments received on account of orders in so far as they are not shown separately as deductions from stocks	3.14., 20	[XX]	[XX]
	a) becoming due and payable within one year	3.14., 20	[XX]	[XX]
	b) becoming due and payable after more than one year	3.14., 20	[XX]	[XX]
4.	Trade creditors	3.14., 20	[XX]	[XX]
	a) becoming due and payable within one year	3.14., 20	[XX]	[XX]
	b) becoming due and payable after more than one year	3.14., 20	[XX]	[XX]
5.	Bills of exchange payable	3.14., 20	[XX]	[XX]
	a) becoming due and payable within one year	3.14., 20	[XX]	[XX]
	b) becoming due and payable after more than one year	3.14., 20	[XX]	[XX]
6.	Amounts owed to affiliated undertakings	3.14., 20	[XX]	[XX]
	a) becoming due and payable within one year	3.14., 20	[XX]	[XX]
	b) becoming due and payable after more than one year	3.14., 20	[XX]	[XX]
7.	Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	3.14., 20	[XX]	[XX]
	a) becoming due and payable within one year	3.14., 20	[XX]	[XX]
	b) becoming due and payable after more than one year	3.14., 20	[XX]	[XX]
8.	Other creditors	3.14., 20	[XX]	[XX]
	a) Tax authorities	3.15., 20	[XX]	[XX]
	b) Social security authorities	3.14., 20	[XX]	[XX]
	c) Other creditors	3.14., 20	[XX]	[XX]
	i) becoming due and payable within one year	3.14., 20	[XX]	[XX]
	ii) becoming due and payable after more than one year	3.14., 20	[XX]	[XX]
D.	DEFERRED INCOME	3.16., 21	[XX]	[XX]
BALANCE SHEET TOTAL (CAPITAL, RESERVES AND LIABILITIES)			[XX]	[XX]

The accompanying notes are an integral part of these annual accounts.

ABC Company S.A. [S.à r.l.]
Société Anonyme [Société à responsabilité limitée]

ABRIDGED BALANCE SHEET⁷¹

As of 31 December 20XX

ASSETS	Notes	31 December 20XX [Currency]	31 December 20XX-1 [Currency]
A. SUBSCRIBED CAPITAL UNPAID	12	[XX]	[XX]
I. Subscribed capital not called	12	[XX]	[XX]
II. Subscribed capital called but unpaid	12	[XX]	[XX]
B. FORMATION EXPENSES	3.2., 4	[XX]	[XX]
C. FIXED ASSETS	3.3., 3.4., 3.5., 3.6., 5, 6, 7	[XX]	[XX]
I. Intangible assets	3.3., 5	[XX]	[XX]
II. Tangible assets	3.4., 3.5., 6	[XX]	[XX]
III. Financial assets	3.6., 7	[XX]	[XX]
D. CURRENT ASSETS	3.7., 3.8., 3.9., 3.10., 8, 9, 10	[XX]	[XX]
I. Stocks	3.7., 3.8., 8	[XX]	[XX]
II. Debtors	3.9., 9	[XX]	[XX]
a) becoming due and payable within one year	3.9., 9	[XX]	[XX]
b) becoming due and payable after more than one year	3.9., 9	[XX]	[XX]
III. Investments	3.10., 10	[XX]	[XX]
IV. Cash at bank and in hand		[XX]	[XX]
E. PREPAYMENTS	3.11., 11	[XX]	[XX]
BALANCE SHEET TOTAL (ASSETS)		[XX]	[XX]

The accompanying notes are an integral part of these annual accounts.

⁷¹ The form and content of the abridged balance sheet are defined by the Article 2 of Grand-Ducal Regulation of 18 December 2015 which has implemented the Article 35 of the Accounting Law of 19 December 2002.

ABC Company S.A. [S.à r.l.]
Société Anonyme [Société à responsabilité limitée]

ABRIDGED BALANCE SHEET

As of 31 December 20XX

- continued -

CAPITAL, RESERVES AND LIABILITIES	Notes	31 December 20XX [Currency]	31 December 20XX-1 [Currency]
	3.12., 3.18., 12, 13, 14, 15, 16, 17, 18	[XX]	[XX]
A. CAPITAL AND RESERVES			
I. Subscribed capital	12	[XX]	[XX]
II. Share premium account	13	[XX]	[XX]
III. Revaluation reserve	14	[XX]	[XX]
IV. Reserves	15	[XX]	[XX]
V. Profit or loss brought forward	17	[XX]	[XX]
VI. Profit or loss for the financial year	17	[XX]	[XX]
VII. Interim dividends	3.18, 16	[XX]	[XX]
VIII. Capital investment subsidies	3.12, 18		
B. PROVISIONS	3.13., 19	[XX]	[XX]
C. CREDITORS	3.14., 3.15, 20	[XX]	[XX]
a) becoming due and payable within one year	3.14., 3.15, 20	[XX]	[XX]
b) becoming due and payable after more than one year	3.14., 3.15, 20	[XX]	[XX]
D. DEFERRED INCOME	3.16., 21	[XX]	[XX]
BALANCE SHEET TOTAL (CAPITAL, RESERVES AND LIABILITIES)		[XX]	[XX]

The accompanying notes are an integral part of these annual accounts.

ABC Company S.A. [S.à r.l.]
Société Anonyme [Société à responsabilité limitée]
PROFIT AND LOSS ACCOUNT⁷²
For the year/*period* ended 31 December 20XX

	Notes	31 December 20XX [Currency]	31 December 20XX-1 [Currency]
1. Net turnover	3.17., 22	[XX]	[XX]
2. Variation in stocks of finished goods and in work in progress	3.7., 3.8., 8	[XX]	[XX]
3. Work performed by the undertaking for its own purposes and capitalised	23	[XX]	[XX]
4. Other operating income	24	[XX]	[XX]
5. Raw materials and consumables and other external expenses	3.7., 8	[-XX]	[-XX]
a) Raw materials and consumables			
b) Other external expenses	25	[-XX]	[-XX]
6. Staff costs	26, 27, 28	[-XX]	[-XX]
a) Wages and salaries	26	[-XX]	[-XX]
b) Social security costs	26, 27	[-XX]	[-XX]
i) relating to pensions	26, 27	[-XX]	[-XX]
ii) other social security costs	26, 27	[-XX]	[-XX]
c) Other staff costs	28	[-XX]	[-XX]
7. Value adjustments	5, 6	[-XX]	[-XX]
a) in respect of formation expenses and of tangible and intangible fixed assets	5, 6	[-XX]	[-XX]
b) in respect of current assets		[-XX]	[-XX]
8. Other operating expenses	29	[-XX]	[-XX]
9. Income from participating interests	3.6., 7	[XX]	[XX]
a) derived from affiliated undertakings	3.6., 7	[XX]	[XX]
b) other income from participating interests	3.6., 7	[XX]	[XX]
10. Income from other investments and loans forming part of the fixed assets	3.6., 7	[XX]	[XX]
a) derived from affiliated undertakings	3.6., 7	[XX]	[XX]
b) other income not included under a)	3.6., 7	[XX]	[XX]

The accompanying notes are an integral part of these annual accounts.

⁷² The form and content of the profit and loss account are defined by the Article 2 of the Grand-Ducal Regulation of 18 December 2015 which has implemented the Article 46 of the Accounting Law of 19 December 2002.

ABC Company S.A. [S.à r.l.]
Société Anonyme [Société à responsabilité limitée]
PROFIT AND LOSS ACCOUNT
For the year/*period* ended 31 December 20XX
- continued -

	Notes	31 December 20XX [Currency]	31 December 20XX-1 [Currency]
11. Other interest receivable and similar income	3.6., 7	[XX]	[XX]
a) derived from affiliated undertakings	3.6., 7	[XX]	[XX]
b) other interest and similar income	3.6., 7	[XX]	[XX]
12. Share of profit or loss of undertakings accounted for under the equity method	3.6., 7	[-XX]	[-XX]
13. Value adjustments in respect of financial assets and of investments held as current assets	7	[-XX]	[-XX]
14. Interest payable and similar expenses	3.6., 7	[-XX]	[-XX]
a) concerning affiliated undertakings	3.6., 7	[-XX]	[-XX]
b) other interest and similar expenses	3.6., 7	[-XX]	[-XX]
15. Tax on profit or loss	30	[-XX]	[-XX]
16. Profit or loss after taxation		[XX]	[XX]
17. Other taxes not shown under items 1 to 16	31	[-XX]	[-XX]
18. Profit or loss for the financial year	17	[XX]	[XX]

The accompanying notes are an integral part of these annual accounts.

ABC Company S.A. [S.à r.l.]
Société Anonyme [Société à responsabilité limitée]

ABRIDGED PROFIT AND LOSS ACCOUNT⁷³
 For the year/*period* ended 31 December 20XX

		Notes	31 December 20XX [Currency]	31 December 20XX-1 [Currency]
1. to 5.	Gross results	3.7., 3.8., 3.17., 8, 22, 23, 24, 25	[XX]	[XX]
6.	Staff costs	26, 27, 28	[-XX]	[-XX]
	a) Wages and salaries	26	[-XX]	[-XX]
	b) Social security costs	26, 27	[-XX]	[-XX]
	i) relating to pensions	26, 27	[-XX]	[-XX]
	ii) other social security costs	26, 27	[-XX]	[-XX]
	c) Other staff costs	28	[-XX]	[-XX]
7.	Value adjustments	5, 6	[-XX]	[-XX]
	a) in respect of formation expenses and of tangible and intangible fixed assets	5, 6	[-XX]	[-XX]
	b) in respect of current assets		[-XX]	[-XX]
8.	Other operating expenses	29	[-XX]	[-XX]

The accompanying notes are an integral part of these annual accounts.

⁷³ The form and content of the abridged balance sheet are defined by the Article 4 of Grand-Ducal Regulation of 18 December 2015 which has implemented the Article 47 of the Accounting Law of 19 December 2002.

ABC Company S.A. [S.à r.l.]
Société Anonyme [Société à responsabilité limitée]
ABRIDGED PROFIT AND LOSS ACCOUNT
For the year/*period* ended 31 December 20XX
- continued -

	Notes	31 December 20XX [Currency]	31 December 20XX-1 [Currency]
9.	Income from participating interests	3.6., 7	[XX]
	a) derived from affiliated undertakings	3.6., 7	[XX]
	b) other income from participating interests	3.6., 7	[XX]
10.	Income from other investments and loans forming part of the fixed assets	3.6., 7	[XX]
	a) derived from affiliated undertakings	3.6., 7	[XX]
	b) other income not included under a)	3.6., 7	[XX]
11.	Other interest receivable and similar income		[XX]
	a) derived from affiliated undertakings	3.6., 7	[XX]
	b) other interest and similar income		[XX]
12.	Share of profit or loss of undertakings accounted for under the equity method	3.6., 7	[-XX]
13.	Value adjustments in respect of financial assets and of investments held as current assets	7	[-XX]
14.	Interest payable and similar expenses	3.6., 7	[-XX]
	a) concerning affiliated undertakings	3.6., 7	[-XX]
	b) other interest and similar expenses	3.6., 7	[-XX]
15.	Tax on profit or loss	30	[-XX]
16.	Profit or loss after taxation		[XX]
17.	Other taxes not shown under items 1 to 16	31	[-XX]
18.	Profit or loss for the financial year	17	[XX]

The accompanying notes are an integral part of these annual accounts.

ABC Company S.A. [S.à r.l.]
Société Anonyme [Société à responsabilité limitée]
NOTES TO THE ANNUAL ACCOUNTS
Year/*period* ended 31 December 20XX

Art.
Reference
65(1)

GUIDANCE:

The notes to the annual accounts must be presented in the same order as the items related to it in the balance sheet and the profit and loss account

Art.
Reference
65

NOTE 1 - GENERAL

1.1. Corporate Matters

ABC Company S.A. [S.à r.l.] (hereafter the "Company") was incorporated on [DD Month YYYY] as a "Société Anonyme" ["**Société à responsabilité limitée**"] in accordance with the Luxembourg Law of 10 August 1915, as amended, on Commercial Companies for an unlimited period of time (*or: for a limited period of ... years*).

The Company is registered with the Trade and Companies Register of Luxembourg (RCS) with the number [B XXX XXX] and has its registered office at [address].

The Company is a [wholly] owned subsidiary of [to be completed], an entity incorporated under the Laws of [to be completed].

COMMENTARY:

Disclose the domicile and legal form of the Company, the country of incorporation, the registered number and office.

1.2. Nature of the Company's business

In accordance with its articles of incorporation, the object of the Company is to primarily [to be completed]

The main activity / [activities] of the Company consist of:
[to be completed]

The Company operates a branch / branches in [to be completed]

COMMENTARY:

- Describe the business activities and nature of operations of the Company as disclosed in its articles of association;
- Significant events of the year having an impact on the annual accounts may be disclosed if needed to improve the understanding of the annual accounts.

1.3. Annual accounts

The financial year of the Company is identical to the calendar year, from 1 January to 31 December of each year.

If applicable:

The first accounting period begins on the date of incorporation of the Company and terminates on the [31 December 20XX].

Art.
Reference
1711-4
1711-7

ADDITIONAL POTENTIAL DISCLOSURES:

If the Company prepares consolidated accounts:

The Company also prepares consolidated accounts, which are published in accordance with the provisions of the Law. These consolidated accounts are also available at the registered office of the Company.

If the Company doesn't prepare consolidated accounts:

Based on the criteria defined by the Law, the Company is exempt from the obligation to prepare consolidated accounts.

Art.
Reference
65(1) 15°

GUIDANCE:

If the annual accounts of the Company are included in the consolidated accounts of the parent company, disclose the following information as per Article 65 (1) 15° of the Accounting Law:

- The name and registered office of the parent company that establishes consolidated accounts of the **biggest group** of which the Company is a subsidiary;⁷⁴
- The name and registered office of the parent company that establishes consolidated accounts of the **smallest group** of which the Company is a subsidiary (if different from a) above);
- The place where the copies of the consolidated accounts referred to in points a) and b) above may be obtained.

The Company shall ensure that the consolidated accounts of the parent company and the auditor's report, are published in the form provided by Article 1770-1 of the Commercial Law of 10 August 1915.

⁷⁴ Article 66 - The Small-sized undertakings as defined in Article 35 of the Law are allowed to prepare abridged notes to the accounts without the information requested in Article 65(1)15°a).

*In this case, disclose:*⁷⁵

The Company's accounts are included in the consolidated accounts of [XYZ] Group, representing the **smallest** entity of which the Company is a subsidiary, under the Laws of [legal reference]. These can be obtained from [e.g. name of the Company's parent + its address].

The Company's accounts are included in the consolidated accounts of [XYZ] Group, its ultimate parent, representing the **biggest** entity of which the Company is a subsidiary, incorporated under the Laws of [legal reference]. These can be obtained from [e.g. name of the Company's parent + its address].

NOTE 2 - BASIS OF PREPARATION

COMMENTARY:

The following are examples of the types of accounting policies that might be disclosed in this Company's accounts. Entities are required to disclose the measurement bases and other accounting policies applied that are relevant to an understanding of the annual accounts. An accounting policy may be significant because of the nature of the entity's activities even if amounts of the current and the prior period are immaterial. Management must consider whether the disclosure of a particular accounting policy would assist users in understanding how transactions, other events and conditions are reported in the annual accounts.

2.1. General principles

These annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts.

The accounting and valuation policies are determined by the Board of Directors [*Management / Board of Managers*] in compliance with the Law of **19 December 2002**, as amended. These policies have been consistently applied to the annual periods presented.

⁷⁵ Additional guidance and examples are provided in the Q&A CNC 17/014.

Art. Reference
26(5) and 51(2)

GUIDANCE:

(2) Where in exceptional cases the application of a provision of this Law is incompatible with the obligation laid down in **Article 26, paragraph (3)**, that provision shall be disapplied in order to give a true and fair view of the undertaking's assets, liabilities, financial position and profit or loss. The disapplication of any such provision shall be disclosed in the notes to the accounts together with an explanation of the reasons for it and of its effect on the undertaking's assets, liabilities, financial position and profit or loss.

ADDITIONAL POTENTIAL DISCLOSURES:

Indicate and substantiate departure from significant accounting policies, if justified, to present a true and fair view of the activity of the Company. The effects of the departure on the financial position and results of the Company must also be disclosed.

In this case, disclose:

Further to the application of **Article 26 (5)** of the Accounting Law, these annual accounts are presented with certain amendments to the legal provisions in order to give a true and fair view of the activities of the Company relating to (...). The effect on the assets is XX, on the liabilities is XX, on the financial position is XX and on the results of the Company is XX.

Where applicable

Lux GAAP with option to value financial instruments according to the IFRS

COMMENTARY:

When financial instruments cannot be valued based on the fair value model as permitted by **Article 64bis to 64nonies**, **Article 64bis(5bis)** provides an alternative and allows to value the financial instruments in accordance with the IFRS (as adopted by the European Union), provided that their measurement at fair value is authorised under IFRS (as adopted by the European Union). If this option is used, the disclosures must be made in accordance with the IFRS requirements.

Art. Reference
64bis(5bis)

GUIDANCE:

As per **Article 64bis(5bis)**, by way of derogation of **Article 64bis (3)** and **Article 64bis (4)**, in accordance with IFRS as adopted by the European Union, *the measurement of financial instruments and compliance with the associated disclosure requirements provided for in the IFRS as adopted by the European Union, are permitted.*

As per **Article 64bis (5)**, in respect of any assets and liabilities which qualify as hedged items under a fair value hedge accounting system, or identified portions of such assets or liabilities, measurement at the specific amount required under the system, is permitted.

The Law of 18 December 2015 allows the Company to value financial instruments in accordance with IFRS. The Company has used this option for [to be tailored].

2.2. Critical accounting estimates

The preparation of the annual accounts and the application of the accounting policies and methods described below require critical accounting estimates that involve judgements and the use of assumptions. By their nature, the assessments necessary for drawing up the annual accounts require the formulation of hypotheses and carry risks and uncertainties as to their occurrence in the future.

Although the Board of Directors believes that it has taken all available information into account in determining these judgements and estimates, the actual future profits and losses from the operations concerned could differ from these estimates and therefore have a material impact on the annual accounts.

The use of estimates mainly concerns the following valuations:

- the determination of the fair value of financial instruments that do not have a quoted market price;
- the determination of the fair value of other assets measured at fair value (e.g. investment properties);
- the determination of the useful lives and the residual values of intangible assets and tangible assets;
- the estimation of the recoverable amount of impaired assets;
- the amount of deferred tax assets;
- assessment of provisions, including provisions related to employee benefits;
- to be tailored.

The use of critical judgements in applying accounting policies may comprise the following:

- income recognition;
- classification of financial instruments;
- the discount rate used for the supplemental defined benefit retirement plan;
- to be tailored.

2.3. Comparative figures

Art. Reference
29(2)

GUIDANCE:

In respect of each balance sheet and profit and loss account item, the figure relating to the corresponding item for the preceding financial year must be shown. Where the figures from one year are not comparable to figures from the next year and where the figures of the preceding year have been adjusted, this must be disclosed in the notes to the accounts, with the relevant comments.

Art. Reference
29(2)

The presentation of the annual accounts has been modified when compared to the presentation used in respect of the financial year ended 31 December 20XX-1. As a consequence and in order to ensure adequate comparability across both financial years, certain comparative figures in respect of the financial year ended 31 December 20XX-1 have been reclassified.

[To be tailored with the reclassification(s) made for the comparative figures]

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES

3.1. Foreign currency transactions

The Company maintains its accounting records in Currency (“CCY”) and the annual accounts are expressed in this currency.

COMMENTARY:

Under LUX GAAP, the Law does not specifically address foreign currency translations rules.

This section mentions the most common practice and must be updated based on specific circumstances.

Transactions in foreign currencies are translated into CCY at the exchange rates prevailing at the date of the transactions / [*payments*].

Formation expenses, fixed assets in foreign currencies are kept at historical exchange rates at the Balance Sheet date.

Monetary assets and liabilities in foreign currencies are revalued at the exchange rate prevailing at the Balance Sheet date. Exchange gains and losses are recorded in the Profit and Loss account.

Other non-monetary assets and non-monetary liabilities in foreign currencies are kept at historical exchange rates or revalued at exchange rates prevailing at the Balance Sheet date, respectively if the latter rate is lower or higher. Accordingly, exchange losses are recognised immediately in the Profit and Loss account. Exchange gains are recorded in the Profit and Loss account at the moment of their realisation.

Or

Other non-monetary assets and non-monetary liabilities in foreign currencies are revalued at exchange rates prevailing at the Balance Sheet date. Accordingly, exchange losses on other non-monetary assets and non-monetary liabilities are recognised immediately in the Profit and Loss account.

Forward foreign exchange transactions are valued at the forward rate for the remaining term ruling on the balance sheet date. In case of unrealised gains, there are not recognised in the Profit and Loss account. In case of unrealised losses, a provision is recorded to cover the potential losses.

Where applicable

Where there is an economic link between an asset and a liability or a hedge relationship is established, they are valued in aggregate according to the principles described above.

COMMENTARY:

Hedging transactions are those which are entered into in order to reduce or eliminate the risk arising from variations in currency exchange rates to which an asset, liability or derivative or a homogenous group of such

items is exposed. The general principle is that for hedged transactions the currency translation has no effect on the profit or loss for the part effectively covered.

Revenues and expenses in foreign currencies are translated into CCY at the exchange rates applicable at the date of the transaction. Exchange gains are included in “Other interest receivable and similar income” and exchange losses in “Other interest payable and similar charges”.

ADDITIONAL POTENTIAL DISCLOSURES:

Where the fair value option is selected as the accounting policy for investments and financial fixed assets, add the following:

Transferable securities and other financial instruments and financial fixed assets in foreign currencies which are measured at fair value are converted at the exchange rates effective at the Balance Sheet date. Foreign exchange differences on those fair valued assets are recognised in the Profit and Loss account (or revaluation reserves, if applicable) with the change in fair value.

3.2. Formation expenses

Formation expenses are capitalised and amortised on a straight line basis over [number of years/months].

Art. Reference
53(1) a)

GUIDANCE:

If capitalised, formation expenses must be written off within a maximum period of 5 years.

Art. Reference
53(3)

GUIDANCE:

Expenses relating to the creation or extension of an undertaking, of part of an undertaking or of a branch of business, as opposed to expenses resulting from ordinary business, may be entered under “Assets” as formation expenses.

OR

Formation expenses are charged to the Profit and Loss account in the year in which they are incurred.

3.3. Intangible assets

Art. Reference
55(1)
59(1)

Lux GAAP

Intangible assets are carried at purchase price including the expenses incidental thereto, or at production costs, less accumulated amortisation. Amortisation is recognised on a *straight-line* basis [or other method, such as declining method] over the estimated remaining useful life of the assets. The amortisation rate and methods applied are as follows:

		Amortisation Method OR [Rate of amortisation]	Depreciation method
Development costs	[XX] years	[..%]	
Patents, licenses, trademarks and similar rights and assets acquired	[XX] years	[..%]	
Goodwill acquired	[XX] years	[..%]	

COMMENTARY:

Only development costs can be capitalised (not the research costs).
Generally accepted depreciation methods are allowed in Lux GAAP.

Art. Reference
59(2)

GUIDANCE:

In exceptional cases where the useful life of goodwill and development costs cannot be reliably estimated, such assets shall be written off within a maximum period which shall not exceed 10 years. An explanation of the period over which goodwill is written off shall be provided within the notes to the annual accounts.

Art. Reference
55(1)c)dd)

GUIDANCE:

Measurement at the lower of the values provided for may not continue if the reasons for which the value adjustments were made have ceased to apply; this provision shall not apply to value adjustments made in respect of goodwill.

COMMENTARY:

Where the Company considers that intangible assets have suffered a durable decline in value in excess of the accumulated amortisation already recognised, an additional write-down is to be accounted for. Except for the goodwill acquired, these value adjustments are reversed if the reasons for which the value adjustments were made have ceased to apply.

Where applicable

Art. Reference
55(4)

Interest on capital borrowed to finance the production of intangible assets has been included in the production costs to the extent to which it relates to the period of production.

Art. Reference
55(1)

3.4. Tangible assets

Lux GAAP

Tangible assets are carried at purchase price including the expenses incidental thereto, or at production costs, less accumulated amortisation. Amortisation is recognised on a *straight-line* basis [or other method, such as

declining method] over the estimated remaining useful life of the assets. The amortisation rate and methods applied are as follows:

		Amortisation Method OR [Rate of amortisation]	Depreciation method
Buildings	[XX] years	[..%]	
Plant and machinery	[XX] years	[..%]	
Other fixtures and fittings, tools and equipment	From [XX] to [XX] years	[..%]	

Land is not amortised.

GUIDANCE:

Generally accepted depreciation methods are allowed in Lux GAAP.

Art. Reference
40

GUIDANCE:

Rights to immovable and other similar rights as defined by civil law must be shown under “Land and Buildings”.

Art. Reference
59(2)

GUIDANCE:

In exceptional cases where the useful life of goodwill and development costs cannot be reliably estimated, such assets shall be written off within a maximum period which shall not exceed 10 years. An explanation of the period over which goodwill is written off shall be provided within the notes to the annual accounts.

COMMENTARY:

Where the Company considers that tangible assets have suffered a durable decline in value in excess of the accumulated depreciation recognised, an additional write-down is recorded to reflect this impairment. These value adjustments are reversed if the reasons for which the value adjustments were made have ceased to apply.

Where applicable

Art. Reference
55(1)d)

GUIDANCE:

If fixed assets are subject to exceptional value adjustments for taxation purposes alone, the amount of the adjustments and the reasons for making them shall be indicated in the notes to the accounts.

Or

Lux GAAP with FV option

COMMENTARY:

The Q&A CNC 14/002 and Q&A CNC 16/007 defined the rule under Lux GAAP that outlines the revaluation model is not permitted under Lux GAAP, the revaluation model being different from the FV model. Consequently, the FV option is only allowed under Lux GAAP provided that the fair valuation is permitted under IFRS (as adopted by the European Union).

For intangible assets, IAS 38 gives the choice only between the cost model and the revaluation model. Consequently, the FV option is not permitted under Lux GAAP for intangible assets.

Under IFRS, tangible assets are considered as either Inventory under IAS 2, either Property Plant and Equipment (PPE) under IAS 16, either Investment Property under IAS 40 or Biological assets under IAS 41. Only IAS 40 for Investment Property and IAS 41 for Biological assets allow the fair valuation. Consequently, even if Lux GAAP does not make a distinction between the tangible assets, only such tangible assets could be considered for the FV option.

Tangible assets (**to list the categories**) are initially carried at purchase price including the expenses incidental thereto, or at production costs. They are subsequently measured at fair value based on the following basis (**to describe the valuation method**). The fair value changes on those fair valued assets are recognised in the Profit and Loss account (**or revaluation reserves, if applicable**) with the change in fair value.

**Art. Reference
64sexies**

GUIDANCE:

As per **Article 64sexies**, undertakings may also measure specified categories of assets other than financial instruments at amounts determined by reference to their fair value, provided their measurement at fair value is authorised under IFRS. In this case, the note should describe the categories.

**Art. Reference
64septies**

GUIDANCE:

As per **64septies**, undertakings may, where an asset is measured in accordance with **Article 64sexies**, include the resulting change in the value in the profit and loss accounts.

**Art. Reference
64octies**

GUIDANCE:

As per **Article 64octies**, where certain categories of assets other than financial instruments have been measured at fair value, the notes to the accounts shall disclose:

- a) the significant assumptions underlying the valuation models and techniques where fair value has not been determined by reference to a market value;
- b) per category of assets other than financial instruments, the fair value at the balance sheet date and the changes in value which occurred during the financial year;
- c) for each class of assets other than financial instruments, information about the significant terms and conditions that may affect the amount and certainty of future cash flows.

Where applicable

Art. Reference Interest on capital borrowed to finance the production of intangible assets has been included in the
55(4) production costs to the extent to which it relates to the period of production.

Where applicable

Art. Reference Tangible assets which are constantly being replaced and the overall value of which is secondary importance to
60 the undertaking may be shown under “Assets” at a fixed quantity and value, if the quantity, value and composition thereof do not vary materially.

3.5. Payment on accounts and fixed assets under development

Tangible assets in the course of construction are carried at cost, less any recognised impairment loss.

The costs incurred on fixed assets under development by the Company itself are recorded in their respective profit and loss captions. Such costs are allocated to the appropriate Balance Sheet caption with as counterpart the income caption “Work performed by the undertaking for its own purposes and capitalised”.

Such items are classified to the appropriate categories when completed and ready for their intended use.

3.6. Financial assets

Art. Reference
41

GUIDANCE:

“*Participating interest*” shall mean rights in the capital of other undertakings, whether or not represented by certificates, which, by creating a durable link with those undertakings, are intended to contribute to the undertaking’s activities. The holding of part of the capital of another undertaking shall be presumed to constitute a participating interest where it exceeds 20%.

Art. Reference
1790-2

GUIDANCE:

Undertakings which are connected as described in Article 1711-1 (1) (as described below) and those undertakings which are similarly connected with one of the aforementioned undertakings, shall be “*affiliated undertakings*” for the purposes of the Title II of the Law.

Art. Reference
1711-1

(1) (Law of 10 December 2010) Each *société anonyme*, *société en commandite par actions* (Law of 10 August 2016) *société par actions simplifiée* or *société à responsabilité limitée* and (Law of 30 July 2013) each company referred to in **Article 77, paragraph 2, items 2° and 3°** of the amended Law of 19 December 2002 on the Trade and companies register and the accounting and annual accounts of undertakings (...) must draw up consolidated accounts and a consolidated management report if it:

a) has a majority of the shareholders' or members' voting rights in another undertaking; or

- b) has the right to appoint or remove a majority of the members of the administrative, management or supervisory body of another undertaking and is at the same time a shareholder in or member of that undertaking; or
- c) is a shareholder in or member of an undertaking, and controls alone, pursuant to an agreement with other shareholders in or members of that undertaking, a majority of shareholders' or members' voting rights in that undertaking.

(Law of 25 August 2006)

A *société européenne* (SE) having its registered office in the Grand-Duchy of Luxembourg shall be governed by the provisions applicable to *sociétés anonymes*.

Lux GAAP

Art. Reference Valuation at purchase price

55 (1) a

55 (1) c bb)

55 (1) c dd)

Shares in affiliated undertakings/participating interests/amounts owed by such undertakings/securities and other financial instruments held as fixed assets/Loans and claims held as fixed assets/Own shares or own corporate units, are carried at purchase price including the expenses incidental thereto. Where the Company considers that fixed assets have suffered a durable decline in value, a value adjustment is recorded to reflect this impairment. These value adjustments are reversed if the reasons for which the value adjustments were made have ceased to apply.

Art. Reference Valuation at the lower of cost or market value

55 (1) a

55 (1) c aa)

Shares in affiliated undertakings/participating interests/amounts owed by such undertakings/securities and other financial instruments held as fixed assets/Loans and claims held as fixed assets/Own shares or own corporate units, are carried at the lower of the purchase price including the expenses incidental thereto, or market value.

The market value corresponds to:

- the last available quoted price in an active market for quoted securities;
- the fair value estimated with due care and in good faith by the Board of Directors [*Management/ Board of Managers*] based on market and business assumptions.

Art. Reference

55(1) c cc)

GUIDANCE:

Article 55 (1) c cc) mentions the value adjustments referred to in **Article 55 (1) c aa)** and **bb)** must be charged to the profit and loss accounts and disclosed separately in the notes to the accounts if there are not shown separately in the profit and loss account.

Art. Reference
55(1)d)

GUIDANCE:

If fixed assets are subject to exceptional value adjustments for taxation purposes alone, the amount of the adjustments and the reasons for making them shall be indicated in the notes to the accounts.

Valuation at the net equity

Art. Reference
58

GUIDANCE:

Article 58 of the Accounting Law describes the optional accounting rules for the “Shares in affiliated undertakings” and the “Participating interests”. As per Article 58 (1), the application of the net equity method is optional.

Shares in affiliated undertakings/participating interests are initially recognised at cost and adjusted thereafter to recognise the Company’s share of the proportion of the capital and reserves of these undertakings.

Initial recognition

At the date of acquisition, the shares in affiliated undertakings/participating interests are recorded at cost.

The difference between the cost and the amount corresponding to the proportion of the capital and reserves is disclosed in the notes. The proportion of the capital and reserves has been valued by the same accounting rules as those applied by the Company [if such revaluation has not been done, this must be disclosed- Art. 58(3)].

Or

At the date of acquisition, the shares in affiliated undertakings/participating interests are recorded at the amount corresponding to the proportion of the capital and reserves represented by the affiliated undertakings/ participating interests. The proportion of the capital and reserves have been valued according to the accounting rules applied by the Company [if such revaluation has not been done, this must be disclosed- Art. 58(3)]. If the difference calculated is not attributable to a category of assets or liabilities, it is then accounted for as goodwill and amortised over a period of maximum 10 years.

Subsequent measurement

Annually, the proportion of the net profit or loss attributable to the shares in affiliated undertakings/participating interests is shown in the profit and loss account under the caption: "Share of profits/losses of undertakings accounted for under the equity method". A reserve which is unavailable for distribution is booked in equity for the portion of the result above the amount of dividends already received.

Or

Annually, the proportion of the net profit or loss attributable to the shares in affiliated undertakings/participating interests is directly booked in equity under the caption "Revaluation reserves" except for the portion of dividends already received. These revaluation reserves are not available for distribution.

Or

Lux GAAP with an IFRS option

Art. Reference 64bis. Shares in affiliated undertakings/participating interests⁷⁶/amounts owed by such undertakings/securities and other financial instruments held as fixed assets/Loans and claims held as fixed assets, are carried at purchase price including the expenses incidental thereto. They are subsequently measured at fair value based on the following basis (**to describe the valuation method**). The fair value changes on those fair valued assets, with, if applicable, the appropriate deferred tax, are recognised in the Profit and Loss account under the item "Value adjustments and fair value adjustments on financial assets"/(**or if applicable**) in revaluation reserves.

Art. Reference 64bis.

GUIDANCE:

As per **Article 64bis (1)**, subject to the conditions set out in **Article 64bis (4)**, undertakings have the option to carry out a measurement at fair value of financial instruments, including derivatives. In this case, the note should describe the categories.

Article 64bis (3) permits financial instruments that are part of the liabilities to be measured at fair value only:

- a) If they are held as part of the trading portfolio; or
- b) If they are derivative instruments.

Article 64bis (4) prohibits the measurement at fair value for the following:

- a) Non derivative financial instruments held to maturity;
- b) Loans and receivables originated by the undertaking and not held-for-trading purposes; and
- c) Interests in subsidiaries, associated undertakings, contracts for contingent consideration in a business combination as well as other financial instruments with such special characteristics that, according to what is generally accepted, should be accounted for differently from other financial instruments.

As per **Article 64bis (5bis)**, by way of derogation of **Article 64bis (3)** and **Article 64bis (4)**, in accordance with IFRS as adopted by the European Union, ***the measurement of financial instruments and compliance with the associated disclosures requirements provided for in the IFRS as adopted by the European Union, are permitted.***

⁷⁶ **Article 64bis (4) c)** does not allow the use of the fair value for shares in affiliated undertakings or participating interests. Consequently, fair valuation may be used based on the exception given by the article 64bis(5bis) and possible as IAS 27 and IAS 28 allow to value "Shares in subsidiaries", "Investment in associates" and "Joint ventures" at fair value in the separate financial statements. If this option is used, the disclosures must be made in accordance with the IFRS requirements

As per [Article 64bis \(5\)](#), in respect of any assets and liabilities which qualify as hedged items under a fair value hedge accounting system, or identified portions of such assets or liabilities, measurement at the specific amount required under the system, is permitted.

**Art. Reference
64ter.**

GUIDANCE:

As per [Article 64ter.](#), the fair value method applied shall be determined by reference to:

- A market value, for those financial instruments for which a reliable market can be readily identified. Where a market value is not readily identifiable for an instrument but can be identified for its components or for a similar instrument, the market value may be derived from that of its components or from the similar instrument; **or**
- A value resulting from generally accepted valuation models and techniques, for those instruments for which a reliable market cannot be readily identified. Such valuation models and techniques shall ensure a reasonable approximation of the market value is achieved.

[In this case, disclosure shall be made on the valuation techniques used].

Those financial instruments that cannot be measured reliably by any of the methods described above, shall be measured in accordance with [Articles 53, 55, 56 and 59 to 64](#) ("Lux GAAP" accounting principles).

**Art. Reference
64quater**

As per [Article 64quater](#):

- (1) Notwithstanding [Article 51, paragraph \(1\), item c\)](#), where a financial instrument is measured on a fair value basis, each change in the value shall be included in the profit and loss account. However, such a change shall be included directly in an equity account, in a fair value reserve, where:
 - a) the instrument accounted for is a hedging instrument under a system of hedge accounting that allows some or all of the change in value not to be shown in the profit and loss account; or
 - b) the change in value relates to an exchange difference arising on a monetary item that forms part of an undertaking's net investment in a foreign entity.
- (2) A change in the value on an available-for-sale financial asset, other than a derivative financial instrument, may be included directly in the equity account, in the fair value reserve.

The fair value reserve shall be adjusted when amounts shown therein are no longer necessary for the implementation of paragraphs (1) and (2).

**Art. Reference
64quinquies**

As per [Article 64quinquies](#):

Where financial instruments have been measured at fair value, the notes to the accounts shall disclose:

- a) the significant assumptions underlying the valuation models and techniques where fair values have been determined in accordance with [Article 64ter, paragraph \(1\), item b\)](#);
- b) per category of financial instruments, the fair value, the changes in value included directly in the profit and loss account as well as changes included in the fair value reserve;

- c) for each class of derivative financial instruments, information about the extent and the nature of the instruments, including significant terms and conditions that may affect the amount, timing and certainty of future cash flows; and
- d) a table showing movements in the fair value reserve during the financial year.

3.7. Stocks of raw materials and consumables

Art. Reference 61 Stocks of raw materials and consumables are valued at the lower of purchase price calculated on the basis of weighted average prices/the “first in, first out” (FIFO) method/the “last in, first out” (LIFO) method /*(or a method reflecting generally accepted best practices - to be disclosed)* or market value. Consequently, a value adjustment is recorded where the market value is lower than the purchase price. These value adjustments are reversed if the reasons for which the value adjustments were made have ceased to apply.

Art. Reference 62

GUIDANCE:

The purchase price or production cost of stocks of goods of the same category and all fungible items including transferable securities may be calculated either on the basis of weighted average prices or by the “first in, first out” (FIFO) method, the “last in, first out” (LIFO) method, or a method reflecting generally best practices.

Art. Reference 61(1)d)

GUIDANCE:

If current assets are subject to exceptional value adjustments for taxation purposes alone, the amount of the adjustments and the reasons for making them shall be indicated in the notes to the accounts.

Where applicable

Art. Reference 60 Raw materials and consumables which are constantly being replaced and the overall value of which is of secondary importance to the undertaking may be shown under “Assets” at a fixed quantity and value, if the quantity, value and composition thereof do not vary materially.

3.8. Stocks of finished goods and work and contracts in progress

Art. Reference 61-62 Stocks of finished goods and work and contracts in progress are valued at the lower of production cost and net realisable value. The production cost, determined on the basis of weighted average prices/the “first in, first out” (FIFO) method/the “last in, first out” (LIFO) method /*(or a method reflecting generally accepted best practices - to be disclosed)*, includes the purchase price of the raw materials and consumables, the costs

directly attributable to the product/contract in question and a proportion of the costs indirectly related to the product/contract in question.

Net realisable value represents the estimated selling price of stocks less all estimated costs of completion and cost necessary to realise the sale.

Consequently, a value adjustment is recorded where the market value is below the production cost. These value adjustments are reversed if the reasons for which the value adjustments were made have ceased to apply.

Art. Reference
62

GUIDANCE:

The purchase price or production cost of stocks of goods of the same category and all fungible items including transferable securities may be calculated either on the basis of weighted average prices or by the “first in, first out” (FIFO) method, the “last in, first out” (LIFO) method, or a method reflecting generally best practices.

Where applicable

Art. Reference
61(2) - 55(4)

Interest on capital borrowed to finance the production of current assets has been included in the production costs to the extent to which it relates to the period of production.

Art. Reference
61(1)d)

GUIDANCE:

If current assets are subject to exceptional value adjustments for taxation purposes alone, the amount of the adjustments and the reasons for making them shall be indicated in the notes to the accounts.

3.9. Debtors

Art. Reference
61(1)b)
61(1)c)

Debtors are carried at costs which generally correspond to their nominal value. A value adjustment is recorded when the estimated realisable value is lower than the nominal value. The realisable value is estimated on the basis of information available to the Board of Directors [*Management/ Board of Managers*]. These value adjustments are reversed if the reasons for which the value adjustments were made have ceased to apply.

Art. Reference
61(1)d)

GUIDANCE:

If current assets are subject to exceptional value adjustments for taxation purposes alone, the amount of the adjustments and the reasons for making them shall be indicated in the notes to the accounts.

3.10. Investments

Investments may include transferable securities, as well as other investments in shares and other securities equivalent to shares and in bonds or other forms of securitised debts.

COMMENTARY:

“Other investments” would mean those classes of securities which are negotiable on the capital market, with the exception of instruments of payment, such as:

- a) Shares in companies and other securities equivalent to shares in companies, partnerships or other entities, and depositary receipts in respect of shares;
- b) Bonds or other forms of securitised debt, including depositary receipts in respect of such securities;
- c) Any other securities giving the right to acquire or sell any such transferable securities or giving rise to a cash settlement determined by reference to transferable securities, currencies, interest rates or yields, commodities or other indices or measures (“*Derivative financial instruments*”).

Lux GAAP

Art. Reference Valuation at the lower of cost or market value
 61(1)b)
 61(1)c)
 62

Transferable securities and other investments are valued at the lower of cost, including expenses incidental thereto and calculated on the basis of weighted average prices/the FIFO method/the LIFO method (*or a method reflecting generally accepted best practices - to be disclosed*), or market value. A value adjustment is recorded where the market value is lower than the cost of purchase. These value adjustments are reversed if the reasons for which the value adjustments were made have ceased to apply.

The market value corresponds to:

- the last available quoted price in an active market for quoted securities;
- the fair value estimated with due care and in good faith by the Board of Directors [*Management/ Board of Managers*] based on market and business assumptions.

Where applicable (in case of own shares or shares in affiliated undertakings or shares in undertakings with which the undertaking is linked by virtue of participating interests)

Investments may include own shares or corporate units, or shares in affiliated undertakings, or shares in undertakings with which the undertaking is linked by virtue of participating interests, which are not considered as fixed assets as not intended for use on a continuing basis. The accounting and valuation policies are similar as those applicable to other transferable securities or other investments.

In accordance with the Law, in case of acquisition of own shares or corporate units, an amount equal to the carrying amount is recorded in a non-distributable reserve for own shares or corporate units.

Where applicable (in case of use of derivative financial instruments)

COMMENTARY:

Other investments may also include derivative financial instruments such as options, futures or foreign exchange contracts.

Derivatives are initially stated at cost for derivatives purchased. Premiums paid are recorded under whereas premiums received are disclosed under

At year-end, when a value adjustment is deemed necessary, a provision is set up in respect of individual unrealised losses resulting from their revaluation.

Commitments on those derivative financial instruments are disclosed in the notes to the accounts.

(Optional) In case of hedging an asset and/or a liability that is not recorded at fair value, unrealised gains or losses are deferred until the recognition of the realised gains or losses on the hedged items.

Art. Reference
62

GUIDANCE:

The purchase price or production cost of stocks of goods of the same category and all fungible items including transferable securities may be calculated either on the basis of weighted average prices or by the “first in, first out” (FIFO) method, the “last in, first out” (LIFO) method, or a method reflecting generally best practices.

Art. Reference
61(1)d)

GUIDANCE:

If current assets are subject to exceptional value adjustments for taxation purposes alone, the amount of the adjustments and the reasons for making them shall be indicated in the notes to the accounts.

Or

Lux GAAP with FV Option

Transferable securities and other investments are initially recognised at purchase price including the expenses incidental thereto. They are subsequently measured at fair value at the end of each reporting period on the following basis (*to describe the valuation method*). The fair value changes on those fair valued assets, with, if applicable, the appropriate deferred tax, are recognised in the Profit and Loss account under the item “Value adjustments and fair value adjustments on financial assets”/(*or if applicable*) in revaluation reserves.

Derivatives are initially stated at cost for derivatives purchased. They are subsequently measured at fair value at the end of each reporting period on the following basis (to describe the valuation method). The fair value changes on derivatives, with, if applicable, the appropriate deferred tax, are recognised in the Profit and Loss account under the item “Value adjustments and fair value adjustments on financial assets”, unless the derivative is designated as a hedging instrument. In case of hedging, the timing and recognition of the fair value changes in the Profit and Loss account depends on the nature of the hedge relationship, as only the unrealised losses of the hedge relationship is recognised in the Profit and Loss account.

Art. Reference
64bis

GUIDANCE:

As per [Article 64bis \(1\)](#), subject to the conditions set out in [Article 64bis \(4\)](#), undertakings have the option to carry out a measurement at fair value of financial instruments, including derivatives. In this case, the note should describe the categories.

[Article 64bis \(3\)](#) permits financial instruments that are part of the liabilities to be measured at fair value only:

- a) If they are held as part of the trading portfolio; or
- b) If they are derivative instruments.

[Article 64bis \(4\)](#) prohibits the measurement at fair value for the followings:

- a) Non derivative financial instruments held to maturity;
- b) Loans and receivables originated by the undertaking and not held-for-trading purposes; and
- c) Interests in subsidiaries, associated undertakings, contract for contingent consideration in a business combination as well as other financial instruments with such special characteristics that, according to what is generally accepted, should be accounted for differently from other financial instruments.

As per [Article 64bis\(5bis\)](#), by way of derogation of [Article 64bis \(3\)](#) and [Article 64bis \(4\)](#), in accordance with IFRS as adopted by the European Union, ***the measurement of financial instruments and compliance with the associated disclosures requirements provided for in the IFRS as adopted by the European Union, are permitted.***

As per [Article 64bis \(5\)](#), in respect of any assets and liabilities which qualify as hedged items under a fair value hedge accounting system, or identified portions of such assets or liabilities, measurement at the specific amount required under the system, is permitted.

Art. Reference
64ter.

GUIDANCE:

As per [Article 64ter.](#), the fair value method applied shall be determined by reference to:

- A market value, for those financial instruments for which a reliable market can readily be identified. Where a market value is not readily identifiable for an instrument but can be identified for its components or for a similar instrument, the market value may be derived from that of its components or from the similar instrument; **or**
- A value resulting from generally accepted valuation models and techniques, for those instruments for which a reliable market cannot be readily identified. Such valuation models and techniques shall ensure a reasonable approximation of the market value is achieved.

[In this case, disclosure shall be made on the valuation techniques used].

Those financial instruments that cannot be measured reliably by any of the methods described above, shall be measured in accordance with **Articles 53, 55, 56 and 59 to 64** (“Lux GAAP” accounting principles).

Art. Reference
64quater

As per **Article 64quater**:

- (1) Notwithstanding **Article 51, paragraph (1), item c)**, where a financial instrument is measured on a fair value basis, each change in the value shall be included in the profit and loss account. However, such a change shall be included directly in an equity account, in a fair value reserve, where:
 - a) the instrument accounted for is a hedging instrument under a system of hedge accounting that allows some or all of the change in value not to be shown in the profit and loss account; or
 - b) the change in value relates to an exchange difference arising on a monetary item that forms part of an undertaking's net investment in a foreign entity.
- (2) A change in the value on an available-for-sale financial asset, other than a derivative financial instrument, may be included directly in the equity account, in the fair value reserve.

The fair value reserve shall be adjusted when amounts shown therein are no longer necessary for the implementation of paragraphs (1) and (2).

Art. Reference
64quinquies

As per **Article 64quinquies**:

Where financial instruments have been measured at fair value, the notes to the accounts shall disclose:

- a) the significant assumptions underlying the valuation models and techniques where fair values have been determined in accordance with **Article 64ter, paragraph (1), item b)**;
- b) per category of financial instruments, the fair value, the changes in value included directly in the profit and loss account as well as changes included in the fair value reserve;
- c) for each class of derivative financial instruments, information about the extent and the nature of the instruments, including significant terms and conditions that may affect the amount, timing and certainty of future cash flows; and
- d) a table showing movements in the fair value reserve during the financial year.

Art. Reference
42

3.11. Prepayments

Prepayments include expenditure paid during the financial year but relating to a subsequent financial year.

3.12. Capital investment subsidies

Subsidies received for investments in fixed assets are recorded under “Capital investment subsidies”. They are recognised in the Profit and Loss account on a systematic basis over the amortisation period of the related investments.

COMMENTARY:

The capital investment subsidies can also be deducted directly from the purchase price or the production costs of the related investment.

3.13. Provisions

Art. Reference 44(1) Provisions are intended to cover losses or debts, the nature of which is clearly defined and which at the date of the Balance Sheet are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

Art. Reference 44(2) Provisions may also be created to cover charges which have their origin in the financial year under review or in a previous financial year, the nature of which is clearly defined and which at the Balance Sheet date are either likely to be incurred, or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

COMMENTARY:

The captions Provisions should be used exclusively for balances that relates to obligations that are uncertain to occur or whose amount is uncertain.

These captions should therefore not include the following items (non exhaustive list) that are often wrongly reported as provisions:

- Estimated amount of the income tax charge
- Amounts for invoices to be received which should be under caption C. Creditors.

In general, you should expect to have very limited items recorded as provisions (notably litigations) while creditors should represent a larger category of liabilities.

Art. Reference 44(3) **GUIDANCE:**
Provisions may not be used to adjust the values of assets.

Art. Reference 64 **GUIDANCE:**
At the balance sheet date, a provision shall represent the best estimate of the expenses likely to be incurred or, in the case of a liability, of the amount required to meet that liability.

Provisions for pensions and similar obligations

COMMENTARY:

The Law does not prescribe any method nor provide any guidance related to the provisions for pensions or similar obligations. The below accounting policies must be tailored to the specific circumstances of the undertaking.

A defined benefit plan and/or a defined contribution plan is set-up to the benefit of the staff.

Defined benefit plan

For defined benefit plans, the Company pays contributions to pension plans. The contributions are recognised as a complementary pension expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as an asset.

A defined benefit plan defines the amount of pension benefits that an employee will receive upon retirement, usually dependent on one or more factors such as age, years of service and compensation. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit obligation is measured using the projected unit credit method (or *to describe the method*). The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the balance sheet date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are charged or credited in the profit or loss in the period in which they arise. Past-service costs are recognised immediately in the profit or loss.

Defined contribution plan

A defined contribution plan is a pension plan under which the Company pays fixed contributions to a separate entity and has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Contributions paid are directly registered in the profit and loss account during the financial year they are paid. The commitment of the Company is limited to the contributions that the Company agreed to pay into the fund on behalf of its employees.

Provisions for taxation

COMMENTARY:

The captions Provisions should be used exclusively for balances that relates to obligations that are uncertain to occur or whose amount is uncertain.

- These captions should therefore not include estimated amount of the income tax charge which is very often wrongly reported as provisions.

Provision for taxation includes, if any, provision for tax litigation and deferred tax provision.

Deferred tax provision

Deferred tax liabilities are recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the annual accounts. [The provisions for deferred taxation include mainly deferred income taxes linked to the revaluation of financial instruments and categories of assets that are accounted for at fair value.].

The deferred tax assets are recognised to the extent that is probable that taxable profits will be available against which deductible temporary differences can be utilised and recognised up to the amount of deferred tax liabilities [if applicable]. When appropriate, deferred taxation is provided on losses available for carry forward to offset against future taxable profits.

Net deferred tax provisions are recorded under the caption "Provisions for taxation".

Deferred taxes are measured at tax rates that are expected to apply when the asset is realised or the liability settled, based on tax rates that have been enacted at the date of the balance sheet.

Deferred taxes are recognised in the profit and loss account, except when they relate to items recognised directly in equity, in which case, the deferred taxes are also recognised in equity.

3.14. Creditors

Debts are recorded at their reimbursement value.

Art. Reference
63(1)
63(2)

GUIDANCE:

Where the amount repayable on account of any debt is greater than the amount received, the difference may be shown as an asset. It must be shown separately in the notes to the accounts.

The amount of this difference must be written off by reasonable yearly amounts and must be completely written off no later than the time of repayment of the debt.

Where the amount repayable on account is greater than the amount received, the difference is shown as an asset and is written off over the period of the debt based on a linear method (or *in an actuarial method or to describe the method*).

Or

Where the amount repayable on account is greater than the amount received, the difference is recorded in the profit and loss account when the debt is issued.

3.15. Tax creditors

The Company is a fully taxable company and tax resident of Luxembourg. As such, the Company is liable for all taxes applicable to Luxemburgish companies. Taxes are accounted for on an accrual basis in the year to which they relate.

Tax creditors correspond to the difference between the tax liability estimated by the Company and the advance payments [*if applicable, for the financial years for which the tax return has not yet been approved by the tax authority. For the financial years for which the tax return has been endorsed by the tax authority, the tax liability is recorded under "Tax debts"*].

Advance payments exceeding the tax liability are shown in the assets of the balance sheet under the "Other debtors" item.

Or

Tax creditors correspond to the tax liability estimated by the Company and the advance payments [*if applicable, for the financial years for which the tax return has not yet been approved by the tax authority. For the financial years for which the tax return has been endorsed by the tax authority, the tax liability is recorded under "Tax debts"*]. Advance payments are shown in the assets of the balance sheet under the "Other receivables" item.

3.16. Deferred income

Art. Reference 45 Deferred income includes income received during the financial year but relating to a subsequent financial year.

3.17. Net turnover

Art. Reference 48 Net turnover comprises the amount derived from the sale of products and the provision of services after deducting sales rebates and value added tax and other taxes directly linked to turnover.

COMMENTARY:

The above accounting policies may be tailored to the specific circumstances of the undertaking.

3.18. Dividend

Dividend income from investments is recognised when the shareholder’s right to receive the payment has been established.

3.19. Interest income and charges

Interest income and interest charges are accrued on a timely basis, by reference to the principal outstanding and at the nominal (or *effective*) interest rate applicable.

NOTE 4 - FORMATION EXPENSES

Art. Reference 53(1) a)

GUIDANCE:

If capitalised, formation expenses must be written off within a maximum period of 5 years.

Art. Reference 53(2)

GUIDANCE:

The amounts entered under “Formation expenses” must be commented upon in the notes to the accounts⁷⁷.

Art. Reference 53(3)

GUIDANCE:

Expenses relating to the creation or extension of an undertaking, of part of an undertaking or of a branch of business, as opposed to expenses resulting from ordinary business, may be entered under “Assets” as formation expenses.

Formation expenses comprise expenses relating to the creation/**extension** of the Company, in particular [**to be completed**].

⁷⁷ **Article 66** and **Article 67(2)** - The Small-sized and Medium-sized undertakings as defined in **Article 35** and **Article 47** of the Law are allowed to prepare abridged notes to the accounts without the information requested in **Article 53(2)**.

Art. Reference
39(4)- 39(3)a)b)

GUIDANCE:

- (3) a) (Law of 30 July 2013) Movements in the various fixed asset items shall be shown in the notes to the accounts. To this end there shall be shown separately for each fixed asset item, starting with the purchase price or production cost, on one hand, additions, disposals and transfers during the financial year and, on the other, cumulative value adjustments at the balance sheet date and the rectifications made during the financial year to the value adjustments of previous financial years. Value adjustments shall be shown in the notes to the accounts⁷⁸.
- b) If, when annual accounts are drawn up in accordance with this Section for the first time, the purchase price or production cost of a fixed asset cannot be determined without undue expense or delay, the residual value at the beginning of the financial year may be treated as the purchase price or production cost. Any application of the present sub-paragraph b) must be disclosed in the notes to the accounts.

In CCY	Formation expenses
Gross book value at the beginning of the year/period	[XX]
Additions for the year/period	[XX]
Disposals for the year/period	[XX]
Gross book value at the end of the year/period	<u>[XX]</u>
Accumulated amortisation/depreciation at the beginning of the year/period	[XX]
Amortisation/depreciation for the year/period	[XX]
Reversals related to disposals for the year/period	[XX]
Accumulated amortisation/depreciation at the end of the year/period	<u>[XX]</u>
Net book value:	
At 31 December 20XX	<u><u>[XX]</u></u>
At 31 December 20XX-1	<u><u>[XX]</u></u>

⁷⁸ Article 66 - The Small-sized undertakings as defined in Article 35 of the Law are allowed to prepare abridged notes to the accounts without the information requested in Article 39(3a).

NOTE 5 - INTANGIBLE ASSETS

LUX GAAP

Art. Reference
39(3)a)b)

GUIDANCE:

- (3) a) (Law of 30 July 2013) Movements in the various fixed asset items shall be shown in the notes to the accounts. To this end there shall be shown separately for each fixed asset item, starting with the purchase price or production cost, on one hand, additions, disposals and transfers during the financial year and, on the other, cumulative value adjustments at the balance sheet date and the rectifications made during the financial year to the value adjustments of previous financial years. Value adjustments shall be shown in the notes to the accounts.
- b) If, when annual accounts are drawn up in accordance with this Section for the first time, the purchase price or production cost of a fixed asset cannot be determined without undue expense or delay, the residual value at the beginning of the financial year may be treated as the purchase price or production cost. Any application of the present sub-paragraph b) must be disclosed in the notes to the accounts.



In CCY	Development costs	Concessions, patents, licenses, trademarks and similar rights and assets	Goodwill to the extent that it was acquired for valuable consideration	Payment on account and intangible assets under development	Total
Gross book value at the beginning of the year/period	[XX]	[XX]	[XX]	[XX]	[XX]
Additions for the year/period	[XX]	[XX]	[XX]	[XX]	[XX]
Disposals for the year/period	[XX]	[XX]	[XX]	[XX]	[XX]
Transfers for the year/period	[XX]	[XX]	[XX]	[XX]	[XX]
Gross book value at the end of the year/period	[XX]	[XX]	[XX]	[XX]	[XX]
Accumulated amortisation/depreciation at the beginning of the year/period	[XX]	[XX]	[XX]	[XX]	[XX]
Amortisation/depreciation for the year/period	[XX]	[XX]	[XX]	[XX]	[XX]
Reversals related to disposals for the year/period	[XX]	[XX]	[XX]	[XX]	[XX]
Reversals related to transfers for the year/period	[XX]	[XX]	[XX]	[XX]	[XX]
Accumulated amortisation/depreciation at the end of the year/period	[XX]	[XX]	[XX]	[XX]	[XX]
Net book value:					
At 31 December 20XX	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>
At 31 December 20XX-1	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>

Where applicable

Art. Reference
55(1d)

GUIDANCE:

If fixed assets are subject to exceptional value adjustments for taxation purposes alone, the amount of the adjustments and the reasons for making them shall be indicated in the notes to the accounts.

Where applicable

Art. Reference
55(4)

GUIDANCE:

Interest on capital borrowed to finance the production of fixed assets may be included in the production costs to the extent to which it relates to the period of production.

In that event, the inclusion of such interest under “Assets” must be disclosed in the notes to the accounts.

Interest on capital borrowed to finance the production of intangible assets has been included in the production costs to the extent to which it relates to the period of production. During the year, the Company capitalised interests for a total amount of **CCY [XX]** (20XX-1: **CCY [XX]**).

NOTE 6 - TANGIBLE ASSETS

LUX GAAP

The movements for the year/**period** are as follows:

Art. Reference
39(3a)b)

GUIDANCE:

- (3) a) (Law of 30 July 2013) Movements in the various fixed asset items shall be shown in the notes to the accounts. To this end there shall be shown separately for each fixed asset item, starting with the purchase price or production cost, on one hand, additions, disposals and transfers during the financial year and, on the other, cumulative value adjustments at the balance sheet date and the rectifications made during the financial year to the value adjustments of previous financial years. Value adjustments shall be shown in the notes to the accounts.⁷⁹
- b) If, when annual accounts are drawn up in accordance with this Section for the first time, the purchase price or production cost of a fixed asset cannot be determined without undue expense or delay, the residual value at the beginning of the financial year may be treated as the purchase price or production cost. Any application of the present sub-paragraph b) must be disclosed in the notes to the accounts.

⁷⁹ **Article 66** - The Small-sized undertakings as defined in **Article 35** of the Law are allowed to prepare abridged notes to the accounts without the information requested in **Article 39(3a)**.

In CCY	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Payments on account and tangible assets under development	Total
Cost at the beginning of the year/ period	[XX]	[XX]	[XX]	[XX]	[XX]
Additions for the year/ period	[XX]	[XX]	[XX]	[XX]	[XX]
Disposals/transfers for the year/ period	[XX]	[XX]	[XX]	[XX]	[XX]
Cost at the end of the year/period	[XX]	[XX]	[XX]	[XX]	[XX]
Accumulated amortisation/depreciation at the beginning of the year/ period	[XX]	[XX]	[XX]	[XX]	[XX]
Amortisation/depreciation for the year/ period	[XX]	[XX]	[XX]	[XX]	[XX]
Reversals for the year/ period	[XX]	[XX]	[XX]	[XX]	[XX]
Amortisation/depreciation related to disposals/transfers for the year/ period	[XX]	[XX]	[XX]	[XX]	[XX]
Accumulated amortisation/depreciation at the end of the year/period	[XX]	[XX]	[XX]	[XX]	[XX]
Net book value:					
At 31 December 20 XX	[XX]	[XX]	[XX]	[XX]	[XX]
At 31 December 20 XX-1	[XX]	[XX]	[XX]	[XX]	[XX]

Where applicable

Art. Reference
55(1d)

GUIDANCE:

If fixed assets are subject to exceptional value adjustments for taxation purposes alone, the amount of the adjustments and the reasons for making them shall be indicated in the notes to the accounts.

Or

Lux GAAP with FV option

Art. Reference
64sexies
64septies

GUIDANCE:

As per [Article 64sexies](#), undertakings may also measure specified categories of assets other than financial instruments at amounts determined by reference to their fair value, provided their measurement at fair value is authorised under IFRS. In this case, the note should describe the categories.

As per [64septies](#), undertakings may, where an asset is measured in accordance with [Article 64sexies](#), include the resulting change in the value in the profit and loss accounts.

COMMENTARY:

The Q&A CNC 14/002 and Q&A CNC 16/007 defined the rule under Lux GAAP that revaluation model is not permitted under Lux GAAP, the revaluation model being different from the FV model. Consequently, the FV option is only allowed under Lux GAAP provided that the fair valuation is permitted under IFRS (as adopted by the European Union).

For intangible assets, IAS 38 gives the choice only between the cost model and the revaluation model.

Consequently, the FV option is not permitted under Lux GAAP for intangible assets.

Under IFRS, tangible assets are considered as either Inventory under IAS 2, either Property Plant and Equipment (PPE) under IAS 16, either Investment Property under IAS 40 or Biological assets under IAS 41. Only IAS 40 for Investment Property and IAS 41 for Biological assets allow the fair valuation. Consequently, even if Lux GAAP does not make a distinction between the tangible assets, only such tangible assets could be considered for the FV option.

The following tangible assets have been valued at fair value: *[be completed]*

The movements for the year/*period* are as follows:

Art. Reference
39(3)c)

c) Where Article 54 is applied, the movements in the various fixed asset items referred to in sub-paragraph a) of this paragraph shall be shown starting with the purchase price or production cost resulting from revaluation.

In CCY

Category of tangible assets

	[to be completed]	[to be completed]
Acquisition cost - opening balance	[XX]	[XX]
Additions for the year/period	[XX]	[XX]
Disposals for the year/period	[XX]	[XX]
Transfers for the year/period	[XX]	[XX]
Acquisition cost - closing balance	[XX]	[XX]
Accumulated fair value adjustments - opening balance	[XX]	[XX]
Fair value adjustments for the year/period	[XX]	[XX]
Accumulated fair value adjustments - closing balance	[XX]	[XX]
Fair value - closing balance	[XX]	[XX]
Fair value - opening balance	[XX]	[XX]

Art. Reference
64octies

GUIDANCE:

As per Article 64octies, where certain categories of assets other than financial instruments have been measured at fair value, the notes to the accounts shall disclose:

- a) the significant assumptions underlying the valuation models and techniques where fair value has not been determined by reference to a market value;
- b) per category of assets other than financial instruments, the fair value at the balance sheet date and the changes in value which occurred during the financial year;
- c) for each class of assets other than financial instruments, information about the significant terms and conditions that may affect the amount and certainty of future cash flows.

The following terms and conditions may affect the amount and certainty of future cash flows: [to be completed].

(If applicable) The fair value of [to be completed] has not been determined by reference to a market value. The valuation models used to measure the fair value have included the following assumptions: [to be completed]

Where applicable

Art. Reference
55(4)

GUIDANCE:

Interest on capital borrowed to finance the production of fixed assets may be included in the production costs to the extent to which it relates to the period of production.

In that event, the inclusion of such interest under “Assets” must be disclosed in the notes to the accounts.

Interest on capital borrowed to finance the production of tangible assets has been included in the production costs to the extent to which it relates to the period of production. During the year, the Company capitalised interest for a total amount of **CCY [XX]** (20XX-1: **CCY [XX]**).

NOTE 7 - FINANCIAL ASSETS

LUX GAAP

Art. Reference
39(3a)b)

GUIDANCE:

(3) a) (Law of 30 July 2013) Movements in the various fixed asset items shall be shown in the notes to the accounts. To this end there shall be shown separately for each fixed asset item, starting with the purchase price or production cost, on one hand, additions, disposals and transfers during the financial year and, on the other, cumulative value adjustments at the balance sheet date and the rectifications made during the financial year to the value adjustments of previous financial years. Value adjustments shall be shown in the notes to the accounts.⁸⁰

b) If, when annual accounts are drawn up in accordance with this Section for the first time, the purchase price or production cost of a fixed asset cannot be determined without undue expense or delay, the residual value at the beginning of the financial year may be treated as the purchase price or production cost. Any application of the present sub-paragraph b) must be disclosed in the notes to the accounts.

Art. Reference
37(2)

GUIDANCE:

Own shares and own corporate units and investments in affiliated undertakings may be shown only under the items prescribed for that purpose.

⁸⁰ **Article 66** - The Small-sized undertakings as defined in **Article 35** of the Law are allowed to prepare abridged notes to the accounts without the information requested in **Article 39(3a)**.

The movements for the year/[period](#) are as follows:

In [CCY](#)

	Affiliated undertakings	
	Shares	Loans
Gross book value - opening balance	[XX]	[XX]
Additions for the year/ period	[XX]	[XX]
Disposals for the year/ period	[XX]	[XX]
Transfers for the year/ period	[XX]	[XX]
Gross book value - closing balance	<u>[XX]</u>	<u>[XX]</u>
Accumulated value adjustments - opening balance	[XX]	[XX]
Allocations for the year/ period		
Reversals for the year/ period		
Transfers for the year/ period	[XX]	[XX]
Accumulated value adjustments - closing balance	<u>[XX]</u>	<u>[XX]</u>
Net book value - closing balance	<u><u>[XX]</u></u>	<u><u>[XX]</u></u>
Net book value - opening balance	<u><u>[XX]</u></u>	<u><u>[XX]</u></u>

In CCY	Undertakings with which the Undertaking is linked by virtue of participating interests		Investment held as fixed assets	Other loans	Total
	Shares	Loans			
Gross book value - opening balance	[XX]	[XX]	[XX]	[XX]	[XX]
Additions for the year/period	[XX]	[XX]	[XX]	[XX]	[XX]
Disposals for the year/period	[XX]	[XX]	[XX]	[XX]	[XX]
Transfers for the year/period	[XX]	[XX]	[XX]	[XX]	[XX]
Gross book value - closing balance	[XX]	[XX]	[XX]	[XX]	[XX]
Accumulated value adjustments - opening balance	[XX]	[XX]	[XX]	[XX]	[XX]
Allocations for the year/period	[XX]	[XX]	[XX]	[XX]	[XX]
Reversals for the year/period	[XX]	[XX]	[XX]	[XX]	[XX]
Transfers for the year/period	[XX]	[XX]	[XX]	[XX]	[XX]
Accumulated value adjustments - closing balance	[XX]	[XX]	[XX]	[XX]	[XX]
Net book value - closing balance	[XX]	[XX]	[XX]	[XX]	[XX]
Net book value - opening balance	[XX]	[XX]	[XX]	[XX]	[XX]

Art. Reference
55(1) c cc)

GUIDANCE:

Article 55 (1) c cc) mentions the value adjustments referred to in Article 55 (1) c aa) (valuation at lower of cost or market value) and bb) (permanent reduction of value) must be charged to the profit and loss accounts and disclosed separately in the notes to the accounts if they are not shown separately in the profit and loss account.

Art. Reference
55(1)d)

GUIDANCE:

If fixed assets are subject to exceptional value adjustments for taxation purposes alone, the amount of the adjustments and the reasons for making them shall be indicated in the notes to the accounts.

Valuation at the net equity

Art. Reference
58

GUIDANCE:

Article 58 of the Law describes the detailed accounting rules for the “Shares in affiliated undertakings” and the “Participating interests”, in case the optional equity method is applied as per **Article 58 (1)**.

The following financial fixed assets have been valued at the net equity: [*to be completed*]

The movements for the year/*period* are as follows:

In <i>CCY</i>	Shares in affiliated undertakings	Shares in participating interest
Gross book value - opening balance	[XX]	[XX]
Additions for the year/ <i>period</i>	[XX]	[XX]
Disposals for the year/ <i>period</i>	[XX]	[XX]
Transfers for the year/ <i>period</i>	[XX]	[XX]
Gross book value - closing balance	[XX]	[XX]
Share of profits/losses (or Revaluation reserves) - opening balance	[XX]	[XX]
Allocations for the year/ <i>period</i>	[XX]	[XX]
Reversals for the year/ <i>period</i>	[XX]	[XX]
Transfers for the year/ <i>period</i>	[XX]	[XX]
Share of profits/losses (or Revaluation reserves) - closing balance	[XX]	[XX]
Net book value - closing balance	[XX]	[XX]
Net book value - opening balance	[XX]	[XX]

Where applicable

At the date of acquisition, the shares in affiliated undertakings/participating interests are recorded at cost. The difference between the proportion of the capital and reserves and the cost amounts to [*to complete*]. The proportion of the capital and reserves have been valued according to the accounting rules applied by the Company [*if such revaluation has not been done, this must be disclosed*].

Or

At the date of acquisition, the shares in affiliated undertakings/participating interests are recorded at the amount corresponding to the proportion of the capital and reserves represented by the affiliated undertakings/participating interests. The proportion of the capital and reserves has been valued according to

the accounting rules applied by the Company [if such revaluation has not been done, this must be disclosed]. The difference within the costs have been attributed to specific assets or liabilities for an amount of [to complete], and the remaining difference has been accounted for as goodwill for an amount of [to complete] and amortised over a period of [to complete] years.

Or

Lux GAAP with an IFRS option

For financial assets following the fair value model

Art. Reference
64bis

GUIDANCE:

As per [Article 64bis \(1\)](#), subject to the conditions set out in [Article 64bis \(4\)](#), undertakings have the option to carry out a measurement at fair value of financial instruments, including derivatives. In this case, the note should describe the categories.

[Article 64bis \(3\)](#) permits financial instruments that are part of the liabilities to be measured at fair value only:

- a) If they are held as part of the trading portfolio; or
- b) If they are derivative instruments.

[Article 64bis \(4\)](#) prohibits the measurement at fair value for the followings:

- a) Non derivative financial instruments held to maturity;
- b) Loans and receivables originated by the undertaking and not held-for-trading purposes; and
- c) Interests in subsidiaries, associated undertakings, contract for contingent consideration in a business combination as well as other financial instruments with such special characteristics that, according to what is generally accepted, should be accounted for differently from other financial instruments.

As per [Article 64bis\(5bis\)](#), by way of derogation of [Article 64bis \(3\)](#) and [Article 64bis \(4\)](#), in accordance with IFRS as adopted by the European Union, ***the measurement of financial instruments and compliance with the associated disclosure requirements provided for in the IFRS as adopted by the European Union, are permitted.***

As per [Article 64bis \(5\)](#), in respect of any assets and liabilities which qualify as hedged items under a fair value hedge accounting system, or identified portions of such assets or liabilities, measurement at the specific amount required under the system, is permitted.

The following financial assets have been valued at fair value: [be completed]

In CCY	Category of financial assets	
	[to be completed]	[to be completed]
Acquisition cost - opening balance	[XX]	[XX]
Additions for the year/ period	[XX]	[XX]
Disposals for the year/ period	[XX]	[XX]
Transfers for the year/ period	[XX]	[XX]
Acquisition cost - closing balance	<u>[XX]</u>	<u>[XX]</u>
Accumulated value adjustments - opening balance	[XX]	[XX]
Fair value adjustments for the year/ period	[XX]	[XX]
Accumulated fair value adjustments - closing balance	<u>[XX]</u>	<u>[XX]</u>
Fair value - closing balance	<u>[XX]</u>	<u>[XX]</u>
Fair value - opening balance	<u>[XX]</u>	<u>[XX]</u>

Art. Reference
64ter.

GUIDANCE:

As per **Article 64ter**, the fair value shall be determined by reference to:

- A market value, for those financial instruments for which a reliable market can readily be identified. Where a market value is not readily identifiable for an instrument but can be identified for its components or for a similar instrument, the market value may be derived from that of its components or from the similar instrument; **or**
- A value resulting from generally accepted valuation models and techniques, for those instruments for which a reliable market cannot be readily identified. Such valuation models and techniques shall ensure a reasonable approximation of the market value is achieved.

[In this case, disclosure shall be made on the valuation techniques used].

Those financial instruments that cannot be measured reliably by any of the methods described above, shall be measured in accordance with **Articles 53, 55, 56 and 59 to 64** ("Lux GAAP" accounting principles).

Art. Reference
64quinquies

As per **Article 64quinquies**:

Where financial instruments have been measured at fair value, the notes to the accounts shall disclose:

- a) the significant assumptions underlying the valuation models and techniques where fair values have been determined in accordance with **Article 64ter, paragraph (1), item b)**;
- b) per category of financial instruments, the fair value, the changes in value included directly in the profit and loss account as well as changes included in the fair value reserve;
- c) for each class of derivative financial instruments, information about the extent and the nature of the instruments, including significant terms and conditions that may affect the amount, timing and certainty of future cash flows; and

- d) a table showing movements in the fair value reserve during the financial year.

For financial assets not following the fair value model

Art. Reference
65(1)17°b)

GUIDANCE:

(1) In addition to the information required under other provisions of this Chapter, the notes to the accounts shall disclose the following information presented in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account:

...

17° Where valuation at fair value of financial instruments has not been applied in accordance with Section 7bis:

...

b) for financial fixed assets covered by **Article 64bis**, carried at an amount in excess of their fair value and without use being made of the option to make a value adjustment in accordance with **Article 35(1), point c) aa)**:

- i) the book value and the fair value of either the individual assets or appropriate groupings of those individual assets;
- ii) the reasons for not reducing the book value, including the nature of the evidence that provides the basis for the belief that the book value will be recovered.

Financial assets that are not fair valued and that are accounted for at an amount above their fair value can be summarised as follows:

In CCY

Category of financial assets	Bookvalue	Fair value
<i>(Describe category)</i>	[XX]	[XX]

The Board of Directors (*Management / Board of Managers*) has assessed that the decrease in market value is not permanent... (*explain the reasons*) and therefore no value adjustment is recorded on those financial assets in the annual accounts of the Company.

And

Lux GAAP - Lux GAAP with FV option

Art. Reference **GUIDANCE:**⁸¹
65(1)2°

(1) In addition to the information required under other provisions of this Chapter, the notes to the accounts shall disclose the following information presented in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account:

...

2° (i) the name and registered office of each of the undertakings in which the undertaking, either itself or through a person acting in its own name but on “the undertaking’s” behalf, holds at least 20% of the capital, showing the proportion of the capital held, as well as the amount of capital and reserves and the profit or loss for the latest financial year of the undertaking concerned for which the accounts have been approved. This information may be omitted where for the purposes of **Article 26(3)** it is “immaterial”. The information concerning capital and reserves and the profit or loss may also be omitted where the undertaking concerned does not publish its balance sheet and less than 50% of its capital is held, directly or indirectly, by “the undertaking”;

(ii) the name, registered office and the legal form of each undertaking of which “the undertaking” is the member having unlimited liability. This information may be omitted when, for the purposes of **Article 26(3)**, it is “immaterial”.

Art. Reference **GUIDANCE:**
67(3)

The information referred to in **Article 65(1) 2° first sentence** concerning the amount of capital and reserves and profits and losses for the last financial year for which the accounts have been drawn up may be omitted:

a) where the undertakings concerned are included in consolidated accounts drawn up by the parent company or in the consolidated accounts of a larger body of undertakings as referred to in **Article 1711-5 paragraph (2)** of the amended Law of 1915 on commercial companies; or

b) where the holdings in their capital have been dealt with by the parent company in its annual accounts in accordance with **Article 58** or in the consolidated accounts drawn up by that parent company in accordance with **Article 1712-18** of the amended Law of 1915 on commercial companies.

Undertakings in which the Company holds at least 20% of the share capital or in which it is a general partner are as follows:

Name of undertaking	Registered office	Ownership	Latest balance sheet date	Net equity at the balance sheet date of the company concerned	Profit or loss for the latest financial year
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⁸¹ **Article 66** - The Small-sized undertakings as defined in **Article 35** of the Law are allowed to prepare abridged notes to the accounts without the information requested in **Article 65(1)2°**. However in accordance with **Article 26 (4) and (5)**, the information required in **Article 65(1)2°** may not be omitted where it is material for the purposes of the true and fair view referred to in **Article 26(3)**.

			(CCY)	(CCY)
(to complete) (legal form)	%	[XX]	[XX]	[XX]
(to complete) (legal form)	%	[XX]	[XX]	[XX]

Art. Reference **GUIDANCE:**

67(1)a)
67(1)b)

- (1) The information prescribed in **Article 65(1)2°**:
- a) may take the form of a statement deposited in accordance with the **Article 100-13 §3**⁸² of the Law of 1915 on commercial companies and the provisions of Chapter Vbis of Title I of the Law⁸³; this must be disclosed in the notes to the accounts;
 - b) may be omitted when their nature is such that it would be seriously prejudicial to any of the undertakings to which **Article 65(1)2°** relates.
- The omission of such information must be disclosed in the notes to the accounts.

Or

The information prescribed in **Article 65(1)2°** has been included in a separate statement filed in accordance with **Article 100-13 §3** of the Law of 10 August 1915 (the Company Law) on commercial companies, as amended.

And/or

The information prescribed by **Article 65(1)2°** relating to one/certain/all undertaking(s) in which the Company holds at least 20% of the share capital has been omitted, as its nature is such that it would be seriously prejudicial to this/these undertaking(s).

⁸² See footnote under the **Article 100-13 §3** of the Law of 1915 as follows:
Information which is required by law to be published on the *Recueil électronique des sociétés et associations* shall be filed and published either in full, or by way of an extract, or by way of a reference to the filing, according to what the law requires.
Publication in full corresponds to the full reproduction of the deed or document.
Publication by way of extract corresponds to publication of the information required by law.
Publication by way of a reference to the filing corresponds to publication of the subject and date of the deed or document filed.

⁸³ See footnote under the **Article 100-13** of the Law of 1915 as follows:
Chapter Vbis. - Publications on the *Recueil électronique des sociétés et associations*
Art. 19-1 Deeds, extracts therefrom and information, the publication of which is provided for by law, shall be filed by electronic means with the register of commerce and companies within one month after the date of the finalised deed.
Art. 19-2. (1) The publication provided for by law and relating to the persons referred to in Article 1, except for state and municipal public institutions, shall be carried out by electronic means on a central electronic platform for official publications designated as the *Recueil électronique des sociétés et associations*. The publication on the *Recueil électronique des sociétés et associations* shall solely contain information which is required to be published by law, as well as deeds amending information which is required by law to be filed and published. In any legal or regulatory provision or in any deed or document, references to the *Recueil électronique des sociétés et associations* may be made by using its abbreviated form: "RESA".

And/or

The information prescribed by [Article 65\(1\)2°](#) relating to one/certain/all undertaking(s) in which the Company holds at least 20% of the share capital has been omitted, as the undertaking is included in consolidated accounts drawn up by (*to complete*) which meets the conditions of [Article 1711-5 \(2\)](#) of the Law of 10 August 1915 (the Company Law) on commercial companies, as amended.

And/or

The information prescribed by [Article 65\(1\)2°](#) relating to one/certain/all undertaking(s) in which the Company holds at least 20% of the share capital has been omitted, as the parent company (*to complete*) have recorded these holdings, using the equity method, in its annual accounts in accordance with [Article 58](#) or in its consolidated accounts in accordance with [Article 1712-18](#) of the Law of 10 August 1915 (the Company Law) on commercial companies, as amended.

NOTE 8 - STOCKS

In **CCY**

	20XX	20XX-1
Raw materials and consumables	[XX]	[XX]
Work and contracts in progress	[XX]	[XX]
Finished goods and merchandise	[XX]	[XX]
Payments on account	[XX]	[XX]
Total	<u>[XX]</u>	<u>[XX]</u>

Art. Reference *Where applicable*
61(2) - 55(4)

Interest on capital borrowed to finance the production of stocks has been included, for a total amount of [*to complete*], in the production costs to the extent to which it relates to the period of production.

Art. Reference **GUIDANCE:**
61(1)d)

If current assets are subject to exceptional value adjustments for taxation purposes alone, the amount of the adjustments and the reasons for making them shall be indicated in the notes to the accounts.

NOTE 9 - DEBTORS

Art. Reference
65(1)14°

GUIDANCE:

(1) In addition to the information required under other provisions of this Chapter, the notes to the accounts shall disclose the following information presented in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account:

...

14° information concerning the income (charges) in respect of the financial year, which is receivable (are payable) after the end of the financial year and are shown under “Debtors” (“Creditors”), where such income (charges) is or are material.

In CCY	20XX	20XX-1
Trade debtors		
- [to give detail]	[XX]	[XX]
- [to give detail]	[XX]	[XX]
- [to give detail]	[XX]	[XX]
Amounts owed by affiliated undertakings	[XX]	[XX]
- [to give detail]	[XX]	[XX]
- [to give detail]	[XX]	[XX]
- [to give detail]	[XX]	[XX]
Amounts owed by undertakings with which the undertaking is linked by virtue of participating interest	[XX]	[XX]
- [to give detail]	[XX]	[XX]
- [to give detail]	[XX]	[XX]
- [to give detail]	[XX]	[XX]
Other debtors		
- [to give detail]	[XX]	[XX]
- [to give detail]	[XX]	[XX]
- [to give detail]	[XX]	[XX]
Total debtors	<u>[XX]</u>	<u>[XX]</u>

Art. Reference
61(1) b)

GUIDANCE:

Current assets are subject to value adjustment with a view to showing them at the lower market value or, in particular circumstances, another lower value to be attributed to them at the balance sheet.

Where a provision is raised for bad debts, disclose the following:

As at 31 December 20XX, the Company has booked a provision for an amount of **CCY (to be completed)** in relation to bad debts (20XX-1: **to be completed**).

Art. Reference
61(1)d)

GUIDANCE:

If current assets are subject to exceptional value adjustments for taxation purposes alone, the amount of the adjustments and the reasons for making them shall be indicated in the notes to the accounts.

NOTE 10 - INVESTMENTS

Art. Reference
37(2)

GUIDANCE:

Own shares and own corporate units and investments in affiliated undertakings may be shown only under the items prescribed for that purposes.

10.1. Shares in affiliated undertakings or shares in undertakings with which the undertaking is linked by virtue of participating interests

Art. Reference
61(1)b)c)

As at 31 December 20XX, the shares in affiliated undertakings or shares in undertakings with which the undertaking is linked by virtue of participating interests, classified as current assets are as follows:

In CCY	20XX	20XX-1
	Lower of cost or market value	Lower of cost or market value
(Describe category)	[XX]	[XX]
(Describe category)	[XX]	[XX]
Total	[XX]	[XX]

Or

Lux GAAP with FV option

GUIDANCE:

Similar rules may apply for “Shares in affiliated undertakings or shares in undertakings with which the undertaking is linked by virtue of participating interests” when classified as Financial fixed assets as well as classified under current assets. We refer to Note X - Financial fixed assets above, but we do not describe all such rules as in practice, this case would be unusual.

And

Lux GAAP - Lux GAAP with FV option

Art. Reference
65 (1) 2°

GUIDANCE:

The notes to the accounts must include:⁸⁴

- Information on the names and registered offices of the undertakings if shareholding is > 20% or if the Company has unlimited liability on the undertakings;
- In addition, information on the proportion of capital held, amount of capital and reserves and the profit or loss for the latest financial year.

HOWEVER: This information may not be omitted where it's material for the purposes of the true and fair view.

Art. Reference
65(1)2°

GUIDANCE:⁸⁵

(1) In addition to the information required under other provisions of this Chapter, the notes to the accounts shall disclose the following information presented in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account:

...

- 2° (i) the name and registered office of each of the undertakings in which the undertaking, either itself or through a person acting in its own name but on "the undertaking's" behalf, holds at least twenty per cent of the capital, showing the proportion of the capital held, as well as the amount of capital and reserves and the profit or loss for the latest financial year of the undertaking concerned for which the accounts have been approved. This information may be omitted where for the purposes of [Article 26\(3\)](#) it is "immaterial". The information concerning capital and reserves and the profit or loss may also be omitted where the undertaking concerned does not publish its balance sheet and less than fifty per cent of its capital is held, directly or indirectly, by "the undertaking";
- (ii) the name, registered office and the legal form of each undertaking of which "the undertaking" is the member having unlimited liability. This information may be omitted when, for the purposes of [Article 26\(3\)](#), it is "immaterial".

Art. Reference
67(3)

GUIDANCE:

The information referred to in [Article 65\(1\) 2° first sentence](#) concerning the amount of capital and reserves and profit and loss for the last financial year for which the accounts have been drawn up may be omitted:

⁸⁴ [Article 66](#) - The Small-sized undertakings as defined in [Article 35](#) of the Law are allowed to prepare abridged notes to the accounts without the information requested in [Article 65\(1\)2°](#).

⁸⁵ [Article 66](#) - The Small-sized undertakings as defined in [Article 35](#) of the Law are allowed to prepare abridged notes to the accounts without the information requested in [Article 65\(1\)2°](#).

- a) where the undertakings concerned are included in consolidated accounts drawn up by the parent company or in the consolidated accounts of a larger body of undertakings as referred to in [Article 1711-5 paragraph \(2\)](#) of the amended Law of 1915 on commercial companies; or
- b) where the holdings in their capital have been dealt with by the parent company in its annual accounts in accordance with [Article 58](#) or in the consolidated accounts drawn up by that parent company in accordance with [Article 1712-18](#) of the amended Law of 1915 on commercial companies.

Undertakings in which the Company holds at least 20% of the share capital or in which it is a general partner are as follows:

Name of undertaking	Registered office	Ownership	Latest balance sheet date	Net equity at the balance sheet date of the company concerned (CCY)	Profit or loss for the latest financial year (CCY)
(to complete)		%	[XX]	[XX]	[XX]
(legal form)					

Art. Reference
[67\(1\)a\)](#)
[67\(1\)b\)](#)

GUIDANCE:

- (1) The information prescribed in [Article 65\(1\)2°](#):
 - a) may take the form of a statement deposited in accordance with the [Article 100-13 §3](#)⁸⁶ of the Law of 1915 on commercial companies and the provisions of Chapter Vbis of Title I of the Law⁸⁷; this must be disclosed in the notes to the accounts;
 - b) may be omitted when their nature is such that it would be seriously prejudicial to any of the undertakings to which [Article 65\(1\)2°](#) relates.

The omission of such information must be disclosed in the notes to the accounts.

⁸⁶ See footnote under the [Article 100-13 §3](#) of the Law of 1915 as follows:
 Information which is required by law to be published on the *Recueil électronique des sociétés et associations* shall be filed and published either in full, or by way of an extract, or by way of a reference to the filing, according to what the law requires.
 Publication in full corresponds to the full reproduction of the deed or document.
 Publication by way of extract corresponds to publication of the information required by law.
 Publication by way of a reference to the filing corresponds to publication of the subject and date of the deed or document filed.

⁸⁷ See footnote under the [Article 100-13](#) of the Law of 1915 as follows:
 Chapter Vbis. - Publications on the *Recueil électronique des sociétés et associations*
 Art. 19-1 Deeds, extracts therefrom and information the publication of which is provided for by law shall be filed by electronic means with the register of commerce and companies within one month after the date of the finalised deed.
 Art. 19-2. (1) The publication provided for by law and relating to the persons referred to in Article 1, except for state and municipal public institutions, shall be carried out by electronic means on a central electronic platform for official publications designated as the *Recueil électronique des sociétés et associations*. The publication on the *Recueil électronique des sociétés et associations* shall solely contain information which is required to be published by law, as well as deeds amending information which is required by law to be filed and published. In any legal or regulatory provision or in any deed or document, references to the *Recueil électronique des sociétés et associations* may be made by using its abbreviated form: "RESA".

Or

The information prescribed in [Article 65\(1\)2°](#) has been included in a separate statement filed in accordance with [Article 100-13 §3](#) of the Law of 10 August 1915 (the Company Law) on commercial companies, as amended.

And/or

The information prescribed by [Article 65\(1\)2°](#) relating to one/certain/all undertaking(s) in which the Company holds at least 20% of the share capital has been omitted, as its nature is such that it would be seriously prejudicial to this/these undertaking(s).

And/or

The information prescribed by [Article 65\(1\)2°](#) relating to one/certain/all undertaking(s) in which the Company holds at least 20% of the share capital has been omitted, as the undertaking is included in consolidated accounts drawn up by (*to complete*) which meets the conditions of [Article 1711-5 \(2\)](#) of the Law of 10 August 1915 (the Company Law) on commercial companies, as amended.

And/or

The information prescribed by [Article 65\(1\)2°](#) relating to one/certain/all undertaking(s) in which the Company holds at least 20% of the share capital has been omitted, as the parent company (*to complete*) has recorded these holdings, using the equity method, in its annual accounts in accordance with [Article 58](#) or in its consolidated accounts in accordance with [Article 1712-18](#) of the Law of 10 August 1915 (the Company Law) on commercial companies, as amended.

10.2. Own shares

The movements for the year/[period](#) are as follows:

In CCY	Own shares or corporate units
Gross book value - opening balance	[XX]
Additions for the year/ period	[XX]
Disposals for the year/ period	[XX]
Gross book value - closing balance	[XX]
Accumulated value adjustments - opening balance	[XX]
Allocations for the year/ period	

Reversals for the year/ period	[XX]
Accumulated value adjustments - closing balance	[XX]
Net book value - closing balance	[XX]
Net book value - opening balance	[XX]

As at 31 December 20XX, the Company acquired and sold [*numbers to be completed*] own shares a total amount of CCY XX.

10.3. Other transferable securities

Lux GAAP

Art. As at 31 December 20XX, the other transferable securities, classified as current assets, are as follows:

Reference
61(1)b)c)

In CCY	20XX	20XX-1
	Lower of cost or market value	Lower of cost or market value
(<i>Describe category</i>)	[XX]	[XX]
(<i>Describe category</i>)	[XX]	[XX]
Total	[XX]	[XX]

Or

Lux GAAP with FV option

Art. Reference
64bis

GUIDANCE:

As per [Article 64bis \(1\)](#), subject to the conditions set out in [Article 64bis \(4\)](#), undertakings have the option to carry out a measurement at fair value of financial instruments, including derivatives. In this case, the notes should describe the categories.

[Article 64bis \(3\)](#) permits financial instruments that are part of the liabilities to be measured at fair value only:

- a) If they are held as part of the trading portfolio; or
- b) If they are derivative instruments.

[Article 64bis \(4\)](#) prohibits the measurement at fair value for the followings:

- a) Non derivative financial instruments held to maturity;
- b) Loans and receivables originated by the undertaking and not held-for-trading purposes; and
- c) Interests in subsidiaries, associated undertakings, contract for contingent consideration in a business combination as well as other financial instruments with such special characteristics that, according to what is generally accepted, should be accounted for differently from other financial instruments.

As per [Article 64bis \(5bis\)](#), by way of derogation of [Article 64bis \(3\)](#) and [Article 64bis \(4\)](#), in accordance with IFRS as adopted by the European Union, *the measurement of financial instruments and compliance with the associated disclosure requirements provided for in the IFRS as adopted by the European Union, are permitted.*

As per [Article 64bis \(5\)](#), in respect of any assets and liabilities which qualify as hedged items under a fair value hedge accounting system, or identified portions of such assets or liabilities, measurement at the specific amount required under the system, is permitted.

The following other transferable securities, classified as current assets, have been valued at fair value: [*to be completed*].

The movements for the year/[period](#) are as follows:

In CCY	Category of financial fixed assets	
	20XX	20XX-1
Acquisition cost - opening balance	[XX]	[XX]
Additions for the year/ period	[XX]	[XX]
Disposals for the year/ period	[XX]	[XX]
Acquisition cost - closing balance	[XX]	[XX]
Accumulated value adjustments - opening balance	[XX]	[XX]
Fair value adjustments for the year/ period	[XX]	[XX]
Accumulated fair value adjustments - closing balance	[XX]	[XX]
Fair value - closing balance	[XX]	[XX]
Fair value - opening balance	[XX]	[XX]

Art. Reference
[64ter](#).

GUIDANCE:

As per [Article 64ter](#), the fair value method applied shall be determined by reference to:

- A market value, for those financial instruments for which a reliable market can readily be identified. Where a market value is not readily identifiable for an instrument but can be identified for its

components or for a similar instrument, the market value may be derived from that of its components or from the similar instrument; **or**

- A value resulting from generally accepted valuation models and techniques, for those instruments for which a reliable market cannot be readily identified. Such valuation models and techniques shall ensure a reasonable approximation of the market value is achieved.

[In this case, disclosure shall be made on the valuation techniques used].

Those financial instruments that cannot be measured reliably by any of the methods described above, shall be measured in accordance with **Articles 53, 55, 56 and 59 to 64** (“Lux GAAP” accounting principles).

Art. Reference
64quinquies

As per **Article 64quinquies**:

Where financial instruments have been measured at fair value, the notes to the accounts shall disclose:

- the significant assumptions underlying the valuation models and techniques where fair values have been determined in accordance with **Article 64ter, paragraph (1), item b)**;
- per category of financial instruments, the fair value, the changes in value included directly in the profit and loss account as well as changes included in the fair value reserve;
- for each class of derivative financial instruments, information about the extent and the nature of the instruments, including significant terms and conditions that may affect the amount, timing and certainty of future cash flows; and
- a table showing movements in the fair value reserve during the financial year.

10.4. Derivative financial instruments

Art. Reference *Lux GAAP*
61(1)b)c)

On 31 December 20XX, the Company entered into foreign exchange contracts as detailed below:

Currency	Amount purchased	Currency	Amount sold	Maturity date	Fair value	Unrealised losses recorded in profit and loss account	Unrealised gains not recorded in profit and loss account
					CCY	CCY	CCY
<i>(to complete)</i>					[XX]	[XX]	[XX]
					[XX]	[XX]	[XX]
Total					[XX]	[XX]	[XX]

On 31 December 20XX, the Company has purchased option contracts as detailed below:

Type of options	Number of options	Exercise Price	Exercise/period/ Maturity date	Purchase price	Fair value	Unrealised losses recorded in profit and loss account	Unrealised gains not recorded in the profit and loss account
		CCY		CCY	CCY	CCY	CCY
(to complete)		[XX]		[XX]	[XX]	[XX]	[XX]
Total		[XX]		[XX]	[XX]	[XX]	[XX]

On 31 December 20XX, the Company has entered into interest rate swaps as detailed below:

Maturity date	Currency	Notional amount	Interest rate received	Interest rate paid	Fair value	Unrealised losses recorded in profit and loss account	Unrealised gains not recorded in profit and loss account
		CCY	%	%	CCY	CCY	CCY
(to complete)		[XX]			[XX]	[XX]	[XX]
Total		[XX]			[XX]	[XX]	[XX]

Where hedging applicable

The Company has used some derivative financial instruments as hedging (to detail or to indicate: defined with an *). In this case, the unrealised losses are deferred until the recognition of the realised gains on the hedged items.

Or

Lux GAAP with FV option

For derivative financial instruments following the fair value model

Art. Reference
64bis (1) (3)

GUIDANCE:

As per Article 64bis (1), subject to the conditions set out in Article 64bis (4), undertakings have the option to carry out a measurement at fair value of financial instruments, including derivatives. In this case, the note should describe the categories.

Article 64bis (3) permits financial instruments that are part of the liabilities to be measured at fair value only:

- a) ..
- b) If they are derivative instruments.

**Art. Reference
64ter.**

GUIDANCE:

As per **Article 64ter**, the fair value method applied shall be determined by reference to:

- A market value, for those financial instruments for which a reliable market can readily be identified. Where a market value is not readily identifiable for an instrument but can be identified for its components or for a similar instrument, the market value may be derived from that of its components or from the similar instrument; **or**
- A value resulting from generally accepted valuation models and techniques, for those instruments for which a reliable market cannot be readily identified. Such valuation models and techniques shall ensure a reasonable approximation of the market value is achieved.

[In this case, disclosure shall be made on the valuation techniques used].

Those financial instruments that cannot be measured reliably by any of the methods described above, shall be measured in accordance with **Articles 53, 55, 56 and 59 to 64** ("Lux GAAP" accounting principles).

**Art. Reference
64quater**

As per **Article 64quater**:

- (1) Notwithstanding **Article 51, paragraph (1), item c)**, where a financial instrument is measured on a fair value basis, each change in the value shall be included in the profit and loss account. However, such a change shall be included directly in an equity account, in a fair value reserve, where:
 - a) the instrument accounted for is a hedging instrument under a system of hedge accounting that allows some or all of the change in value not to be shown in the profit and loss account; or
 - b) the change in value relates to an exchange difference arising on a monetary item that forms part of an undertaking's net investment in a foreign entity.
- (2) A change in the value on an available-for-sale financial asset, other than a derivative financial instrument, may be included directly in the equity account, in the fair value reserve.
- (3) The fair value reserve shall be adjusted when amounts shown therein are no longer necessary for the implementation of paragraphs (1) and (2).

On 31 December 20XX, the Company entered into foreign exchange contracts as detailed below:

Currency	Amount purchased	Currency	Amount sold	Maturity date	Fair value	Variation recorded in profit and loss account	Variation recorded in the fair value reserve
					CCY	CCY	CCY
<i>(to complete)</i>							
					[XX]	[XX]	[XX]
					[XX]	[XX]	[XX]
Total					<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>

On 31 December 20XX, the Company has purchased option contracts as detailed below:

Type of options	Number of options	Exercise Price	Exercise period/ Maturity date	Purchase price	Fair value	Variation recorded in profit and loss account	Variation recorded in the revaluation reserve
		CCY		CCY	CCY	CCY	CCY
<i>(to complete)</i>							
		[XX]		[XX]	[XX]	[XX]	[XX]
Total		<u>[XX]</u>		<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>

On 31 December 20XX, the Company has entered into interest rate swaps as detailed below:

Maturity date	Currency	Nominal amount	Interest rate received	Interest rate paid	Fair value	Variation recorded in profit and loss account	Variation recorded in the fair value reserve
		CCY	%	%	CCY	CCY	CCY
<i>(to complete)</i>							
		[XX]			[XX]	[XX]	[XX]
Total		<u>[XX]</u>			<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>

Art. Reference 64quinquies

As per **Article 64quinquies**:

Where financial instruments have been measured at fair value, the notes to the accounts shall disclose:

- a) the significant assumptions underlying the valuation models and techniques where fair values have been determined in accordance with **Article 64ter, paragraph (1), item b)**;
- b) per category of financial instruments, the fair value, the changes in value included directly in the profit and loss account as well as changes included in the fair value reserve;

- c) for each class of derivative financial instruments, information about the extent and the nature of the instruments, including significant terms and conditions that may affect the amount, timing and certainty of future cash flows; and
- d) a table showing movements in the fair value reserve during the financial year.

Fair value has been obtained based on the following model and technique: (provide details on methods and techniques used).

The main assumptions underlying those techniques are summarised below: (provide details).

For derivative financial instruments not following the fair value model

Art. Reference
65(1)17°a)

GUIDANCE:

(1) In addition to the information required under other provisions of this Chapter, the notes to the accounts shall disclose the following information presented in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account:

...

17° Where valuation at fair value of financial instruments has not been applied in accordance with Section 7bis:

- a) for each class of derivative financial instruments:
 - i) the fair value of the instruments, if such fair value can be determined by any of the methods prescribed in [Article 64ter \(1\)](#);
 - ii) informations about the extend and the nature of the instruments;

...

Derivative financial instruments that are not fair valued can be summarised as follows:

On 31 December 20XX, the Company entered into foreign exchange contracts as detailed below:

Currency	Amount purchased	Currency	Amount sold	Maturity date	Fair value	Unrealised gains not recorded in profit and loss account	Unrealised losses recorded in profit and loss account
					CCY	CCY	CCY
<i>(to complete)</i>							
					[XX]	[XX]	[XX]
					[XX]	[XX]	[XX]
Total					<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>

On 31 December 20XX, the Company has purchased option contracts as detailed below:

Type of options	Number of options	Exercise Price	Exercise period/ Maturity date	Purchase price	Fair value	Unrealised gains not recorded in the profit and loss account	Unrealised losses recorded in profit and loss account
		CCY		CCY	CCY	CCY	CCY
		[XX]		[XX]	[XX]	[XX]	[XX]
		[XX]		[XX]	[XX]	[XX]	[XX]
Total		[XX]		[XX]	[XX]	[XX]	[XX]

On 31 December 20XX, the Company has entered into interest rate swaps as detailed below:

Maturity date	Currency	Nominal amount	Interest rate received	Interest rate paid	Fair value	Unrealised gains not recorded in profit and loss account	Unrealised losses recorded in profit and loss account
		CCY	%	%	CCY	CCY	CCY
		[XX]			[XX]	[XX]	[XX]
Total		[XX]			[XX]	[XX]	[XX]

The object of these derivative financial instruments is *(to complete)*.

And

The Board of Directors (*Management / Board of Managers*) has assessed that the increase in market value is not to be accounted for on the basis of the prudence principle.

NOTE 11 - PREPAYMENTS

Art. Reference
42

GUIDANCE:
Expenditure incurred during a financial year but relating to a subsequent financial year must be shown under the asset item “prepayments”.

Prepayments are mainly composed of *(to complete)*.

NOTE 12 - SUBSCRIBED CAPITAL

Art. Reference **GUIDANCE:**

65(1) 3°
65(1) 4°
65(1) 5°

(1) In addition to the information required under other provisions of this Chapter, the notes to the accounts shall disclose the following information presented in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account:

...

3° the number and the nominal value or, in the absence of a nominal value, the accounting par value of the shares subscribed for during the financial year within the limits of an authorised capital;⁸⁸

4° where there is more than one class of shares, the number and the nominal value or, in the absence of a nominal value, the accounting par value of each class;⁸⁹

5° the existence of any founders' shares, convertible bonds, warrants, options or similar securities or rights, with an indication of their number and the rights they confer.⁹⁰

Art. Reference **GUIDANCE:**

430-12

A statement regarding the capital of the company shall be published once each year, at the end of the balance sheet.

“It shall comprise:

- the number of shares subscribed for;
- the amounts paid-up;
- a list of the shareholders who have not yet paid-up their shares, specifying the sums remaining due from them.”

The publication of this list shall, as regards the changes of the shareholders recorded therein, have the same effect as a publication made in accordance with [Article 100-13](#).

In the event of an increase of capital, the statement shall indicate a mention of the portion of the capital which shall not yet have been subscribed for.

Art. Reference **GUIDANCE:**

710-6

(1) The incorporation of a *société à responsabilité limitée* requires:

- 1° that the capital be subscribed for in full;

⁸⁸ [Article 66](#) - The Small-sized undertakings as defined in [Article 35](#) of the Law are allowed to prepare abridged notes to the accounts without the information requested in [Article 65\(1\)3°](#).

⁸⁹ [Article 66](#) - The Small-sized undertakings as defined in [Article 35](#) of the Law are allowed to prepare abridged notes to the accounts without the information requested in [Article 65\(1\)4°](#).

⁹⁰ [Article 66](#) - The Small-sized undertakings as defined in [Article 35](#) of the Law are allowed to prepare abridged notes to the accounts without the information requested in [Article 65\(1\)5°](#).

2° that the corporate units be fully paid-up at the time of incorporation of the company. Where a share premium is provided for, the amount thereof must be fully paid up.

The subscribers to the constitutive instrument shall be deemed to be founders of the company. However, the constitutive instrument may designate as founder(s) one or more subscribers who together hold at least one third of the capital of the company. In such case, the other parties to the instrument who merely subscribe for corporate units for cash without directly or indirectly receiving any specific advantage shall be regarded as mere subscribers.

The authorised capital amounts to **CCY [XX]**, divided into **[[XX] class A shares / corporate units** with a nominal value of **CCY [XX]** each / **without par value** and into **[[XX] class B shares / corporate units** with a nominal value of **CCY [XX]** each / **without par value**.

As at 31 December 20XX, the subscribed capital amounts to **CCY [XX]**, divided into **[[XX] class A shares / corporate units** with a nominal value of **CCY [XX]** each / **without par value** and into **[[XX] class B shares / corporate units** with a nominal value of **CCY [XX]** each / **without par value**.

If applicable

As at 31 December 20XX, the subscribed capital unpaid is recorded in the assets and amounts to **CCY [XX]**, divided into **[[XX] class A shares / corporate units** with a nominal value of **CCY [XX]** each / **without par value** and into **[[XX] class B shares / corporate units** with a nominal value of **CCY [XX]** each / **without par value**.

The movement for the year/**period** on the subscribed capital is as follows:

	20XX	Number of class A Shares/ Corporate units	Number of class B Shares/ Corporate units	Number of Shares/ Corporate units Total
Subscribed capital - opening balance		[XX]	[XX]	[XX]
New shares issued for the year/ period		[XX]	[XX]	[XX]
Shares redeemed or cancelled for the year/ period		[XX]	[XX]	[XX]
Subscribed capital - closing balance		<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>

	20XX	Class A Shares/ Corporate units	Class B Shares/ Corporate units	Shares/ Corporate units Total
Subscribed capital - opening balance	CCY [XX]	[XX]	[XX]	[XX]
New shares issued for the year/ period	[XX]	[XX]	[XX]	[XX]
Shares redeemed or cancelled for the year/ period	[XX]	[XX]	[XX]	[XX]
Subscribed capital - closing balance	[XX]	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>

The movement for the year/**period** on the subscribed capital are due to (*to complete*: increase of capital, redemption, etc.) following the decision made by the Extraordinary General Meeting (*Board of Directors / Board of Managers*) dated (*to complete*).

As at 31 December 20XX, there are X founder's shares, Y convertible bonds and Z securities or similar securities or rights. They entitle their holders to (*to complete*).

The Company has also issued X preference shares/**units** that give entitlement to a preferred dividend of X% per annum, calculated on the nominal value of the shares/**units** and allocated by priority compared to the distribution to the ordinary shares/**units**. The cumulated dividends not paid at the balance sheet date amount to CCY [XX].

NOTE 13 - SHARE PREMIUM

The movement for the year/**period** on the share premiums is as follows:

	Share premium
	20XX
	CCY
Share premium - Opening balance	[XX]
Increase for the year/ period	[XX]
Decrease for the year/ period	[XX]
Share premium - Closing balance	<u>[XX]</u>

The movement for the year/**period** on the share premiums are due to (*to complete*: increase of capital, redemption, etc.) following the decision made by the Extraordinary General Meeting (*Board of Directors / Board of Managers*) dated (*to complete*).

NOTE 14 - REVALUATION RESERVE

Lux GAAP with an IFRS option

Art. Reference
64quater

As per **Article 64quater**:

- (1) Notwithstanding **Article 51, paragraph (1), item c)**, where a financial instrument is measured on a fair value basis, each change in the value shall be included in the profit and loss account. However, such a change shall be included directly in an equity account, in a fair value reserve, where:
 - a) the instrument accounted for is a hedging instrument under a system of hedge accounting that allows some or all of the change in value not to be shown in the profit and loss account; or
 - b) the change in value relates to an exchange difference arising on a monetary item that forms part of an undertaking's net investment in a foreign entity.
- (2) A change in the value on an available-for-sale financial asset, other than a derivative financial instrument, may be included directly in the equity account, in the fair value reserve.

The fair value reserve shall be adjusted when amounts shown therein are no longer necessary for the implementation of paragraphs (1) and (2).

COMMENTARY:

The deferred taxes which relate to fair value adjustments recorded in the revaluation reserves are also booked in the revaluation reserves.

The movements on the revaluation reserves during the year/[period](#) are as follows:

	Opening balance	Variations	Closing balance
	20XX	20XX	20XX
	CCY	CCY	CCY
Describe category	[XX]	[XX]	[XX]
Total (net of deferred tax)	[XX]	[XX]	[XX]

Under the Luxembourg Accounting and Commercial Law of 30 July 2013, the unrealised profits resulting from the application of the fair value option should be allocated to the revaluation reserve, which is a non-distributable reserve. As of 31 December 20XX, the revaluation reserve amounted to CCY XX (20XX-1: XX). As of 31 December 20XX, the profit for the financial year of the Company includes an amount of CCY XX, composed of the current fair value adjustment (Note X), net of deferred taxes (Note X), which will be proposed for allocation to the revaluation reserve in 20XX+1.

NOTE 15 - RESERVES

15.1. Legal reserve

Art. Reference **GUIDANCE:**

[Art. 461-1 \(S.A.\) & 710-23 \(S.à r.l.\)](#)
[72ter\(2\)\(b\)](#)

Each year at least one-twentieth of the net profits shall be allocated to the creation of a reserve; this allocation shall cease to be compulsory when the reserve has reached an amount equal to one-tenth of the corporate capital, but shall again be compulsory if the reserve falls below such one-tenth.

In accordance with [Articles 461-1 \(S.A.\) and 710-23 \(S.à r.l.\)](#) of the Company Law, the Company must allocate a minimum of 5% of the net profit to the legal reserve, until such reserve reaches 10% of the share capital. Distribution of the legal reserve is restricted.

ADDITIONAL POTENTIAL DISCLOSURES:

- If the 10% limit has been reached, add the sentence below:
No allocation was made to the legal reserve in the current year as the 10% maximum has already been reached.
- If the Company has incurred a loss for the financial year, add the sentence below: For the year ended 31 December 20XX, no allocation was made to the legal reserve as the Company has reported a loss for the financial year.

15.2. Reserve for own shares [[own corporate units](#)]

Art. Reference 430-18 (1) ^{2°}	GUIDANCE: If the said shares are included among the assets shown within the balance sheet, a non-distributable reserve of the same amount shall be created among the liabilities.
Art. Reference 430-19(1) ^{3°}	GUIDANCE: The aggregate financial assistance granted to third parties shall at no time result in the reduction of the net assets below the amount specified in paragraph (1) and (2) of Article 461-2 , taking into account also any reduction of the net assets that may have occurred through the acquisition, by the company or on behalf of the company, of its own shares in accordance with Article 430-15 paragraph (1) . The company shall include, among the liabilities in the balance sheet, a reserve, unavailable for distribution, of the amount of the aggregate financial assistance.
Art. Reference 430-22-5	GUIDANCE: An amount equal to the nominal value, or, in the absence thereof, the accounting par value, of all the shares redeemed must be included in a reserve which cannot be distributed to the shareholders except in the event of a reduction in the subscribed capital; the reserve may only be used to increase the subscribed capital by capitalisation of reserves.

[\[If applicable to the Company\]](#)

The Company holds own shares [[own corporate units](#)] for an amount of [CCY \[XX\]](#). In accordance with Luxembourg law, the Company has created a non-distributable reserve for the same amount.

15.3. Reserves provided for by the articles of association

[\[If applicable to the Company\]](#)

As described in the articles of association, the Company has created a dedicated reserve for an amount of [CCY \[XX\]](#), corresponding to ([to complete](#)).

15.4. Other reserves

[\[If applicable to the Company\]](#)

A special Net Wealth Tax reserve has been created in order to reduce the Net Wealth Tax of the Company. This special reserve amounts to five times the envisaged Net Wealth Tax credit. This special Net Wealth Tax reserve has to remain unavailable for distribution for five years, to take advantage of the reduction in Net Wealth Tax liability.

NOTE 16 - INTERIM DIVIDENDS

Art. Reference *[If applicable to the Company]*

461-3

The Board of Directors *[Managers, if S.à r.l.]* resolved to pay an interim dividend of **CCYXXX** at a meeting

710-25

held on *[date]* on the basis of an interim financial position as at *[date]*.



NOTE 17 - MOVEMENTS FOR THE YEAR/PERIOD ON THE RESERVES AND PROFIT AND LOSS

The movements on the reserves and profit and loss accounts during the year/[period](#) are as follows:

	Revaluation reserve	Legal reserve	Reserve for own shares / own corporate units	Reserves provided for by the articles of association	Other reserves	Results brought forward	Results for the financial year/ period	Interim dividends
	CCY	CCY	CCY	CCY	CCY	CCY	CCY	CCY
As at 31 December 20XX- 1	[XX]	[XX]	[XX]	[XX]	[XX]	[XX]	[XX]	[XX]
Movements for the year/ period								
• Allocation of previous year's profit or loss								
• Dividend								
• Profit or loss for the year/ period								
• Other movements (explain)								
As at 31 December 20XX	[XX]	[XX]	[XX]	[XX]	[XX]	[XX]	[XX]	[XX]

Art. Reference **GUIDANCE:**
64nonies

When measurement at fair value has been applied in accordance with [section 7bis](#) (*rules applicable to fair value measurement*), the provisions of [Article 72ter](#) shall apply (*rules applicable to limitation of distribution of realised or "quasi" realised gains*).

If applicable

The result for the financial year/[period](#) included undistributable amounts for an amount of **CCY[XX]**, corresponding to the fair value measurement of items accounted for at fair value.

NOTE 18 - CAPITAL INVESTMENT SUBSIDIES

The capital investment subsidies are related to the following assets:

	Gross book value 20XX CCY	Depreciation 20XX CCY	Net book value 20XX CCY	Net book value 20XX-1 CCY
Development costs	[XX]	[XX]	[XX]	[XX]

Concessions, patents, licences, trademarks and similar rights and assets	[XX]	[XX]	[XX]	[XX]
Land and buildings	[XX]	[XX]	[XX]	[XX]
Plant and machinery	[XX]	[XX]	[XX]	[XX]
Other fixtures and fittings, tools and equipment	[XX]	[XX]	[XX]	[XX]
Total	[XX]	[XX]	[XX]	[XX]

COMMENTARY:

The capital investment subsidies might also be deducted directly from the subsidised assets. In this case, disclosures should be added in the related notes of the subsidised assets detailing the amount received and remaining carrying amount at the end of the year/**period**.

NOTE 19 - PROVISIONS

Art. Reference **64** **GUIDANCE:**

At the balance sheet date, a provision shall represent the best estimate of the expenses likely to be incurred or, in the case of a liability, of the amount required to meet that liability.

Provisions include the following:

19.1. Provisions for pensions and similar obligations

[If applicable to the Company - to be tailored]

The Company has set up a defined benefit pension plan for its employees. The reserve created at the end of the year amounts to **CCY [XX]** (20XX-1: **CCY [XX]**).

The contributions for the year/**period** recorded in the profit and loss accounts amount to **CCY [XX]** (20XX-1: **CCY [XX]**)⁹¹.

19.2. Provisions for taxation

Provision for taxation includes a provision for tax litigation amounting to **CCY [XX]** (20XX-1: **CCY [XX]**) and deferred tax provision amounting to **CCY [XX]** (20XX-1: **CCY [XX]**).

⁹¹ A reference to the note on the commitment (part on pension obligations) can be added.

Art. Reference **GUIDANCE**.⁹²

65(1)11°

(1) In addition to the information required under other provisions of this Chapter, the notes to the accounts shall disclose the following information presented in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account:

...

11° (Law of 30 July 2013) a) the difference between the tax charged for the financial year and for earlier financial years and the amount of tax already paid or payable in respect of those years, to the extent that this difference is material for purposes of future taxation.

- a) This amount may also be disclosed in the balance sheet as a cumulative amount;
- b) Where valuation at fair value has been applied in accordance with Section 7bis, undertakings shall show, as the case may be, deferred tax liabilities in the balance sheet as a cumulative amount.

(Law of 18 December 2015)

- c) where a provision for deferred tax is recognised in the balance sheet, the deferred tax balances at the end of the financial year, and the movement in those balances during the financial year.

Provisions for taxation are made up as follows:

	Deferred tax provision CCY	Other tax provision CCY	TOTAL CCY
Tax provisions at 31 December 20XX-1	[XX]	[XX]	[XX]
Tax charges (see note XX)	[XX]	[XX]	[XX]
Payment	[XX]	[XX]	[XX]
Transfers/write back	[XX]	[XX]	[XX]
Tax provisions at 31 December 20XX	[XX]	[XX]	[XX]

Deferred tax provision consists of:

	20XX CCY	20XX-1 CCY
--	-------------	---------------

⁹² Article 66 - The Small-sized undertakings as defined in Article 35 of the Law are allowed to prepare abridged notes to the accounts without the information requested in Article 65(1)11°. However, where the fair value measurement has been applied in accordance with Section 7bis, the Small-sized undertakings shall not be exempted from the application of the provision of Article 65(1)11°b) and c).

<i>(Describe category)</i>	[XX]	[XX]
<i>(Describe category)</i>	[XX]	[XX]
Deferred tax provisions at 31 December 20XX	<u>[XX]</u>	<u>[XX]</u>

19.3. Other provisions

Other provisions may be broken down as follows:

In CCY	20XX	20XX-1
<i>(Describe category)</i>	[XX]	[XX]
<i>(Describe category)</i>	[XX]	[XX]
<i>(Describe category)</i>	[XX]	[XX]
Others	[XX]	[XX]
TOTAL	<u>[XX]</u>	<u>[XX]</u>

NOTE 20 - CREDITORS

Art. Reference **GUIDANCE:**

65(1)14°

(1) In addition to the information required under other provisions of this Chapter, the notes to the accounts shall disclose the following information presented in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account:

...

14° information concerning the income (charges) in respect of the financial year, which is receivable (are payable) after the end of the financial year and are shown under “Debtors” (“Creditors”), where such income (charges) is or are material.

The amounts due and payable for the debts are as follows:

	Within one year	After one year and within five years	After more than five years	Total 20XX	Total 20XX-1	Subordinated share
	CCY	CCY	CCY	CCY	CCY	CCY
. Convertible loans	[XX]	[XX]	[XX]	[XX]	[XX]	[XX]
. Non-convertible loans	[XX]	[XX]	[XX]	[XX]	[XX]	[XX]
. Amounts owed to credit institutions	[XX]	[XX]	[XX]	[XX]	[XX]	[XX]
. Payments received on account of orders in so far as they are not shown separately as deductions from stocks	[XX]	[XX]	[XX]	[XX]	[XX]	[XX]
. Trade creditors	[XX]	[XX]	[XX]	[XX]	[XX]	[XX]
. Bills of exchange payable	[XX]	[XX]	[XX]	[XX]	[XX]	[XX]
. Amounts owed to affiliated undertakings	[XX]	[XX]	[XX]	[XX]	[XX]	[XX]
. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	[XX]	[XX]	[XX]	[XX]	[XX]	[XX]
. Tax authorities	[XX]	[XX]	[XX]	[XX]	[XX]	[XX]
. Social security authorities	[XX]	[XX]	[XX]	[XX]	[XX]	[XX]
. Other creditors	[XX]	[XX]	[XX]	[XX]	[XX]	[XX]
Total	[XX]	[XX]	[XX]	[XX]	[XX]	[XX]

Art. Reference **GUIDANCE:**

65(1) 5°

(1) In addition to the information required under other provisions of this Chapter, the notes to the accounts shall disclose the following information presented in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account:

...

5° the existence of any founders' shares, convertible bonds, warrants, options or similar securities or rights, with an indication of their number and the rights they confer.⁹³

⁹³ Article 66 - The Small-sized undertakings as defined in Article 35 of the Law are allowed to prepare abridged notes to the accounts without the information requested in Article 65(1)5°.

Tax authorities creditors booked in the balance sheet are made up as follows:

	Current tax CCY	Other tax debts CCY	TOTAL CCY
Tax provisions at 31 December 20XX-1	[XX]	[XX]	[XX]
Tax charges (see note XX)	[XX]	[XX]	[XX]
Payment	[XX]	[XX]	[XX]
Transfers/Writeback	[XX]	[XX]	[XX]
Tax provisions at 31 December 20XX	[XX]	[XX]	[XX]

Current tax debts consist of:

	20XX CCY	20XX-1 CCY
Corporate Income Tax	[XX]	[XX]
Municipal Income Tax	[XX]	[XX]
Net Wealth Tax	[XX]	[XX]
Current tax debts at 31 December 20XX	[XX]	[XX]

Where applicable

The convertible loans are as follows:

In CCY	Nominal	Interest rate	Term	20XX	20XX-1
<i>(Describe category)</i>	[XX]	[XX]	[XX]	[XX]	[XX]
<i>(Describe category)</i>	[XX]	[XX]	[XX]	[XX]	[XX]
Total	[XX]	[XX]	[XX]	[XX]	[XX]

The Company has issued those convertible loan(s) with the following specifications:
(specify the date of payment, conversion terms and other terms).

The total interest payable on (to complete) amounts to CCY [XX] for the year (20XX-1: CCY [XX]). The accrued interest payable as at 31 December 20XX amounts to CCY [XX] (20XX-1: CCY [XX]).

Where applicable

The non-convertible loans are as follows:

In CCY	Nominal	Interest rate	Term	20XX	20XX-1
<i>(Describe category)</i>	[XX]	[XX]	[XX]	[XX]	[XX]
<i>(Describe category)</i>	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>
Total	<u><u>[XX]</u></u>	<u><u>[XX]</u></u>	<u><u>[XX]</u></u>	<u><u>[XX]</u></u>	<u><u>[XX]</u></u>

The total interest payable on *(to complete)* amounts to CCY [XX] for the year (20XX-1: CCY [XX]). The accrued interest payable as at 31 December 20XX amounts to CCY [XX] (20XX-1: CCY [XX]).

The amounts due to credit institutions are as follows:

In CCY	Nominal	Interest rate	Term	20XX	20XX-1
<i>(Describe category)</i>	[XX]	[XX]	[XX]	[XX]	[XX]
<i>(Describe category)</i>	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>
Total	<u><u>[XX]</u></u>	<u><u>[XX]</u></u>	<u><u>[XX]</u></u>	<u><u>[XX]</u></u>	<u><u>[XX]</u></u>

The total interest payable on *(to complete)* amounts to CCY [XX] for the year (20XX-1: CCY [XX]). The accrued interest payable as at 31 December 20XX amounts to CCY [XX] (20XX-1: CCY [XX]).

The amounts due to trade creditors are as follows:

In CCY	20XX	20XX-1
<i>(Describe category)</i>	[XX]	[XX]
<i>(Describe category)</i>	<u>[XX]</u>	<u>[XX]</u>
Total	<u><u>[XX]</u></u>	<u><u>[XX]</u></u>

The amounts owed to affiliated undertakings are as follows:

In CCY	Nominal	Interest rate	Term	20XX	20XX-1
(Describe category)	[XX]	[XX]	[XX]	[XX]	[XX]
(Describe category)	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>
Total	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>

The total interest payable on (to complete) amounts to CCY [XX] for the year (20XX-1: CCY [XX]). The accrued interest payable as at 31 December 20XX amounts to CCY [XX] (20XX-1: CCY [XX]).

The amounts owed to undertakings with which the undertaking is linked by virtue of participating interests are as follows:

In CCY	Nominal	Interest rate	Term	20XX	20XX-1
(Describe category)	[XX]	[XX]	[XX]	[XX]	[XX]
(Describe category)	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>
Total	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>	<u>[XX]</u>

The total interest payable on (to complete) amounts to CCY [XX] for the year (20XX-1: CCY [XX]). The accrued interest payable as at 31 December 20XX amounts to CCY [XX] (20XX-1: CCY [XX]).

The amounts due to other creditors are as follows:

In CCY	20XX	20XX-1
(Describe category)	[XX]	[XX]
(Describe category)	<u>[XX]</u>	<u>[XX]</u>
Total	<u>[XX]</u>	<u>[XX]</u>

The (to complete) are as follows:

In CCY	20XX	20XX-1
(Describe category)	[XX]	[XX]
(Describe category)	[XX]	[XX]
Total	[XX]	[XX]

Art. Reference

65(1)6°

GUIDANCE:

(1) In addition to the information required under other provisions of this Chapter, the notes to the accounts shall disclose the following information presented in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account:

...

6° amounts owed by the undertaking becoming due and payable after more than five years as well as the undertaking's entire debts secured by collateral on assets furnished by "the undertaking" with an indication of the nature and form of the collateral. This information must be disclosed separately for each creditor's item, as provided for in the layouts prescribed in [Article 34 \(Layout of the balance sheet\)](#);

Where applicable

An amount of CCY [XX] is secured by collateral on assets as at 31 December 20XX. The collateral consists of *(describe its nature and form)*.

Where applicable

An amount of CCY [XX], classified under [to complete], is subordinated to the repayment of the other debts as at 31 December 20XX.

NOTE 21 - DEFERRED INCOME

Art. Reference

45

GUIDANCE:

Income received before the balance sheet date, but relating to a subsequent financial year must be shown under the liabilities item "Regularisation accounts/accruals and deferred income".

Deferred income is mainly composed of *(to complete)*.

NOTE 22 - NET TURNOVER⁹⁴

Art. Reference **GUIDANCE:**
65(1)8° (1) In addition to the information required under other provisions of this Chapter, the notes to the accounts shall disclose the following information presented in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account:

...

8° the net turnover within the meaning of [Article 48](#), broken down by categories of activity and into geographical markets insofar as, taking account of the manner in which the sale of products and the provision of services falling within the undertaking's ordinary activities are organised, these categories and markets differ substantially from one another;

Art. Reference **GUIDANCE:**
67(1)b)and(2) (1) b) may be omitted when their nature is such that it would be seriously prejudicial to any of the undertakings to which [Article 65](#) (...) relates.

The omission of such information must be disclosed in the notes to the accounts.

(2) Paragraph (1) b) shall also apply to the information prescribed in [Article 65\(1\) 8°](#).

	20XX CCY	20XX-1 CCY
Categories of activity		
<i>(Describe category)</i>	[XX]	[XX]
<i>(Describe category)</i>	[XX]	[XX]
Total	[XX]	[XX]
Geographical markets		
<i>(Describe category)</i>	[XX]	[XX]
<i>(Describe category)</i>	[XX]	[XX]
Total	[XX]	[XX]

⁹⁴ [Article 66](#) - The Small-sized and Medium-sized undertakings as defined in [Article 35](#) and [Article 47](#) of the Law are allowed to prepare abridged notes to the accounts without the information requested in [Article 65\(1\)8°](#).

Or

A breakdown of the net turnover by category of activity and geographical markets is omitted because its nature is such that it would be seriously prejudicial to the Company.

NOTE 23 - FIXED ASSETS UNDER DEVELOPMENT - WORK PERFORMED BY THE COMPANY FOR ITS OWN PURPOSES AND CAPITALISED

During the financial year, the Company has developed for itself (*describe the assets*) for an amount of CCY[XX] (20XX-1: CCY [XX]). These assets are recorded in the balance sheet under the corresponding item.

If applicable

The amount of interest for the year in relation to the financing of those assets has been capitalised to the amount of CCY [XX] (20XX-1: CCY [XX]).

NOTE 24 - OTHER OPERATING INCOME

Art. Reference
49

GUIDANCE:

The amount and nature of items of income or charges with an extraordinary size or impact shall be shown in the notes to the accounts.

The other operating income are as follows:

In CCY	20XX	20XX-1
(<i>Describe category</i>)	[XX]	[XX]
(<i>Describe category</i>)	[XX]	[XX]
Others	[XX]	[XX]
Total	<u>[XX]</u>	<u>[XX]</u>

NOTE 25 - OTHER EXTERNAL EXPENSES

Art. Reference
49

GUIDANCE:

The amount and nature of items of income or charges with an extraordinary size or impact shall be shown in the notes to the accounts.

The other external expenses are as follows:

In CCY	20XX	20XX-1
<i>(Describe category)</i>	[XX]	[XX]
<i>(Describe category)</i>	[XX]	[XX]
Others	[XX]	[XX]
Total	[XX]	[XX]

NOTE 26 - STAFF COSTS

Art. Reference GUIDANCE:

65(1)9°

(1) In addition to the information required under other provisions of this Chapter, the notes to the accounts shall disclose the following information presented in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account:

...

9° the average number of staff employed during the financial year, broken down by categories;

The average number of staff employed by the Company during the year is as follows:

	20XX	20XX-1
Management	[XX]	[XX]
Employees	[XX]	[XX]
Other staff [<i>Please specify</i>]	[XX]	[XX]
Total	[XX]	[XX]

NOTE 27 - EMOLUMENTS GRANTED TO THE MEMBERS OF THE MANAGEMENT AND SUPERVISORY BODIES AND COMMITMENTS ARISING OR ENTERED IN RESPECT OF RETIREMENT PENSIONS FOR FORMER MEMBERS OF THOSE BODIES⁹⁵

⁹⁵ Article 66 - The Small-sized undertakings as defined in Article 35 of the Law are allowed to prepare abridged notes to the accounts without the information requested in Article 65(1)12°.

Art. Reference GUIDANCE:

65(1)12°

(1) In addition to the information required under other provisions of this Chapter, the notes to the accounts shall disclose the following information presented in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account:

...

12° the amount of the emoluments granted in respect of the financial year to the members of the management and supervisory bodies in that capacity and any commitments arising or entered into in respect of retirement pensions for former members of those bodies. This information must be given as a total for each category;

The emoluments paid to members of the management and/or supervisory bodies in that capacity of the Company are as follows:

	20XX	20XX-1
Management	[XX]	[XX]
Supervisory bodies	[XX]	[XX]
Total	[XX]	[XX]

OR

Art. Reference GUIDANCE:

65(1)18°(2)

(1) In addition to the information required under other provisions of this Chapter, the notes to the accounts shall disclose the following information presented in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account:

...

18° The nature and the financial effect of material events arising after the balance sheet date which are not reflected in the profit and loss account or in the balance sheet.

(2) The information provided for in paragraph (1) 12° may be omitted if it allows to identify the position⁹⁶ of a specific member of such bodies.

The emoluments paid to members of the management and/or supervisory bodies in that capacity of the Company have been omitted in compliance with the **Article 65(1)18°(2)** of the Company Law.

⁹⁶ Directive 2013/34/EU speaks of the “financial position”.

Art. Reference **GUIDANCE:**

65(1)12°

(1) In addition to the information required under other provisions of this Chapter, the notes to the accounts shall disclose the following information presented in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account:

...

12° the amount of the emoluments granted in respect of the financial year to the members of the management and supervisory bodies in that capacity and any commitments arising or entered into in respect of retirement pensions for former members of those bodies. This information must be given as a total for each category;

The commitments arising or entered in respect of retirement pensions for former members of the management and/or supervisory bodies in that capacity of the Company are as follows:

	20XX	20XX-1
Former members of the management	[XX]	[XX]
Former members of the supervisory bodies	[XX]	[XX]
Total	<u>[XX]</u>	<u>[XX]</u>

OR

There is no commitment arising or entered into in respect of retirement pensions for former members of the management and/or supervisory bodies in that capacity of the Company.

OR

Art. Reference **GUIDANCE:**

65(1)18°(2)

(1) In addition to the information required under other provisions of this Chapter, the notes to the accounts shall disclose the following information presented in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account:

...

18° The nature and the financial effect of material events arising after the balance sheet date which are not reflected in the profit and loss account or in the balance sheet.

(2) The information provided for in paragraph (1) 12° may be omitted if it allows to identify the position⁹⁷ of a specific member of such bodies.

⁹⁷ Directive 2013/34/EU speaks of the “financial position”.

The commitments arising or entered into in respect of retirement pensions for former members of the management and/or supervisory bodies in that capacity of the Company have been omitted in compliance with the [Article 65\(1\)18°\(2\)](#) of the Company Law.



NOTE 28 - ADVANCES AND LOANS GRANTED TO THE MEMBERS OF THE MANAGEMENT AND SUPERVISORY BODIES AND COMMITMENTS ENTERED INTO ON THEIR BEHALF BY WAY OF GUARANTEES OF ANY KIND

Art. Reference GUIDANCE:

65(1)13°

(1) In addition to the information required under other provisions of this Chapter, the notes to the accounts shall disclose the following information presented in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account:

...

13° the amount of advances and loans granted to the members of the management and supervisory bodies, with indications of the interest rates, main conditions and the amounts which may have been repaid, as well as the commitments entered into on their behalf by way of guarantees of any kind. This information must be given as a total for each category.

The advances and loans granted to members of the management and/or supervisory bodies in that capacity of the Company are as follows:

	20XX	20XX-1
Management	[XX]	[XX]
Supervisory bodies	[XX]	[XX]
Total	[XX]	[XX]

These advances and loans have been made with the following terms: (to complete with the indications of the interest rates and the main conditions). The amounts repaid during the financial year/period amounts to CCY [XX] (20XX-1: CCY [XX]).

OR

There are no advances and loans granted to members of the management and/or supervisory bodies in that capacity of the Company.

The commitments entered into on their behalf by way of guarantees of any kind for members of the management and/or supervisory bodies in that capacity of the Company are as follows:

	20XX	20XX-1
Management	[XX]	[XX]
Supervisory bodies	[XX]	[XX]
Total	<u>[XX]</u>	<u>[XX]</u>

These commitments are related to *(to complete)*.

OR

There is no commitment entered into on their behalf by way of guarantees of any kind for members of the management and/or supervisory bodies in that capacity of the Company.

NOTE 29 - OTHER OPERATING EXPENSES

Art. Reference
49

GUIDANCE:

The amount and nature of items of income or charges with an extraordinary size or impact shall be shown in the notes to the accounts.

The other operating expenses are as follows:

In CCY	20XX	20XX-1
<i>(Describe category)</i>	[XX]	[XX]
<i>(Describe category)</i>	[XX]	[XX]
Others	[XX]	[XX]
Total	<u>[XX]</u>	<u>[XX]</u>

NOTE 30 - TAX ON PROFIT OR LOSS

Art. Reference
65(1) 11°

GUIDANCE.⁹⁸

(1) In addition to the information required under other provisions of this Chapter, the notes to the accounts shall disclose the following information presented in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account:

...

11°a) the difference between the tax charged for the financial year and for earlier financial years and the amount of tax already paid or payable in respect of those years, to the extent that this difference is material for purposes of future taxation.

- a) This amount may also be disclosed within the balance sheet as a cumulative amount;
- b) Where valuation at fair value has been applied in accordance with section 7bis, undertakings shall show, as the case may be, deferred tax liabilities in the balance sheet as a cumulative amount.
- c) Where a provision for deferred tax is recognised in the balance sheet, the deferred tax balances at the end of the financial year, and the movement in those balances during the financial year.

The current tax charge for the year/**period** is as follows:

In CCY	20XX	20XX-1
Corporate Income Tax	[XX]	[XX]
Municipal Business Tax	[XX]	[XX]
Total current tax charge	<u>[XX]</u>	<u>[XX]</u>

⁹⁸ Article 66 - The Small-sized undertakings as defined in Article 35 of the Law are allowed to prepare abridged notes to the accounts without the information requested in Article 65(1)11°. However, where the fair value measurement has been applied in accordance with Section 7bis, the Small-sized undertakings shall not be exempted from the application of the provision of Article 65(1)11°b) and c).

The deferred tax charge for the year/*period* is as follows:

In <i>CCY</i>	20XX	20XX-1
<i>(Describe category)</i>	[XX]	[XX]
<i>(Describe category)</i>	[XX]	[XX]
Total deferred tax charge	<u>[XX]</u>	<u>[XX]</u>

Where applicable

In addition, the Company has received the approval of the Luxembourg tax authorities to consolidate with *(name of the companies included in the scope of the tax consolidation)* their respective income tax liabilities. Tax amounts relating to the Municipal Business Tax and to the Corporate Income Tax are computed on the basis of the consolidated result of the entities included in the scope of the tax consolidation.

NOTE 31 - OTHER TAXES

The other taxes for the year are as follows⁹⁹:

In <i>CCY</i>	20XX	20XX-1
Net Wealth Tax	[XX]	[XX]
<i>(Describe category)</i>	[XX]	[XX]
Other taxes	[XX]	[XX]
Total other taxes	<u>[XX]</u>	<u>[XX]</u>

NOTE 32 - RELATED PARTIES TRANSACTIONS

Art. Reference
65(1)7ter

GUIDANCE:

- (1) In addition to the information required under other provisions of this Chapter, the notes to the accounts shall disclose the following information presented in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account:

...

⁹⁹ Common example of categories could be: non-deductible VAT. Registration duties or stamp duties.

7ter transactions which have been entered into by the undertaking with related parties, including the amount of such transactions, the nature of the related party relationship and all other information about the transactions necessary for an understanding of the financial position of the undertaking. Information about individual transactions may be aggregated according to their nature except where separate information is necessary for an understanding of the effects of related party transactions on the financial position of the undertaking.

Undertakings have the option to only disclose in the notes to the accounts the transactions entered into with related parties which have not been concluded under normal market conditions. Transactions which have been entered into between one or more members of a group are exempted provided that the subsidiaries which are party to the transaction are wholly owned by such a member.

Undertakings which do not exceed at least two of the three limits laid down in [Article 47 \(Medium-sized undertakings\)](#) for two consecutive financial years are allowed to limit the disclosure of transactions with related parties to transactions entered into with:

- (i) owners holding a participating interest in the undertaking;
- (ii) undertakings in which the undertaking itself has a participating interest; and
- (iii) members of the administrative, management or supervisory bodies of the undertaking.

This option does however not apply to undertakings whose securities are admitted to trading on a regulated market of any Member State of the European Union within the meaning of Article 1, item 11 of the Law of 13 July 2007 on markets in financial instruments.

“Related party” has the same meaning as in the international accounting standards adopted in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards.

The nature of the related parties relationships are as follows (*describe*):

Transactions with those related parties for the years ended 31 December 20XX and 20XX-1 are as follows (*provide details of transactions during the year*):

As at 31 December 20XX, amounts owed to affiliated undertakings and/or other group companies are CCY [XX] (20XX-1: CCY [XX]).

NOTE 33 - AUDIT AND NON-AUDIT SERVICES^{100, 101,}

Art. Reference
65(1)16°

GUIDANCE:

(1) In addition to the information required under other provisions of this Chapter, the notes to the accounts shall disclose the following information presented in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account:

...

16° the total fees for the financial year received by each¹⁰² *réviseur d'entreprises agréé* [approved statutory auditor] or the *cabinet de révision agréé* [approved audit firm] for the statutory audit of the annual accounts and, the total fees received by each *réviseur d'entreprises agréé* [approved statutory auditor] or *cabinet de révision agréé* [approved audit firm] for other assurance services, for tax advisory services and for other non-audit services.

For the financial year/**period**, fees paid by the Company to the *réviseur d'entreprises agréé* were as follows:

	20XX	20XX-1
	CCY	CCY
Audit fees	[XX]	[XX]
Audit related fees	[XX]	[XX]
Tax fees	[XX]	[XX]
Other fees related to permissible NAS	[XX]	[XX]
Total	<u>[XX]</u>	<u>[XX]</u>

Reference
EU Regulation
537/2014°

GUIDANCE:

In addition to the information required under Art 65(1)16 above, the financial statements of public interest entities services shall indicate any services, in addition to the audit, which were provided by the approved statutory auditor or the approved audit firm to the audited entity and its controlled undertakings.

If those have not been disclosed in the financial statements or the management report, they shall be reported in the auditor's report

The best practice would be to have such services described in a note to the annual accounts, with no mandatory mention of the amount of fees that might have been accounted for by the entity.

¹⁰⁰ **Article 66** and **Article 67(2)** - The Small-sized and Medium-sized undertakings as defined in **Article 35** and **Article 47** of the Law are allowed to prepare abridged notes to the accounts without the information requested in **Article 65(1)16°**.

¹⁰¹ **Article 65(1)16°** - This requirement shall not apply where the undertaking is included within the consolidated accounts required to be drawn up under Article 22 of Directive 2013/34/EU (transposed in **Article 1711-1** of the Law), provided that such information is given in the notes to the consolidated accounts.

¹⁰² The term "each" precises to disclose the information for each auditor in case the entity is appoint different independent auditors. This could apply more frequently for the consolidated accounts but could apply in case of joint audit.

The services should be detailed following the same categories as those foreseen for the disclosure under Art. 65(1)16 of the Accounting Law.

NOTE 34 - OFF BALANCE SHEET COMMITMENTS

<p>Art. Reference 38</p>	<p>GUIDANCE:</p> <p>The total amount of any financial commitments, guarantees or contingencies that are not included in the balance sheet, and an indication of the nature and form of any in rem security which has been provided must be set out in the notes to the accounts. Any commitments concerning pensions and affiliated or associated undertakings shall be disclosed separately.</p>
<p>Art. Reference 65(1)7°</p>	<p>GUIDANCE:</p> <p>(1) In addition to the information required under other provisions of this Chapter, the notes to the accounts shall disclose the following information presented in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account:</p> <p>...</p> <p>7° the total amount of any financial commitments that are not included in the balance sheet, insofar as this information is of assistance in assessing the financial position. Any commitments concerning pensions and commitments <i>vis-à-vis</i> affiliated undertakings must be disclosed separately;</p>
<p>Art. Reference 65(1)7bis°</p>	<p>GUIDANCE:</p> <p>(1) In addition to the information required under other provisions of this Chapter, the notes to the accounts shall disclose the following information presented in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account:</p> <p>...</p> <p>7bis° the nature and business purpose of the arrangements that are not included in the balance sheet and the financial impact on (Law of 30 July 2013) “the undertaking” of those arrangements, provided that the risks or benefits arising from such arrangements are material and in so far as the disclosure of such risks or benefits is necessary for assessing the financial position of (Law of 30 July 2013) “the undertaking”.</p>

The financial commitments of the Company are as follows:

	20XX	Whose with affiliated undertakings	20XX-1	Whose with affiliated undertakings
	CCY	CCY	CCY	CCY
Guarantees	[XX]	[XX]	[XX]	[XX]
Forward exchange contracts	[XX]	[XX]	[XX]	[XX]
Leasing (rents not yet paid)	[XX]	[XX]	[XX]	[XX]
Forward purchase and sale of tangible assets	[XX]	[XX]	[XX]	[XX]
Pension obligations	[XX]	[XX]	[XX]	[XX]
Other (<i>to be specified</i>)	[XX]	[XX]	[XX]	[XX]
Total	[XX]	[XX]	[XX]	[XX]

The nature and the business purposes of the arrangements not included on the balance sheet, and their financial impact are as follows:

Guarantees issued/received

The Company has issued/received guarantees for/from (**to determine**) which amount to **CCY [XX]** (20XX-1: **CCY [XX]**) to cover (*to be specified*).

Forward exchange contracts

The Company has entered into forward exchange contracts on **CCY** to (**commercial objective to be specified**). The commitment from these contracts as at 31 December 20XX amounts to **CCY [XX]** (20XX-1: **CCY [XX]**). See note (*to be specified*) for further details¹⁰³.

Leasing (rents not yet paid)

Commitments regarding the rents not yet paid amount to **CCY [XX]** at the end of the financial year/**period** (20XX-1: **CCY [XX]**). They are related to leasing contracts on (*to be specified*).

Forward purchase and sale of tangible assets

Commitments related to forward purchases or sales of tangible assets amount to **CCY [XX]** at the end of the financial year/**period** (20XX-1: **CCY [XX]**).

¹⁰³ A reference to the note on the derivative financial instruments can be added.

Pension obligations

The Company has entered into pension obligations for its staff that amount to CCY [XX] at the end of the financial year (20XX-1: CCY [XX])¹⁰⁴.

Other commitments and/or guarantees received/given

(Describe the nature, the commercial objective and the financial impact of the operations).

NOTE 35 - GOING CONCERN

Art. Reference

GUIDANCE:

51(1)a

- (1) The measurement of the items shown in the annual accounts shall be made in accordance with the following general principles:
- a) the undertaking is presumed to be carrying on its business as a going concern;

COMMENTARY:

[If applicable]: In the event of the loss of half the corporate capital and subsequently the loss of three quarters of the corporate capital certain legal formalities are required in accordance with Article 480-2 of the Company Law.

[If applicable to the Company]

The Company incurred a net loss of CCY [XX] during the year ended 31 December 20XX and as of that date, the Company has accumulated losses of CCY [XX].

These accounts have been prepared on a going concern assumption based on the forecasted ***[describe the forecast]*** profit that will be generated over the coming years by the Company.

OR

The Shareholder(s), however, has indicated its willingness and intent to provide continued financial support to the Company to ensure its financial viability for the next twelve months.

¹⁰⁴ A reference to the note on the provision for pensions or similar obligations can be added.

NOTE 36 - POST BALANCE SHEET EVENTS¹⁰⁵

Art. Reference **GUIDANCE:**

65(1)18°

(1) In addition to the information required under other provisions of this Chapter, the notes to the accounts shall disclose the following information presented in the order in which the items to which they relate are presented in the balance sheet and in the profit and loss account:

...

18° The nature and the financial effect of material events arising after the balance sheet date which are not reflected in the profit and loss account or in the balance sheet.

COMMENTARY:

Provide a description of significant post Balance Sheet events that should require disclosure to the annual accounts.

OR

There are no significant post Balance Sheet events.

¹⁰⁵ **Article 66** - The Small-sized undertakings as defined in **Article 35** of the Law are allowed to prepare abridged notes to the accounts without the information requested in **Article 65(1)18°**.



Supplement for Consolidated Accounts



Introduction

Overall, consolidation rules in Luxembourg are strictly derived from the 7th EU directive. While some countries have taken a stricter approach by adopting additional requirements, Luxembourg has adopted the minimum requirements as set out in the directive.

The following section describes the conditions which require the preparation of consolidated accounts, relevant exemptions, as well as examples of notes specific to the consolidated accounts.



Requirement to prepare consolidated accounts

Article 1711-1 of the Company Law mentions that the following entities:

- all public companies limited by shares (*sociétés anonymes*),
- corporate partnerships limited by shares (*sociétés en commandite par actions*),
- private limited liability companies (*sociétés à responsabilité limitée*); and
- limited partnerships (*sociétés en commandite simple*) and general partnerships (*sociétés en nom collectifs*) (under certain conditions described in [Article 77, paragraph 2 points \(2\) and \(3\) of the Law](#))¹⁰⁶, excluding
 - credit institutions,
 - insurance and reinsurance companies; and
 - pension savings companies with variable capital (*sociétés d'épargne - pension à capital variable*)

must draw up consolidated accounts and a consolidated management report if:

- it has a majority of the shareholders' or unitholders' voting rights in another undertaking; or
- it has the right to appoint or remove a majority of the members of the administrative, management or supervisory bodies of another undertaking and is at the same time a shareholder in or unitholder of that undertaking; or
- it is a shareholder in or member of an undertaking and controls alone, pursuant to an agreement with other shareholders in or unitholders of that undertaking, a majority of shareholders' or unitholders' voting rights in that undertaking.

On other words, any “parent” company having the control of at least one subsidiary is required to prepare consolidated annual accounts, unless exempted.

¹⁰⁶ 2° *sociétés en nom collectif* and *sociétés en commandite simple* where all their members which have unlimited liability are companies of the type set out in Article 1, paragraph 1 sub-paragraph 1 of amended Directive 78/660/EEC of 25 July 1978 or companies which are not governed by the laws of a Member State of the European Community but which have a legal form comparable to those referred to in Directive 68/151/EEC of 9 March 1968.

3° (*Law of 30 July 2013*) the types of company referred to under item 2° where all their members having unlimited liability are themselves organised as one of the types of companies referred to under item 1° or under item 2° or in Article 1, paragraph (1) sub-paragraph 1 or sub-paragraph 2 of amended Directive 78/660/EEC.

Scope of the consolidation

The scope of consolidation should include

- Subsidiaries of the group over which the group exercises control (as per [Article 1712-17](#) - see below)
- Operations that are jointly controlled by the group (as per [Article 1712-17](#) - see below)
- Associates over which the group has significant influence (as per [Article 1712-18 \(1\)](#) - see below)

Art. Reference 1712-17

GUIDANCE:

- (1) Where an undertaking included in a consolidation manages another undertaking jointly with one or more undertakings not included in that consolidation, that other undertaking may be included in the consolidated accounts in proportion to the rights in its capital held by the undertaking included in the consolidation.
- (2) [Articles 1711-8 to 1790-2](#) shall apply mutatis mutandis to the proportional consolidation referred to in [paragraph \(1\)](#) above.
- (3) Where this Article is applied, [Article 1712-18](#) shall not apply if the undertaking proportionally consolidated is an associated undertaking as defined in [Article 1712-18](#).

In other words, jointly controlled entities can be included in the consolidated accounts either adopting the proportional consolidation method, or the equity method.

Art. Reference 1712-18 (1)

GUIDANCE:

- (1) Where an undertaking included in a consolidation exercises a significant influence over the operations and the financial policy of an undertaking not included in the consolidation (an associated undertaking) in which it holds a participating interest, as defined in the (*Law of 10 December 2010*) "[Article 41](#) of the amended Law of 19 December 2002 on the register of commerce and companies and the accounting and annual accounts of undertakings", that participating interest shall be shown in the consolidated balance sheet as a separate item with an appropriate heading.

An undertaking shall be presumed to exercise a significant influence over another undertaking where it has 20% or more of the shareholders' or members' voting rights in that undertaking. [Article 1711-2](#) shall apply.

In other words, undertakings over which a significant influence is exercised by the group shall be included in the consolidated accounts under the so called "equity method".

Exemptions

However, a parent company that holds participating interests in undertakings can be exempt from the obligation to draw up consolidated accounts as laid down in [Articles 1711-3\(3\), 1711-4, 1711-5, 1711-6, 1711-7, 1711-8 \(2bis\) and 1711-9](#) of the Company Law.

[Article 1711-3 \(3\)](#) mentions (for holding of credit institutions, insurance or reinsurance companies):

Art. Reference **GUIDANCE:**

[1711-3 \(3\)](#)

Any parent company referred to in [Article 1711-1](#) that controls one or more undertakings to be consolidated, which are credit institutions or insurance companies, can subject itself either to the provisions of Part III of the Law of 17 June 1992 on annual accounts and consolidated accounts of Luxembourg credit institutions and to the obligations concerning the publicity of the bookkeeping of the branches of foreign credit institutions and financial institutions for the purpose of consolidation, or to the provisions of Part III of the Law of 8 December 1994 relating to the annual accounts and consolidated accounts of Luxembourg insurance and reinsurance companies and to the obligations concerning the establishment and the publicity of the bookkeeping of the branches of foreign insurance companies. A parent company exercising this option is exempt from establishing group accounts in accordance with [Article 1711-1](#).

[Article 1711-4](#) mentions (for small group):

Art. Reference **GUIDANCE:**

[1711-4](#)

- (1) By way of derogation from [Article 1711-1 paragraph \(1\)](#), a parent company shall be exempted from the obligation to draw up consolidated accounts and a consolidated management report if at the balance sheet date of the parent company, the undertakings which would have to be consolidated do not together, on the basis of their latest annual accounts, exceed the limits of at least two of the three criteria set out below:
 - balance sheet total: 20 million euros
 - net turnover: 40 million euros
 - average number of full-time staff employed during the financial year: 250.
- (2) The figures of the criteria relating to the balance sheet total and net turnover may be increased by 20%, if the set-off referred to in [Article 1712-4 paragraph \(1\)](#) and the elimination referred to in [Article 1712-11 paragraph \(1\) items \(a\) and \(b\)](#) are not effected.
- (3) This exemption shall not apply to those companies where one of the companies to be consolidated is a company whose securities are admitted to official trading on a regulated market of any Member State of the European Union within the meaning of Article 1, item 11 of the amended Law of 13 July 2007 on markets in financial instruments.
- (4) [Article 36](#) of the amended Law of 19 December 2002 on the register of commerce and companies and the accounting and annual accounts of undertakings shall be applicable.

The amounts indicated above may be amended by Grand-Ducal Regulation.

A parent company shall be exempted when the group does not exceed the limits of two of the three criteria set out below:

- balance sheet total: EUR 20 million;
- net turnover: EUR 40 million;
- average number of full-time staff employed during the financial year: 250 people.

This exemption shall not apply where one of the undertakings to be consolidated is a company whose transferable securities are admitted to official listing on a stock exchange established in a Member State of the European Union.

Article 1711-5 mentions (for a group being part of a larger group located in the European Union):

Art. Reference **GUIDANCE:**

1711-5
of the
Company Law

- (1) By way of derogation from **Article 1711-1 paragraph (1)**, any parent company which is also a subsidiary undertaking shall be exempted from the obligation to draw up consolidated accounts and a consolidated management report if its own parent undertaking is governed by the Law of a Member State of the European Union, in the following two cases:
 - a) where that parent undertaking holds all of the corporate units or shares in the exempted undertaking. The corporate units or shares in that company held by members of its administrative, management or supervisory bodies pursuant to a legal obligation or the articles shall be ignored for this purpose; or
 - b) where that parent undertaking holds 90% or more of the corporate units or shares in the exempted company and the remaining shareholders in or members of that company have approved the exemption.
- (2) The exemption shall be conditional upon compliance with all of the following conditions:
 - a) the exempted company and, without prejudice to the **Article 1711-8**, all of its subsidiary undertakings are consolidated in the accounts of a larger body of undertakings, the parent undertaking of which is governed by the Law of a Member State of the European Union;
 - b)
 - aa) the consolidated accounts referred to in (a) above and the consolidated management report of the larger body of undertakings must be drawn up by the parent undertaking of that body and audited, according to the Law of the Member State by which the parent undertaking of that larger body of undertakings is governed;
 - bb) the consolidated accounts referred to in (a) above and the consolidated management report referred to in (aa) above and the report of the person or persons responsible for auditing those accounts shall be published for the exempted company in the manner prescribed by **Article 100-13** of this Law.
 - c) the notes to the annual accounts of the exempted company must disclose:
 - aa) the name and registered office of the parent undertaking which draws up the consolidated accounts referred to in (a) above; and
 - bb) the exemption from the obligation to draw up consolidated accounts and a consolidated management report.
- (3) This exemption shall not apply to the companies whose securities are admitted to official trading on a regulated market of any Member State of the European Union within the meaning of Article 4, paragraph (1), item 14, of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments.

When a parent company is also a subsidiary undertaking of a parent undertaking that is governed by the Law of a Member State of the European Union and if this parent undertaking publishes its consolidated accounts, its consolidated management report and its audit report in Luxembourg, this parent undertaking is exempt from the obligation to draw up consolidated accounts. The notes to the annual accounts of the exempted company must disclose the name and registered office of the parent undertaking that draws up the consolidated accounts and the exemption from the obligation to draw up consolidated accounts. This exemption is not valid for entities whose transferable securities are quoted on a European stock exchange.

The minority shareholders can request the preparation of consolidated accounts under certain conditions mentioned in the above [Article 1711-5 \(1\)b](#) or in the below [Article 1711-6](#) which mentions:

Art. Reference **GUIDANCE:**

1711-5

In cases not covered by [Article 1711-5 paragraph \(1\)](#), any parent company which is also a subsidiary undertaking, the parent undertaking of which is governed by the Law of a Member State of the European Union, is exempted from the obligation to draw up consolidated accounts and a consolidated management report, provided that all the conditions set out in [Article 1711-5 paragraph \(2\)](#) are fulfilled and that the shareholders in or members of the exempted undertaking who own at least 10% of the subscribed capital of that undertaking, in the case it is a *société anonyme* or a *société en commandite par actions*, and at least 20%, in the case it is a *société à responsabilité limitée*, have not requested the preparation of consolidated accounts at least six months before the end of the financial year.

[Article 1711-7](#) mentions (for a group being part of a larger group not located in the European Union):

Art. Reference **GUIDANCE:**

1711-6

By way of derogation from [Article 1711-1 paragraph \(1\)](#), any parent company which is also a subsidiary undertaking of a parent undertaking not governed by the Law of a Member State of the European Union, is exempted from the obligation to draw up consolidated accounts and a consolidated management report if all of the following conditions are fulfilled:

- a) the exempted company and, without prejudice to the [Article 1711-8](#) all of its subsidiary undertakings are consolidated in the accounts of a larger body of undertakings;
- b) the consolidated accounts referred to in (a) above and, where appropriate, the consolidated management report must be drawn up in accordance with the provision of this Section or in a manner equivalent thereto,
- c) the consolidated accounts referred to in (a) above must have been audited by one or more persons authorised to audit accounts under the national Law governing the undertaking which drew them up.

[Article 1711-5 paragraph \(2\), sub-paragraphs b\) bb and c\)](#) and [paragraph \(3\)](#) as well as [Article 1711-6](#) shall apply.

Compared to [Article 1711-5](#), there is an additional condition that the accounts of the parent undertaking shall be drawn up in accordance with Luxembourg Law or in a manner equivalent thereto.

[Article 1711-8](#) mentions (an exemption for the inclusion of undertakings, if undertakings are considered individually and collectively as not material from a true and fair point of view, or (ii) in case of severe restrictions on the rights of the undertaking, or disproportionate expenses or undue delay, or held exclusively for resale):

Art. Reference **GUIDANCE:**

1711-8

- (1) An undertaking need not be included in consolidated accounts where it is “not material” for the purposes of [Article 1712-1 paragraph \(3\)](#).
- (2) Where two or more undertakings satisfy the requirements of [paragraph 1](#) above, they must nevertheless be included in consolidated accounts if, they are “material” for the purposes of [Article 1712-1 paragraph \(3\)](#).
- (3) In addition, an undertaking need not be included in the consolidated accounts where:
 - a) severe long-term restrictions substantially hinder the parent company in the exercise of its rights over the assets or management of that undertaking.
 - b) the information necessary for the preparation of consolidated accounts in accordance with this Law cannot be obtained without disproportionate expense or undue delay.
 - c) the shares of that undertaking are held exclusively with a view to their subsequent resale.

[Art. 1711-8 \(3\) c](#), relating to undertakings acquired exclusively with a view of subsequent resale, is of particular interest. This provision has created a long-standing issue around whether private equity groups should prepare consolidated accounts or not. This possible exemption has been clarified by the Notice CNC 2-1 date December 18, 2009 which provides guidance to investment companies regarding the exemption to prepare consolidated annual accounts on the basis of temporary ownership of their participating interest.

[Article 1711-9](#) mentions (an exemption from preparing consolidated accounts if all of its subsidiaries are neither individually nor collectively material or can be excluded from consolidation in accordance with [Article 1711-8](#)):

Art. Reference **GUIDANCE:**

1711-9

- Without prejudice to [Article 51, paragraph \(1\), point \(b\)](#) of the amended Law of 19 December 2002 on the register of commerce and companies and the accounting and annual accounts of undertakings, and to [Article 1711-4](#) of this section, any parent company, including a public-interest entity within the meaning of sub-section 4bis, shall be exempt from the obligation imposed in [Article 1711-1](#) if:
- a) it only has subsidiary undertakings which are immaterial, both individually and collectively; or
 - b) all its subsidiary undertakings can be excluded from consolidation by virtue of [Article 1711-8](#).

Accounting principles

Consolidated accounts of Luxembourg groups can be prepared under:

- Luxembourg accounting framework described in this brochure (including LUXGAAP with an IFRS option);
 - IFRS as allowed by [Art. 1780-1](#) of the Company Law (see our IFRS brochures "Model financial statements" available on our website);
- Companies preparing consolidated financial statements under IFRS remain subject to the provisions of the following articles of the Company Law;
- [Articles 1711-1 to 1711-7](#) for exemptions (but not the exemptions included in [Articles 1711-8 to 1711-9](#));
 - [Articles 1712-19, 2. to 5., 9., 12. to 14. and 1712-20 \(1\)](#) (see below);
 - [Article 1720-1](#) on the consolidated management report;
 - [Article 1730-1](#) on the publication of the consolidated account, the consolidated management report and the corporate governance statement;
 - [Article 1750-1](#) on the auditing of the consolidated accounts; and
 - [Article 1780-2](#) on the currency of the publication.
- Another accounting framework for which derogation has been obtained according to [Article 420-15](#) of the Company Law. This derogation can be granted by the Ministry of Justice on the reasoned opinion of the CNC or based on a Grand-Ducal Regulation.

Groups whose securities are quoted on a European regulated stock exchange **must** prepare their financial statements in accordance with IFRS as adopted by the European Union.

The provisions of [Article 1712-19 points 2. to 5., 9., 12. to 14°](#) are respectively;

	Company Law
Information on the names and registered offices of the undertakings included in the consolidated accounts. In addition, information on the proportion of capital held by the parent company, by the undertakings included in the consolidation or by persons acting on behalf of those undertakings.	Article 1712-19 2.a)
Same information as Art. 1712-19 2.a) above for the undertakings <u>excluded</u> in the consolidated accounts pursuant to Art. 1711-8 (undertakings which are not material), and an explanation of the reasons for the exclusion.	Article 1712-19 2.b)
When Art. 1711-9 (exemption of consolidation if all subsidiaries are not material) is applied, the notes to the annual accounts of the exempted company must include the reason for the exclusion.	Article 1712-19 2.c)
Information on the names and registered offices of the undertakings on which the undertaking exercises a significant influence (Art. 1712-18 presumes the significant influence when the shareholders' or members' voting rights are 20% or more) included in the consolidated accounts. In addition, information on the proportion of capital held by the parent company, by the undertakings included in the consolidation or by persons acting on behalf of those undertakings.	Article 1712-19 3.a)
Same information as Article 1712-19 3.a) above for the associated undertakings <u>excluded</u> in the consolidated accounts pursuant Art. 1712-18 (9) (associated undertakings which are not material), and an explanation of the reasons for the exclusion.	Article 1712-19 3.b)
Information on names and registered offices of the undertakings proportionally consolidated pursuant to Art. 1712-17 . In addition, information on factors on which the management is based, and the proportion of capital held by the parent company, by the undertakings included in the consolidation or by persons acting on behalf of those undertakings.	Article 1712-19 4.

	Company Law
<p>Information on the names and registered offices of the undertakings, other than those referred to in points 2., 3. and 4. above, if shareholding (directly or through persons undertakings or persons acting on behalf of those undertakings) is > 20%.</p> <p>In addition, information on the proportion of capital held, amount of capital and reserves and the profit or loss for the latest financial year.</p> <p>HOWEVER: This information on the proportion of capital held, amount of capital and reserves and the profit or loss may be omitted where the undertaking concerned does not publish its balance sheet.</p>	<p>Article 1712-19 5.</p>
<p>The average number of staff employed during the financial year, broken down by categories, and if not disclosed separately, the staff costs relating to the financial year.</p>	<p>Article 1712-19 9.a)</p>
<p>The average number of staff employed during the financial year, by undertaking to which Art. 1712-17 (proportionally consolidated) has been applied shall be disclosed separately,</p>	<p>Article 1712-19 9.b)</p>
<p>The amount of the emoluments granted in respect of the financial year to the members of the administrative, managerial and supervisory bodies of the parent company by reason of their responsibilities in the parent company and its subsidiary undertakings, and any commitments arising or entered into in respect of retirement pensions for former members of those bodies.</p> <p>This information must be given as a total for each category.</p>	<p>Article 1712-19 12.</p>
<p>The amount of advances and loans granted to the members of the administrative, managerial and supervisory bodies of the parent company in the parent company and its subsidiary undertakings, with indications of the interest rates, main conditions and the amounts which may have been repaid, as well as commitments entered into on their behalf by way of guarantees of any kind.</p> <p>This information must be given as a total for each category.</p>	<p>Article 1712-19 13.</p>
<p>The total fees for the financial year received by each <i>réviseur d'entreprises agréé</i> [approved statutory auditor] or the <i>cabinet de révision agréé</i> [approved audit firm] for the statutory audit of the consolidated accounts and, the total fees received by each <i>réviseur d'entreprises agréé</i> [approved statutory auditor] or <i>cabinet de révision agréé</i> [approved audit firm] for other assurance services, for tax advisory services and for other non-audit services.</p>	<p>Article 1712-19 14.</p>



Presentation of the consolidated accounts

The layout of the balance sheet and profit and loss account for the annual account are prescribed by the Law, with the objective of achieving a coherence in the collection of the data.

As the consolidated accounts are not compiled in a structured way, a flexibility has been kept on the layout by allowing all acceptable formats described in the European Directive.

The other possible layouts, compared to the one foreseen in the Law, of balance sheet and profit and loss applicable for consolidated accounts are available in [Appendix 6](#).

In general, the layouts prescribed for the stand alone annual accounts shall be applied, without prejudice of the indispensable adjustments required due to the particular characteristics of consolidated accounts. In practice, main adjustments are related to additional captions required in the consolidated balance sheet as regards currency translation reserve and minority interests.

Publication

Art. 1780-2 mentions that “Consolidated accounts may, in addition to the publication in the currency or unit of account in which they are drawn up, be published in euro translated at the rate of exchange prevailing on the consolidated balance sheet date. The rate shall be published in the notes to the accounts”

NOTE 1 - GENERAL

[ABC] Company S.A. (the “Company”) was incorporated in the Grand-Duchy of Luxembourg on [include incorporation date] as a “Société anonyme”. Its registered office is established in Luxembourg at [include address].

The purpose of the Company is the holding of participating interests in other companies and the management, control and development of such participating interests.

The main activity/activities of the Group is/are [describe the main activities].

The Company’s financial year begins on 1 January [to adapt based on the company’s financial year] and ends on 31 December of each year. Group entities included in the scope of consolidation also have a financial year ending on 31 December [Specify group entities with a different financial year-end, which are consolidated based on interim accounts].

NOTE 2 - BASIS FOR PREPARATION, SCOPE OF CONSOLIDATION AND CONSOLIDATION POLICIES

2.1. General principles

We refer to our comments related to the annual accounts.

2.2. Critical accounting estimates

We refer to our comments related to the annual accounts.

2.3. Scope of consolidation

The consolidated annual accounts as at 31 December 20XX of the Company include its stand-alone annual accounts and those of all directly or indirectly majority owned subsidiaries (the “Group”). Subsidiaries are all entities over which the Company exercises control. Control is defined as the direct or indirect power to govern the financial and operating policies so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights owned by other entities, are considered when assessing whether the group

controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are no longer consolidated from the date that control ceases.

The Group and minority interests' share of profits or losses or changes in the net equity of subsidiaries are determined based on existing voting rights, without considering the effects of potential voting rights which are exercisable or convertible.

Joint ventures are operations that are jointly controlled by the Group and one or more other parties in accordance with contractual arrangements between parties. Those operations are consolidated using the proportional consolidation method [or the equity method of accounting].

Associates are all the entities over which the Group has significant influence, but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated value adjustment.

Entities included in the scope of consolidation are listed below:

Name	% of shares held 20XX	% of shares held 20XX-1	Country	Consolidation Method
[ABC] Company S.A./[S.à.r.l.]	N/A	N/A	Luxembourg	Parent company
[ABC 1]	[XX]%	[XX]%	[XX]	Full consolidation
[ABC 2]	[XX]%	[XX]%	[XX]	Full consolidation
[ABC 3]	[XX]%	[XX]%	[XX]	Full consolidation
[ABC 4]	[XX]%	[XX]%	[XX]	Proportional consolidation
[ABC 5]	[XX]%	[XX]%	[XX]	Proportional consolidation
[ABC 6]	[XX]%	[XX]%	[XX]	Equity method

[Insert additional columns in case % of voting rights (control) is different from the % of interest].

The main changes in the consolidation scope during the year/period are as follows:

- The companies [XX] were sold on [date] [Include details on impact on consolidated annual accounts if material];
- [ABC 2] S.A. [S.à r.l.], a limited company with its registered office in Luxembourg, was incorporated on [date]. [ABC] Company S.A. [S.à r.l.] is the sole shareholder;
- On [date], the Group acquired [XX]% of [ABC 3] S.A. [S.à r.l.] [Include details on impact on consolidated annual accounts if material].

[If applicable, insert the criteria of the client to determine entities not significant on an individual and aggregated basis and therefore excluded from the scope of consolidation. Examples of weight criteria may be in terms of turnover, total assets, profit/loss for the financial year or total equity. The weight of unconsolidated entities may be provided for the attention of the reader.

None of the unconsolidated companies' individual contributions to consolidated figures exceeds the followings:

- Turnover: CCY [XX] [please amend accordingly if not CCY]
- Total assets: CCY [XX] [please amend accordingly if not CCY] Their aggregated contribution does not exceed [x]% of the consolidated total assets].

2.4. Consolidation policies

2.4.1. General

The consolidated annual accounts include the balance sheet and profit and loss account of the Company and of its subsidiaries, as well as the present accompanying notes.

The accounts of the Group entities have been adjusted when necessary in order to comply with the Group's accounting policies.

2.4.2. Consolidation method

[Add any relevant comment on a method of consolidation used which would not be directly related to the % of control (ex. entities fully consolidated despite % is below 50%)]

2.4.3. Conversion

The annual accounts of all group entities included in the consolidation scope are expressed in CCY [to complete] with the exception of [XX] [include the name of the subsidiaries], which annual accounts are expressed in [XX].

For the purpose of presenting consolidated annual accounts, the assets and liabilities of the Group's foreign operations are expressed in CCY [to complete] using exchange rates prevailing at the balance sheet date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising are classified as equity and recognised in the Group's foreign currency translation reserve.

2.4.5. Balances and transactions between consolidated companies

All intercompany-balances and intercompany transactions have been eliminated.

2.4.6. Minority interests

The share of the minority shareholders in the net equity and in the net profit for the period of the subsidiaries is shown separately in the consolidated balance sheet and consolidated profit and loss account, respectively.

[If applicable, specify the treatment of negative minority interests. Please amend the following propositions if necessary, to reflect the group treatment.

If losses applicable to the minority interest in a subsidiary exceed the minority interest in the equity capital of the subsidiary, such excess and any further losses applicable to the minority interest are charged against the majority interest. However, where future earnings do materialise, the majority interest is credited to the extent of such losses previously absorbed.

Or

Losses attributable to the parent and the non-controlling interest in a subsidiary may exceed their interests in the subsidiary's equity. The excess, and any further losses attributable to the parent and the non-controlling interest, are attributed to those interests. That is, the non-controlling interest shall continue to be attributed to its share of losses even if that attribution results in a deficit non-controlling interest balance].

2.4.7. Profit and loss account

The figures in the profit and loss account for the acquired companies are reflected on a pro-rata basis in terms of their acquisition date in order to incorporate only the result since the acquisition date and until the date that control ceases.

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES

We refer to our comments related to the annual accounts. Only additional policies have been included in the below sections.

3.x Goodwill (residual goodwill acquired in the consolidation)

[negative first consolidation differences].

The difference between the acquisition price of the shares in the group entities included in the consolidation and their respective adjusted net book value at the date of the acquisition or at the date the group entity is included in the consolidation for the first time, is recorded as goodwill in the absence of identifiable assets or liabilities where this difference could be allocated. This goodwill is amortised on a straight line basis over the time the group considers that it will benefit from it.

[Such goodwill is amortised over [XX] years, in line with the estimated useful economic life as determined by management].

Or

[In exceptional cases where the useful life cannot be reliably estimated, goodwill is amortised over a period which shall not exceed 10 years.]

[An explanation of the period over which goodwill is written off shall be given].

3.13. Provision

Deferred tax provision

In addition to the disclosures at stand alone level, the following may be added, as relevant:

Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are also recognised for taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures in relation to undistributed profits.

NOTE X - MINORITY INTEREST

In [CCY]	20XX
Balance as at 31 December 20XX-1	[XX]
Minority share of the net profit of the year	[XX]
Variation of minority interests	[XX]
At 31 December 20XX	[XX]

The variation of the minority interest is related to [XX].

NOTE 30 - TAX ON RESULTS

The tax charge for the year is made up as follows:

In [CCY]	20XX	20XX-1
Current income tax	[XX]	[XX]
Deferred tax income [expense] (note [XX])	[XX]	[XX]
Total	[XX]	[XX]

ADDITIONAL POTENTIAL DISCLOSURES:

No specific disclosure is required to comment on the consolidated effective tax rate of the group, however we include below as format of “tax proof” disclosure which can be used as a reference for best practices.

The effective tax rate that emerges in the consolidated profit and loss accounts differs from the standard rate of tax applicable in Luxembourg. The analysis of the origins of this difference is presented below [please amend the break-down according to the result of your analysis]:

[To be presented in currency or %]	20XX	20XX-1
Accounting profit	[XX]	[XX]
Standard rate of tax applicable in Luxembourg (to be specified %) [please amend accordingly when the rate changes]		
Effect of income that is exempt from taxation	[XX]	[XX]
Effect of charges that are not deductible in determining taxable profit	[XX]	[XX]
Effect of revaluations of assets for taxation purposes	[XX]	[XX]
Effect of different tax rates of subsidiaries operating in other jurisdictions	[XX]	[XX]
Effect on deferred tax balances due to the change in income tax rate from xx% to xx% (effective [insert date])	[XX]	[XX]
Other	[XX]	[XX]
Total	[XX]	[XX]





Appendices

01 | Appendix - List of the main references to the Accounting and Company Laws

Please find below the list of the main references to the Law of 19 December 2002.

BALANCE SHEET

ASSETS	Description Art.	Valuation rules Art.	Notes Art.
A. SUBSCRIBED CAPITAL UNPAID			
I. Subscribed capital not called			
II. Subscribed capital called but unpaid			
B. FORMATION EXPENSES	53 (3)	53 (1)	53 (2), 39(3), 39(4)
C. FIXED ASSETS	39 (2), 55(2)	55	39 (3), 55(1) d, 55 (4), 64octies
I. Intangible assets	39(3)a)b), 55(1)	64sexies, 64 septies	55(4), 64 octies
1. Costs of development	59(3)	59 (1)	
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were			
a) acquired for valuable consideration and need not be shown under C.I.3			
b) created by the undertaking itself			
3. Goodwill, to the extent that it was acquired for valuable consideration		59 (2)	
4. Payments on account and intangible assets under development			
II. Tangible assets	39(3)a)b)	60, 64sexies, 64 septies	55(1), 64 octies
1. Land and buildings	40		
2. Plant and machinery			
3. Other fixtures and fittings, tools and equipment			
4. Payments on account and tangible assets in the course of construction			
III. Financial assets	58, 64ter, 39(3)	58, 64bis	64 bis, 64quinquies, 65 (1) 17°b
1. Shares in affiliated undertakings	41	58	65 (1) 2°, 67(3)
2. Loans to affiliated undertakings			
3. Participating interests	41	58	65 (1) 2°, 67 (1)
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	37 (2)		68 (3)
5. Investments held as fixed assets			
6. Other loans			

BALANCE SHEET
- continued -

	Description Art.	Valuation rules Art.	Notes Art.
D. CURRENT ASSETS		61(2)	55 (4), 61(1) c, 61 (1) e
I. Stocks		55 (3) (4), 60, 62	62 (2)
1. Raw materials and consumables			
2. Work in progress			
3. Finished goods and goods for resale			
4. Payments on account			
II. Debtors		61, 64bis	65 (1) 14*
1. Trade debtors			
a) becoming due and payable within one year			
b) becoming due and payable after more than one year			
2. Amounts owed by affiliated undertakings			
a) becoming due and payable within one year			
b) becoming due and payable after more than one year			
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests			
a) becoming due and payable within one year			
b) becoming due and payable after more than one year			
4. Other debtors			
a) becoming due and payable within one year			
b) becoming due and payable after more than one year			
III. Investments		61, 62, 64bis	64 quinquies, 64 octies
1. Shares in affiliated undertakings			65 (1) 2°, 67 (1) (3), 67(3)
2. Own shares	37 (2)		
3. Other investments		61(1)	64 bis, 64ter, 64quinquies
IV. Cash at bank and in hand			
E. PREPAYMENTS	42		

BALANCE SHEET
- continued -

CAPITAL, RESERVES AND LIABILITIES	Description Art.	Valuation rules Art.	Notes Art.
A. CAPITAL AND RESERVES			
I. Subscribed capital	430-12, 710-6		65 (1) 3°, 4°, 5°
II. Share premium account			
III. Revaluation reserve	64 quater, 64 septies, 64 nonies, 72ter		64 quinquies
IV. Reserves			
1. Legal reserve	461-1, 710-23		
2. Reserve for own shares	430-18, 430-22		68 (3)
3. Reserves provided for by the articles of association			
4. Other reserves, including the fair value reserve			
a) Other available reserves			
b) Other non available reserves			
V. Profit or loss brought forward			
VI. Profit or loss for the financial year			
VII. Interim dividends		461-3	
VIII. Capital investment subsidies			
B. PROVISIONS	44	64	
1. Provisions for pensions and similar obligations			
2. Provisions for taxation			65 (1) 11°, 65(1) 5°
3. Other provisions			°
C. CREDITORS		63	65 (1) 6°, 65(1) 14°
1. Debenture loans		64 bis	
a) Convertible loans			65 (1) 5°
i) becoming due and payable within one year			
ii) becoming due and payable after more than one year			
b) Non convertible loans			
i) becoming due and payable within one year			
ii) becoming due and payable after more than one year			

BALANCE SHEET
- continued -

	Description Art.	Valuation rules Art.	Notes Art.
2.	Amounts owed to credit institutions		
	a) becoming due and payable within one year		
	b) becoming due and payable after more than one year		
3.	Payments received on account of orders in so far as they are not shown separately as deductions from stocks		
	a) becoming due and payable within one year		
	b) becoming due and payable after more than one year		
4.	Trade creditors		
	a) becoming due and payable within one year		
	b) becoming due and payable after more than one year		
5.	Bills of exchange payable		
	a) becoming due and payable within one year		
	b) becoming due and payable after more than one year		
6.	Amounts owed to affiliated undertakings		65(1)6°
	a) becoming due and payable within one year		
	b) becoming due and payable after more than one year		
7.	Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests		
	a) becoming due and payable within one year		
	b) becoming due and payable after more than one year		
8.	Other creditors		
	a) Tax authorities		65 (1)11°
	b) Social security authorities		
	c) Other creditors		
	i) becoming due and payable within one year		
	ii) becoming due and payable after more than one year		
D.	DEFERRED INCOME	45	

PROFIT AND LOSS ACCOUNT

	Description Art.	Notes Art.
1. Net turnover	48	65 (1)8°, 67(1), 67(2)
2. Variation in stocks of finished goods and in work in progress		
3. Work performed by the undertaking for its own purposes and capitalised		
4. Other operating income		49
5. Raw materials and consumables and other external expenses		
a) Raw materials and consumables		
b) Other external expenses		49
6. Staff costs		
a) wages and salaries		65(1)9°
b) Social security costs		
i) relating to pensions		65(1)12°, 65(1)18°
ii) other social security costs		
c) Other staff costs		65(1)13°
7. Value adjustments		
a) in respect of formation expenses and of tangible and intangible fixed assets		39(3), 55(1)
b) in respect of current assets		61(1)d
8. Other operating expenses		49
9. Income from participating interests		
a) derived from affiliated undertakings		
b) other income from participating interests		
10. Income from other investments and loans forming part of the fixed assets		
a) derived from affiliated undertakings		
b) other income not included under a)		
11. Other interest receivable and similar income		
a) derived from affiliated undertakings		
b) other interest and similar income		
12. Share of profit or loss of undertakings accounted for under the equity method		
13. Value adjustments in respect of financial assets and of investments held as current assets		
14. Interest payable and similar expenses		
a) concerning affiliated undertakings		
b) other interest and similar expenses		
15. Tax on profit or loss		65(1)11°
16. Profit or loss after taxation		
17. Other taxes not shown under items 1 to 16		
18. Profit or loss for the financial year		

02 | Appendix - guidance on disclosure of the *réviseur d'entreprises agréé*'s fees in the notes to the statutory and consolidated annual accounts

There are two requirements for disclosure of the *réviseur d'entreprises agréé*'s fees in the notes to the annual accounts.

- a) **Art. 65 (1)** of the accounting law requires large entities to disclose information on the total fees for the financial year received by each *réviseur d'entreprises agréé* for the statutory audit of the annual accounts and for other assurance services, for tax advisory services and for other non-audit services.
- b) EU Regulation 537/2014, for audits of financial statements of public interest entities requires disclosure of information on any services, in addition to the audit, which were provided by the approved audit firm to the audited entity and its controlled undertakings, and which have not been disclosed in the management report or financial statements.

DISCLOSURE REQUIREMENTS UNDER a)

Fee category	Notes	Year N	Year N-1
Audit fees	1		
Audit-related fees	2		
Tax fees	3		
Other fees	4		
Total			

Notes	Description	Guideline (non exhaustive)
1	<p>Audit Fees in company accounts consist of fees billed for the audit of the company's annual accounts. Audit Fees in consolidated accounts consist of fees billed for the audit of the company's accounts and the statutory annual accounts of the company's subsidiaries. It comprises audit fees relating to the reporting to the head office of the audited entity.</p> <p>Audit Fees also include fees billed for other audit services, which are those services that only the external auditor reasonably can provide, such as in connection with statutory, regulatory or other filings of financial or non-financial information.</p>	<ul style="list-style-type: none"> • Statutory audit of annual accounts and consolidated accounts, • Audit of group reporting
2	<p>Audit-Related Fees consist of fees billed for assurance and related services that are related to the performance of the audit or review of historical financial information or that are traditionally performed by the statutory auditor, and which are not reported under "Audit Fees". Audit-Related Fees include other attest engagements and comfort and consent letters in connection with regulatory filings and financing transactions.</p>	<ul style="list-style-type: none"> • Contractual audit of annual accounts, • Assurance engagements other than audits or reviews of historical financial information. • Quarterly reviews, • Regulatory reports • Engagements to review financial statements or prospective financial information, • Contribution-in-kind report, • Regulatory compliance reviews, • Internal control reviews, • Consultations concerning financial accounting and reporting standards, • Merger and division report, • "Commissaire à la liquidation", • Interim dividend report,

- Comfort / consent letters in relation to financing transactions.

<i>Notes</i>	<i>Description</i>	<i>Guideline (non exhaustive)</i>
3	Tax Fees include fees for services relating to the preparation and review of tax returns and related compliance assistance and advice, tax consultation and advice relating to Group tax strategies and assistance with assessing compliance with tax regulations.	
4	All Other Fees comprise all other services not included in any of the other categories noted above. Material "Other fees" should be disclosed in a specific caption (Information technology services, internal audit...) or be subject to adequate narrative information. All other non-material fees should be disclosed into the caption "Other fees".	<ul style="list-style-type: none"> • Engagements to perform agreed-upon procedures regarding financial information, • Engagements to compile financial information, • "Certification du décompte financier dans le cadre de la formation professionnelle continue", • "Contrôle des dépenses de production éligibles à l'octroi de certificats d'investissement audiovisuel".

DISCLOSURE REQUIREMENTS UNDER b)

There is no specific requirement to include the amount of fees for those services. Best practice would be to provide a description of the services rendered related to each category.

If this disclosure is not made in the notes, or the management report, then there is a need to disclose this information in the audit opinion.

Categories

- Audit
- Audit-related
- Tax
- Other permissible non-audit services
- Total**



03 | Appendix - Practical aspects of the filing process

All companies must file their accounting package¹⁰⁷ electronically. The procedures of filing depends on whether or not the company is subject to the Standard Chart of Accounts (the “SCA”). For both procedures, you need a LuxTrust certificate to register on the eCDF platform and on the Luxembourg Business Registers website.

Companies subject to the SCA are listed in Article 8 of the Commercial Code with the following exceptions:

- Companies subject to article 13 of the Commercial Code;
- Financial Contribution Companies as described within [Article 31](#) of the Accounting Law;
- Companies who obtained a waiver as per [Article 27](#) of the Accounting Law;
- Companies subject to the preparation of accounting documents in compliance with the IFRS.

Circular RCSL 12/1 of 27 March 2012 precises the filing procedure to follow as prescribed by the Grand-Ducal Regulation of 14 December 2011 and the Grand-Ducal Regulation of 12 September 2019 that determines the filing procedure, as well as the presentation of annual accounts and arithmetic and logical monitoring conditions. The new Grand-Ducal Regulation issued in 2019 also introduced a [new official mapping table](#) between the SCA and the balance sheet and profit and loss account.

1 – Filing process for companies subject to the Standard Chart of Accounts

The State of Luxembourg provides companies with an electronic financial data collection platform named “eCDF” in order to collect the accounting documents (balance sheet, profit and loss account, and trial balance) prior to their submission to the Luxembourg Business Registers.

As a first step, the company must use standardised forms to file the accounting documents on the eCDF platform. The forms are available in the French, German and English languages. The user can either input the financial accounting documents on eCDF or download the financial data as an XML file generated by the accounting software. The information collected is named “structured documents”.

As a second step, the Company must log onto the Luxembourg Business Registers website in order to file the additional required documents, notably the non-structured documents. Such documents must be in PDF/A format. It is recommended to present the non-structured documents in the following order: notes to the annual accounts, management report and audit report if applicable, and any other documents required by the Accounting and Commercial Laws.



¹⁰⁷ Accounting package includes annual accounts, trial balance in accordance with the Standard Chart of Accounts, all deeds and extract documents required by the Accounting and Commercial Laws.

2 – Filing process for companies not subject to the Standard Chart of Accounts

These companies must file the annual accounts and the additional required documents directly on the Luxembourg Business Registers website using the PDF/A format.

Luxembourg Business Registers website (www.lbr.lu)

- Annual accounts (balance sheet, profit and loss account, and notes to the accounts)
- Additional required documents

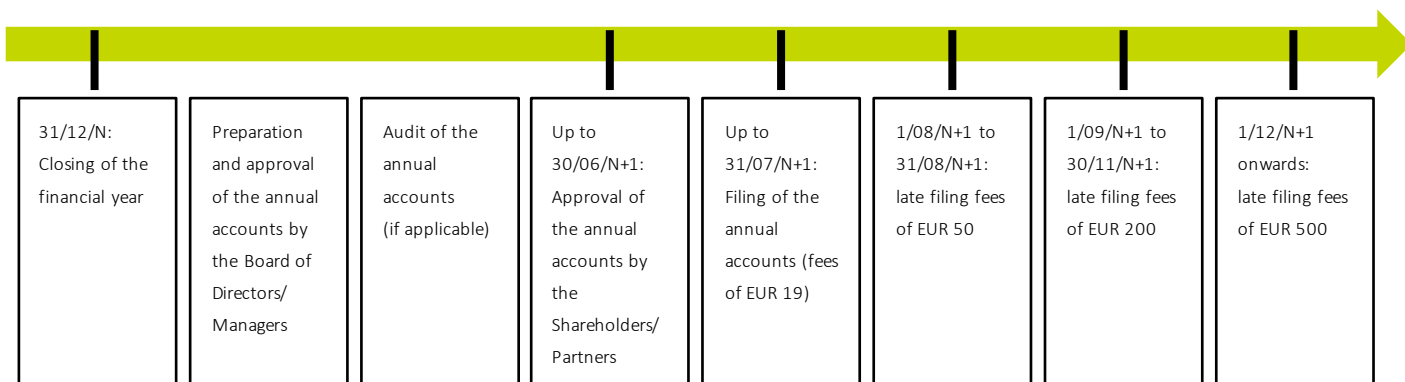
3 – Timeframe

Companies must file their annual accounts, if applicable the management report and the auditor’s report with the Luxembourg Business Registers website within a month of their approval and at the latest seven months after the end of the calendar year.

Fees for filing the annual accounts in due time with the Luxembourg Business Registers amount to EUR 19 per filing. As from 1 January 2017, in case of late filing of the annual accounts, below higher fees will be applied as set by appendix J of Grand-Ducal Regulation of 27 May 2016:

- EUR 50,00 as from the 8th month after the closing of the financial year;
- EUR 200,00 between the 9th and the 11th month after the closing of the financial year;
- EUR 500,00 as from the 12th month after the closing of the financial year.

Assuming a financial year closing on 31 December, the following timeline provides an overview of the legal deadlines and fees which will be charged for the filing of standalone and consolidated accounts:





04 | Appendix - eCDF format

- Balance sheet and profit and loss account



Balance sheet

Annual Accounts Helpdesk :
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RCSL Nr. : _____ Matricule : _____

BALANCE SHEET

Financial year from 01 _____ /2020 to 02 _____ (In 03 _____)

ASSETS

	Reference(s)	Current year	Previous year
A. Subscribed capital unpaid	1101 _____	101 _____	102 _____
I. Subscribed capital not called	1102 _____	103 _____	104 _____
II. Subscribed capital called but unpaid	1105 _____	105 _____	106 _____
B. Formation expenses	1107 _____	107 _____	108 _____
C. Fixed assets	1109 _____	109 _____	110 _____
I. Intangible assets	1111 _____	111 _____	112 _____
1. Costs of development	1113 _____	113 _____	114 _____
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115 _____	115 _____	116 _____
a) acquired for valuable consideration and need not be shown under C.1.3	1117 _____	117 _____	118 _____
b) created by the undertaking itself	1119 _____	119 _____	120 _____
3. Goodwill, to the extent that it was acquired for valuable consideration	1121 _____	121 _____	122 _____
4. Payments on account and intangible assets under development	1123 _____	123 _____	124 _____
II. Tangible assets	1125 _____	125 _____	126 _____
1. Land and buildings	1127 _____	127 _____	128 _____
2. Plant and machinery	1129 _____	129 _____	130 _____

The notes in the annex form an integral part of the annual accounts

Balance sheet (continued)

RCSL Nr. :	Matricule :
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	Reference(s)	Current year	Previous year
3. Other fixtures and fittings, tools and equipment	1131 _____	131 _____	132 _____
4. Payments on account and tangible assets in the course of construction	1133 _____	133 _____	134 _____
III. Financial assets	1135 _____	135 _____	136 _____
1. Shares in affiliated undertakings	1137 _____	137 _____	138 _____
2. Loans to affiliated undertakings	1139 _____	139 _____	140 _____
3. Participating interests	1141 _____	141 _____	142 _____
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143 _____	143 _____	144 _____
5. Investments held as fixed assets	1145 _____	145 _____	146 _____
6. Other loans	1147 _____	147 _____	148 _____
D. Current assets	1151 _____	151 _____	152 _____
I. Stocks	1153 _____	153 _____	154 _____
1. Raw materials and consumables	1155 _____	155 _____	156 _____
2. Work in progress	1157 _____	157 _____	158 _____
3. Finished goods and goods for resale	1159 _____	159 _____	160 _____
4. Payments on account	1161 _____	161 _____	162 _____
II. Debtors	1163 _____	163 _____	164 _____
1. Trade debtors	1165 _____	165 _____	166 _____
a) becoming due and payable within one year	1167 _____	167 _____	168 _____
b) becoming due and payable after more than one year	1169 _____	169 _____	170 _____
2. Amounts owed by affiliated undertakings	1171 _____	171 _____	172 _____
a) becoming due and payable within one year	1173 _____	173 _____	174 _____
b) becoming due and payable after more than one year	1175 _____	175 _____	176 _____
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177 _____	177 _____	178 _____
a) becoming due and payable within one year	1179 _____	179 _____	180 _____
b) becoming due and payable after more than one year	1181 _____	181 _____	182 _____
4. Other debtors	1183 _____	183 _____	184 _____
a) becoming due and payable within one year	1185 _____	185 _____	186 _____
b) becoming due and payable after more than one year	1187 _____	187 _____	188 _____

The notes in the annex form an integral part of the annual accounts

Balance sheet (continued)

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RCSL Nr. :	Matricule :
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	Reference(s)	Current year	Previous year
III. Investments	1180 _____	189 _____	190 _____
1. Shares in affiliated undertakings	1191 _____	191 _____	192 _____
2. Own shares	1200 _____	200 _____	210 _____
3. Other investments	1195 _____	195 _____	196 _____
IV. Cash at bank and in hand	1197 _____	197 _____	198 _____
E. Prepayments	1190 _____	199 _____	200 _____
TOTAL (ASSETS)		201 _____	202 _____

The notes in the annex form an integral part of the annual accounts

Balance sheet (continued)

RCSL Nr. :	Matricule :
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CAPITAL, RESERVES AND LIABILITIES

	Reference(s)	Current year	Previous year
A. Capital and reserves			
I. Subscribed capital	1301	301	302
II. Share premium account	1303	303	304
III. Revaluation reserve	1305	305	306
IV. Reserves	1307	307	308
1. Legal reserve	1309	309	310
2. Reserve for own shares	1311	311	312
3. Reserves provided for by the articles of association	1313	313	314
4. Other reserves, including the fair value reserve	1315	315	316
a) other available reserves	1420	420	430
b) other non available reserves	1431	431	432
V. Profit or loss brought forward	1433	433	434
VI. Profit or loss for the financial year	1310	310	320
VII. Interim dividends	1321	321	322
VIII. Capital investment subsidies	1323	323	324
	1325	325	326
B. Provisions	1331	331	332
1. Provisions for pensions and similar obligations	1333	333	334
2. Provisions for taxation	1335	335	336
3. Other provisions	1337	337	338
C. Creditors	1435	435	436
1. Debenture loans	1437	437	438
a) Convertible loans	1439	439	440
i) becoming due and payable within one year	1441	441	442
ii) becoming due and payable after more than one year	1443	443	444
b) Non convertible loans	1445	445	446
i) becoming due and payable within one year	1447	447	448
ii) becoming due and payable after more than one year	1449	449	450
2. Amounts owed to credit institutions	1355	355	356
a) becoming due and payable within one year	1357	357	358
b) becoming due and payable after more than one year	1359	359	360

The notes in the annex form an integral part of the annual accounts

Balance sheet (continued)

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RCSL Nr. :	Matricule :
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	Reference(s)	Current year	Previous year
3. Payments received on account of orders in so far as they are not shown separately as deductions from stocks	1361 _____	361 _____	362 _____
a) becoming due and payable within one year	1363 _____	363 _____	364 _____
b) becoming due and payable after more than one year	1365 _____	365 _____	366 _____
4. Trade creditors	1367 _____	367 _____	368 _____
a) becoming due and payable within one year	1369 _____	369 _____	370 _____
b) becoming due and payable after more than one year	1371 _____	371 _____	372 _____
5. Bills of exchange payable	1373 _____	373 _____	374 _____
a) becoming due and payable within one year	1375 _____	375 _____	376 _____
b) becoming due and payable after more than one year	1377 _____	377 _____	378 _____
6. Amounts owed to affiliated undertakings	1379 _____	379 _____	380 _____
a) becoming due and payable within one year	1381 _____	381 _____	382 _____
b) becoming due and payable after more than one year	1383 _____	383 _____	384 _____
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385 _____	385 _____	386 _____
a) becoming due and payable within one year	1387 _____	387 _____	388 _____
b) becoming due and payable after more than one year	1389 _____	389 _____	390 _____
8. Other creditors	1451 _____	451 _____	452 _____
a) Tax authorities	1393 _____	393 _____	394 _____
b) Social security authorities	1395 _____	395 _____	396 _____
c) Other creditors	1397 _____	397 _____	398 _____
i) becoming due and payable within one year	1399 _____	399 _____	400 _____
ii) becoming due and payable after more than one year	1401 _____	401 _____	402 _____
D. Deferred income	1403 _____	403 _____	404 _____
TOTAL (CAPITAL, RESERVES AND LIABILITIES)		405 _____	406 _____

The notes in the annex form an integral part of the annual accounts

Profit and loss account

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RCSL Nr. :	Matricule :
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PROFIT AND LOSS ACCOUNT

Financial year from 01 ____/2020 to 03 ____ (In 03 ____)

	Reference(s)	Current year	Previous year
1. Net turnover	1701 _____	701 _____	702 _____
2. Variation in stocks of finished goods and in work in progress	1703 _____	703 _____	704 _____
3. Work performed by the undertaking for its own purposes and capitalised	1705 _____	705 _____	706 _____
4. Other operating income	1713 _____	713 _____	714 _____
5. Raw materials and consumables and other external expenses	1671 _____	671 _____	672 _____
a) Raw materials and consumables	1601 _____	601 _____	602 _____
b) Other external expenses	1603 _____	603 _____	604 _____
6. Staff costs	1605 _____	605 _____	606 _____
a) Wages and salaries	1607 _____	607 _____	608 _____
b) Social security costs	1609 _____	609 _____	610 _____
I) relating to pensions	1653 _____	653 _____	654 _____
II) other social security costs	1655 _____	655 _____	656 _____
c) Other staff costs	1613 _____	613 _____	614 _____
7. Value adjustments	1657 _____	657 _____	658 _____
a) in respect of formation expenses and of tangible and intangible fixed assets	1659 _____	659 _____	660 _____
b) in respect of current assets	1661 _____	661 _____	662 _____
8. Other operating expenses	1621 _____	621 _____	622 _____

The notes in the annex form an integral part of the annual accounts

Profit and loss account (continued)

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RCSL Nr. :	Matricule :
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	Reference(s)	Current year	Previous year
9. Income from participating interests	1715 _____	715 _____	716 _____
a) derived from affiliated undertakings	1717 _____	717 _____	718 _____
b) other income from participating interests	1719 _____	719 _____	720 _____
10. Income from other investments and loans forming part of the fixed assets	1721 _____	721 _____	722 _____
a) derived from affiliated undertakings	1723 _____	723 _____	724 _____
b) other income not included under a)	1725 _____	725 _____	726 _____
11. Other interest receivable and similar income	1727 _____	727 _____	728 _____
a) derived from affiliated undertakings	1729 _____	729 _____	730 _____
b) other interest and similar income	1731 _____	731 _____	732 _____
12. Share of profit or loss of undertakings accounted for under the equity method	1663 _____	663 _____	664 _____
13. Value adjustments in respect of financial assets and of investments held as current assets	1665 _____	665 _____	666 _____
14. Interest payable and similar expenses	1627 _____	627 _____	628 _____
a) concerning affiliated undertakings	1629 _____	629 _____	630 _____
b) other interest and similar expenses	1631 _____	631 _____	632 _____
15. Tax on profit or loss	1625 _____	625 _____	626 _____
16. Profit or loss after taxation	1667 _____	667 _____	668 _____
17. Other taxes not shown under items 1 to 16	1627 _____	627 _____	628 _____
18. Profit or loss for the financial year	1669 _____	669 _____	670 _____

The notes in the annex form an integral part of the annual accounts

- Abridged balance sheet and abridged profit and loss account



Abridged balance sheet

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RCSL Nr. :

Matricule :

ABRIDGED BALANCE SHEET

Financial year from 01 ____ /2020 **to** 03 ____ (01 03 ____)

ASSETS

	Reference(s)	Current year	Previous year
A. Subscribed capital unpaid	1101 _____	101 _____	102 _____
I. Subscribed capital not called	1103 _____	103 _____	104 _____
II. Subscribed capital called but unpaid	1105 _____	105 _____	106 _____
B. Formation expenses	1107 _____	107 _____	108 _____
C. Fixed assets	1109 _____	109 _____	110 _____
I. Intangible assets	1111 _____	111 _____	112 _____
II. Tangible assets	1125 _____	125 _____	126 _____
III. Financial assets	1135 _____	135 _____	136 _____
D. Current assets	1151 _____	151 _____	152 _____
I. Stocks	1153 _____	153 _____	154 _____
II. Debtors	1163 _____	163 _____	164 _____
a) becoming due and payable within one year	1203 _____	203 _____	204 _____
b) becoming due and payable after more than one year	1205 _____	205 _____	206 _____
III. Investments	1180 _____	180 _____	180 _____
IV. Cash at bank and in hand	1197 _____	197 _____	198 _____
E. Prepayments	1190 _____	190 _____	200 _____
TOTAL (ASSETS)		201 _____	202 _____

The notes in the annex form an integral part of the annual accounts

Abridged balance sheet (continued)

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RCSL Nr. :	Matricule :
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CAPITAL, RESERVES AND LIABILITIES
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	Reference(s)	Current year	Previous year
A. Capital and reserves			
I. Subscribed capital	1301 _____	301 _____	302 _____
II. Share premium account	1303 _____	303 _____	304 _____
III. Revaluation reserve	1305 _____	305 _____	306 _____
IV. Reserves	1307 _____	307 _____	308 _____
V. Profit or loss brought forward	1309 _____	309 _____	310 _____
VI. Profit or loss for the financial year	1310 _____	310 _____	320 _____
VII. Interim dividends	1321 _____	321 _____	322 _____
VIII. Capital investment subsidies	1323 _____	323 _____	324 _____
	1325 _____	325 _____	326 _____
B. Provisions	1331 _____	331 _____	332 _____
C. Creditors	1425 _____	435 _____	436 _____
a) becoming due and payable within one year	1453 _____	453 _____	454 _____
b) becoming due and payable after more than one year	1455 _____	455 _____	456 _____
D. Deferred income	1403 _____	403 _____	404 _____
TOTAL (CAPITAL, RESERVES AND LIABILITIES)		405 _____	406 _____

The notes in the annex form an integral part of the annual accounts

Abridged profit and loss account

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RCSL Nr. : _____ Matricule : _____

ABRIDGED PROFIT AND LOSS ACCOUNT

Financial year from 01 _____ /2020 to 03 _____ (In 03 _____)

	Reference(s)	Current year	Previous year
1. to 5. Gross profit or loss	1051 _____	051 _____	052 _____
6. Staff costs	1005 _____	005 _____	006 _____
a) Wages and salaries	1007 _____	007 _____	008 _____
b) Social security costs	1009 _____	009 _____	010 _____
i) relating to pensions	1053 _____	053 _____	054 _____
ii) other social security costs	1055 _____	055 _____	056 _____
c) Other staff costs	1013 _____	013 _____	014 _____
7. Value adjustments	1057 _____	057 _____	058 _____
a) in respect of formation expenses and of tangible and intangible fixed assets	1059 _____	059 _____	060 _____
b) in respect of current assets	1061 _____	061 _____	062 _____
8. Other operating expenses	1021 _____	021 _____	022 _____

The notes in the annex form an integral part of the annual accounts

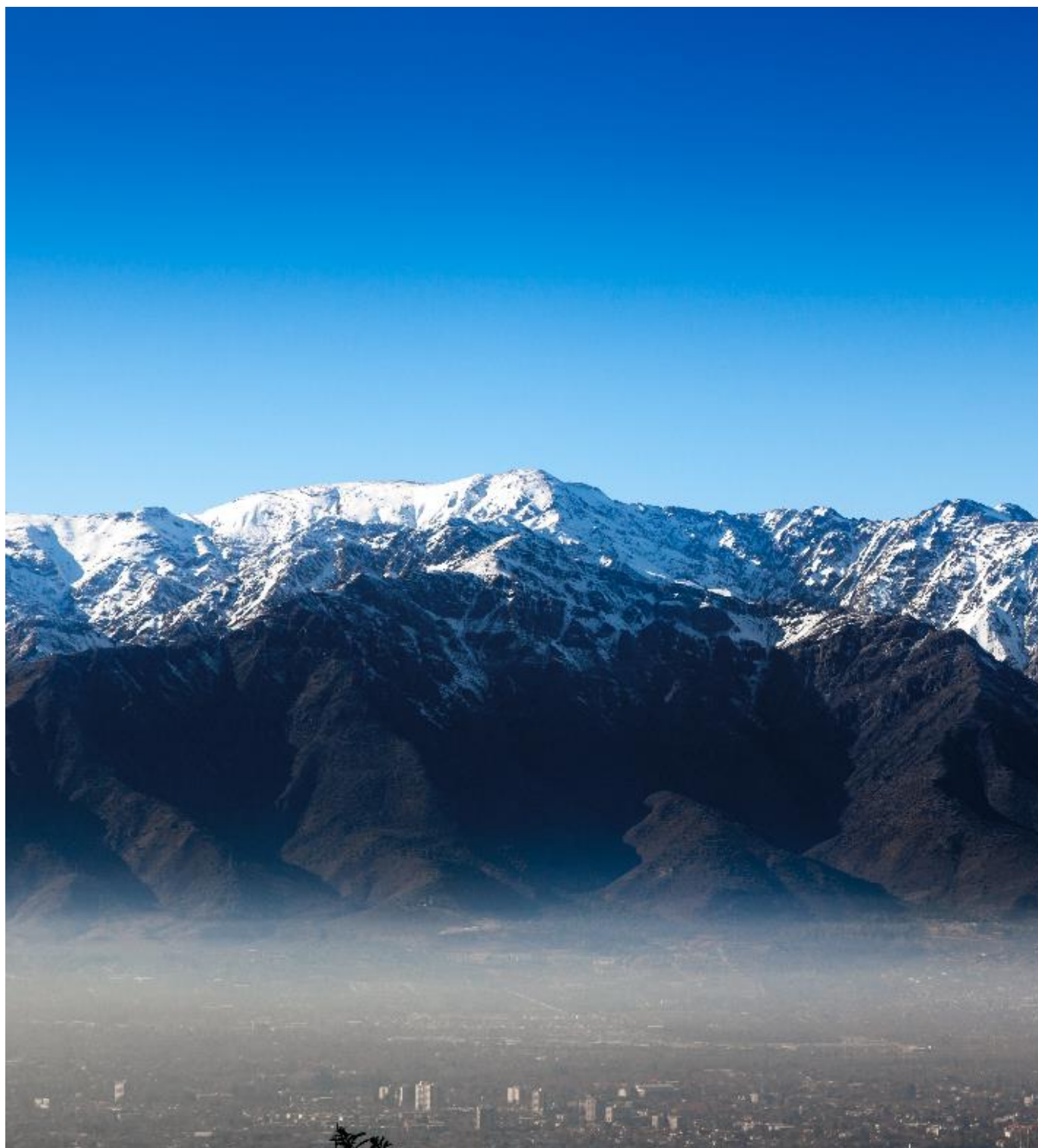
Abridged profit and loss account (continued)

RCSL Nr. :	Matricule :
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	Reference(s)	Current year	Previous year
9. Income from participating interests	1715 _____	715 _____	716 _____
a) derived from affiliated undertakings	1717 _____	717 _____	718 _____
b) other income from participating interests	1719 _____	719 _____	720 _____
10. Income from other investments and loans forming part of the fixed assets	1721 _____	721 _____	722 _____
a) derived from affiliated undertakings	1723 _____	723 _____	724 _____
b) other income not included under a)	1725 _____	725 _____	726 _____
11. Other interest receivable and similar income	1727 _____	727 _____	728 _____
a) derived from affiliated undertakings	1729 _____	729 _____	730 _____
b) other interest and similar income	1731 _____	731 _____	732 _____
12. Share of profit or loss of undertakings accounted for under the equity method	1603 _____	603 _____	604 _____
13. Value adjustments in respect of financial assets and of investments held as current assets	1605 _____	605 _____	606 _____
14. Interest payable and similar expenses	1627 _____	627 _____	628 _____
a) concerning affiliated undertakings	1629 _____	629 _____	630 _____
b) other interest and similar expenses	1631 _____	631 _____	632 _____
15. Tax on profit or loss	1635 _____	635 _____	636 _____
16. Profit or loss after taxation	1667 _____	667 _____	668 _____
17. Other taxes not shown under items 1 to 16	1637 _____	637 _____	638 _____
18. Profit or loss for the financial year	1609 _____	609 _____	670 _____

The notes in the annex form an integral part of the annual accounts

05 | Appendix - Standard chart of accounts (PCN)



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STANDARD CHART OF ACCOUNTS

Financial year from 01 ____/2020 to 02 ____ (in 03 ____)

Class 1. EQUITY, PROVISIONS AND FINANCIAL LIABILITIES ACCOUNTS

	Net debit balance	Net credit balance
10 Subscribed capital or branches' assigned capital and owner's account		
101 Subscribed capital	0101 _____	0102 _____
102 Subscribed capital not called	0103 _____	0104 _____
103 Subscribed capital called but unpaid	0105 _____	0106 _____
104 Capital of individual companies, corporate partnerships and similar	0107 _____	0108 _____
105 Endowment of branches	0109 _____	0110 _____
106 Account of the owner or the co-owners	0111 _____	0112 _____
11 Share premium and similar premiums		
111 Share premium	0113 _____	0120 _____
112 Merger premium	0121 _____	0122 _____
113 Contribution premium	0123 _____	0124 _____
114 Premiums on conversion of bonds into shares	0125 _____	0126 _____
115 Capital contribution without issue of shares	0127 _____	0128 _____
12 Revaluation reserves		
122 Reserves in application of the equity method	2401 _____	2402 _____
123 Temporarily not taxable currency translation adjustments	0129 _____	0136 _____
128 Other revaluation reserves	0137 _____	0138 _____
13 Reserves		
131 Legal reserve	0139 _____	0140 _____
132 Reserves for own shares or own corporate units	0141 _____	0144 _____
133 Reserves provided for by the articles of association	0142 _____	0146 _____
138 Other reserves, including fair-value reserve	0143 _____	0148 _____
1381 Other reserves available for distribution	2403 _____	2406 _____
1382 Other reserves not available for distribution	2404 _____	2408 _____
13821 Reserve for net wealth tax (NWT)	0151 _____	0154 _____
13822 Reserves in application of fair value	0152 _____	0152 _____

RCSL Nr. :	Matricule :
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	Net debit balance	Net credit balance
13823 Temporarily not taxable capital gains	0175 _____	0176 _____
138231 Temporarily not taxable capital gains to reinvest	0177 _____	0178 _____
138232 Temporarily not taxable capital gains reinvested	0179 _____	0180 _____
13828 Reserves not available for distribution not mentioned above	2408 _____	2410 _____
14 Result for the financial year and results brought forward	0157 _____	0158 _____
141 Results brought forward	0159 _____	0160 _____
1411 Results brought forward in the process of assignment	2411 _____	2412 _____
1412 Results brought forward (assigned)	2413 _____	2414 _____
142 Result for the financial year	2055 _____	2056 _____
15 Interim dividends	0163 _____	0164 _____
16 Capital investment subsidies	2415 _____	2416 _____
161 Subsidies on intangible fixed assets	2417 _____	2418 _____
1611 Development costs	2419 _____	2420 _____
1612 Concessions, patents, licences, trademarks and similar rights and assets	2421 _____	2422 _____
16121 acquired against payment (except Goodwill)	2423 _____	2424 _____
16122 created by the undertaking itself	2425 _____	2426 _____
1613 Goodwill acquired for consideration	2427 _____	2428 _____
162 Subsidies on tangible fixed assets	0165 _____	0166 _____
1621 Subsidies on land, fitting-outs and buildings	0167 _____	0168 _____
1622 Subsidies on plant and machinery	0169 _____	0170 _____
1623 Subsidies on other fixtures, fittings, tools and equipment (including rolling stock)	0171 _____	0172 _____
168 Other capital investment subsidies	0173 _____	0174 _____
18 Provisions	0181 _____	0182 _____
181 Provisions for pensions and similar obligations	0183 _____	0184 _____
182 Provisions for taxation	0185 _____	0186 _____
183 Deferred tax provisions	0187 _____	0188 _____
188 Other provisions	0197 _____	0198 _____
1881 Operating provisions	0199 _____	0200 _____
1882 Financial provisions	0201 _____	0202 _____
19 Debenture loans and amounts owed to credit institutions	2429 _____	2430 _____
192 Convertible debenture loans	0221 _____	0222 _____
1921 due and payable within one year	0223 _____	0224 _____
1922 due and payable after more than one year	0225 _____	0226 _____
193 Non-convertible debenture loans	0227 _____	0228 _____
1931 due and payable within one year	0229 _____	0230 _____
1932 due and payable after more than one year	0231 _____	0232 _____
194 Amounts owed to credit institutions	0233 _____	0234 _____
1941 due and payable within one year	0235 _____	0236 _____
1942 due and payable after more than one year	0237 _____	0238 _____

RCSL Nr. :	Matricule :
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Class 2. FORMATION EXPENSES AND FIXED ASSETS ACCOUNTS

	Net debit balance	Net credit balance
20 Formation expenses and similar expenses	0201 _____	0202 _____
201 Set-up and start-up costs	2401 _____	2402 _____
203 Expenses for increases in capital and for various operations (merger, demerger, change of legal form)	0301 _____	0302 _____
204 Loan issuances expenses	0303 _____	0304 _____
208 Other similar expenses	0305 _____	0306 _____
21 Intangible fixed assets	0307 _____	0308 _____
211 Development costs	2403 _____	2404 _____
212 Concessions, patents, licences, trademarks and similar rights and assets	0311 _____	0312 _____
2121 acquired for consideration (except Goodwill)	0313 _____	0314 _____
21211 Concessions	0315 _____	0316 _____
21212 Patents	0317 _____	0318 _____
21213 Software licences	0319 _____	0320 _____
21214 Trademarks and franchises	0321 _____	0322 _____
21215 Similar rights and assets	0323 _____	0324 _____
212151 Copyrights and reproduction rights	0325 _____	0326 _____
212152 Greenhouse gas and similar emission quotas	0327 _____	0328 _____
212158 Other similar rights and assets acquired for consideration	0329 _____	0330 _____
2122 created by the undertaking itself	0331 _____	0332 _____
21221 Concessions	0333 _____	0334 _____
21222 Patents	0335 _____	0336 _____
21223 Software licences	0337 _____	0338 _____
21224 Trademarks and franchises	0339 _____	0340 _____
21225 Similar rights and assets	0341 _____	0342 _____
212251 Copyrights and reproduction rights	0343 _____	0344 _____
212258 Other similar rights and assets created by the undertaking itself	0345 _____	0346 _____
213 Goodwill acquired for consideration	0349 _____	0350 _____
214 Down payments and intangible fixed assets under development	0351 _____	0352 _____
22 Tangible fixed assets	0359 _____	0360 _____
221 Land, fixtures and fitting-outs and buildings	0361 _____	0362 _____
2211 Land	0363 _____	0364 _____
22111 Land in Luxembourg	2405 _____	2406 _____
221111 Developed land	0371 _____	0374 _____
221112 Property rights and similar	2407 _____	2408 _____
221118 Other land	2409 _____	2410 _____

RCSL Nr. :	Matricule :
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	Net debit balance	Net credit balance
22112 Land in foreign countries	2441 _____	2442 _____
2212 Fixtures and fittings-out of land	0277 _____	0278 _____
22121 Fixtures and fitting-outs of land in Luxembourg	2443 _____	2444 _____
22122 Fixtures and fitting-outs of land in foreign countries	2445 _____	2446 _____
2213 Buildings	0391 _____	0392 _____
22131 Buildings in Luxembourg	2447 _____	2448 _____
221311 Residential buildings	2449 _____	2450 _____
221312 Non-residential buildings	2451 _____	2452 _____
221313 Mixed-use buildings	2453 _____	2454 _____
221318 Other buildings	2455 _____	2456 _____
22132 Buildings in foreign countries	2457 _____	2458 _____
2214 Fixtures and fitting-outs of buildings	2459 _____	2460 _____
22141 Fixtures and fitting-outs of buildings in Luxembourg	2461 _____	2462 _____
22142 Fixtures and fitting-outs of buildings in foreign countries	2463 _____	2464 _____
2215 Investment properties	2465 _____	2466 _____
22151 Investment properties in Luxembourg	2467 _____	2468 _____
22152 Investment properties in foreign countries	2469 _____	2470 _____
222 Plant and machinery	0397 _____	0398 _____
2221 Plant	0399 _____	0400 _____
2222 Machinery	0401 _____	0402 _____
223 Other fixtures and fittings, tools and equipment (including rolling stock)	0403 _____	0404 _____
2231 Transportation and handling equipment	0405 _____	0406 _____
2232 Motor vehicles	0407 _____	0408 _____
2233 Tools	0409 _____	0410 _____
2234 Furniture	0411 _____	0412 _____
2235 Computer equipment	0413 _____	0414 _____
2236 Livestock	0415 _____	0416 _____
2237 Returnable packaging	0417 _____	0418 _____
2238 Other fixtures	0419 _____	0420 _____
224 Down payments and tangible fixed assets under development	0421 _____	0422 _____
2241 Land, fitting-outs and buildings	0423 _____	0424 _____
22411 Land, fitting-outs and buildings in Luxembourg	2471 _____	2472 _____
22412 Land, fitting-outs and buildings in foreign countries	2473 _____	2474 _____
2242 Plant and machinery	0425 _____	0426 _____
2243 Other fixtures and fittings, tools and equipment (including rolling stock)	0427 _____	0428 _____
23 Financial fixed assets	2475 _____	2476 _____
231 Shares in affiliated undertakings	0429 _____	0430 _____
232 Amounts owed by affiliated undertakings	0431 _____	0432 _____
233 Participating interests	0433 _____	0434 _____
234 Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	0435 _____	0436 _____
235 Securities held as fixed assets	0437 _____	0438 _____
2351 Securities held as fixed assets (equity right)	0439 _____	0440 _____
23511 Shares or corporate units	0441 _____	0442 _____
235111 Listed shares	2477 _____	2478 _____

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	Net debit balance	Net credit balance
235112 Unlisted shares	2479 _____	2480 _____
23518 Other securities held as fixed assets (equity right)	0461 _____	0462 _____
2352 Securities held as fixed assets (creditor's right)	0463 _____	0464 _____
23521 Debentures	0465 _____	0466 _____
23528 Other securities held as fixed assets (creditor's right)	0467 _____	0468 _____
2353 Shares of collective investment funds	2481 _____	2482 _____
2358 Other securities held as fixed assets	0469 _____	0470 _____
236 Loans, deposits and claims held as fixed assets	0471 _____	0472 _____
2361 Loans	0473 _____	0474 _____
2362 Deposits and guarantees paid	0475 _____	0476 _____
2363 Long-term receivables	0477 _____	0478 _____

Class 3. INVENTORIES ACCOUNTS

	Net debit balance	Net credit balance
30 Inventories of raw materials and consumables	0481 _____	0484 _____
301 Inventories of raw materials	0485 _____	0486 _____
303 Inventories of consumable materials and supplies	2483 _____	2484 _____
304 Inventories of packaging	0507 _____	0508 _____
31 Inventories of work and contracts in progress	0517 _____	0518 _____
311 Inventories of work in progress	0519 _____	0520 _____
312 Contracts in progress - goods	0521 _____	0522 _____
313 Contracts in progress - services	0523 _____	0524 _____
314 Buildings under construction	0525 _____	0526 _____
315 Down payments received on inventories of work and on contracts in progress	2485 _____	2482 _____
32 Inventories of goods	2486 _____	2486 _____
321 Inventories of finished goods	0529 _____	0530 _____
322 Inventories of semi-finished goods	0531 _____	0532 _____
323 Inventories of residual goods (waste, rejected and recuperable material)	0533 _____	0534 _____
36 Inventories of merchandises and other goods for resale	2487 _____	2488 _____
361 Inventories of merchandise	0541 _____	0542 _____
362 Inventories of land for resale	0543 _____	0544 _____
3621 Inventories of land for resale in Luxembourg	2489 _____	2490 _____
3622 Inventories of land for resale in foreign countries	2491 _____	2492 _____
363 Inventories of buildings for resale	0545 _____	0546 _____
3631 Inventories of buildings for resale in Luxembourg	2493 _____	2494 _____
3632 Inventories of buildings for resale in foreign countries	2495 _____	2496 _____
37 Down payments on account on inventories	0547 _____	0548 _____

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Class 4. DEBTORS AND CREDITORS

	Net debit balance	Net credit balance
40 Trade receivables (Receivables from sales and rendering of services)	0545 _____	0546 _____
401 Trade receivables due and payable within one year	0547 _____	0548 _____
4011 Customers	0549 _____	0570 _____
4012 Customers - Receivable bills of exchange	0571 _____	0572 _____
4013 Doubtful or disputed customers	0573 _____	0574 _____
4014 Customers - Unbilled sales	0575 _____	0576 _____
4015 Customers with a credit balance	0577 _____	0578 _____
4019 Value adjustments	0579 _____	0580 _____
402 Trade receivables due and payable after more than one year	0581 _____	0582 _____
4021 Customers	0583 _____	0584 _____
4025 Customers with creditor balance	0585 _____	0586 _____
4029 Value adjustments	0587 _____	0588 _____
41 Amounts owed by affiliated undertakings and by undertakings with which the undertaking is linked by virtue of participating interests	0589 _____	0590 _____
411 Amounts owed by affiliated undertakings	0591 _____	0592 _____
4111 Amounts owed by affiliated undertakings receivable within one year	0593 _____	0600 _____
41111 Trade receivables	0601 _____	0602 _____
41112 Loans and advances	0603 _____	0604 _____
41118 Other receivables	0606 _____	0610 _____
41119 Value adjustments	0611 _____	0612 _____
4112 Amounts owed by affiliated undertakings receivable after more than one year	0613 _____	0614 _____
41121 Trade receivables	0615 _____	0616 _____
41122 Loans and advances	0617 _____	0618 _____
41128 Other receivables	0620 _____	0624 _____
41129 Value adjustments	0625 _____	0626 _____
412 Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	0627 _____	0628 _____
4121 Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests receivable within one year	0629 _____	0630 _____
41211 Trade receivables	0631 _____	0632 _____
41212 Loans and advances	0633 _____	0634 _____
41218 Other receivables	0636 _____	0640 _____
41219 Value adjustments	0641 _____	0642 _____
4122 Amounts receivable after more than one year	0643 _____	0644 _____
41221 Trade receivables	0645 _____	0646 _____
41222 Loans and advances	0647 _____	0648 _____
41228 Other receivables	0650 _____	0654 _____
41229 Value adjustments	0655 _____	0656 _____

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	Net debit balance		Net credit balance	
42 Other receivables				
421 Other receivables within one year	0657		0658	
4211 Staff - Advances and down payments	0659		0660	
42111 Advances and down payments	0661		0662	
42119 Value adjustments	0663		0664	
4212 Amounts owed by partners and shareholders (others than from affiliated undertakings)	0665		0666	
4213 State - Subsidies to be received	0667		0668	
42131 Investment subsidies	0675		0676	
42132 Operating subsidies	0677		0678	
42138 Other subsidies	0679		0680	
4214 Direct Tax Authority (ACD)	0681		0682	
42141 Corporate income tax	2497		2498	
42142 Municipal business tax	2499		2500	
42143 Net wealth tax	2501		2502	
42144 Withholding tax on wages and salaries	2503		2504	
42145 Withholding tax on financial investment income	2505		2506	
42146 Withholding tax on director's fees	2507		2508	
42148 ACD - Other amounts receivable	2509		2510	
4215 Customs and Excise Authority (ADA)	0683		0684	
4216 Indirect Tax Authority (AED)	0685		0686	
42161 Value-added tax (VAT)	0687		0688	
421611 VAT paid and recoverable	0689		0690	
421612 VAT receivable	0691		0692	
421613 VAT down payments made	0693		0694	
421618 VAT - Other receivables	0695		0696	
42162 Indirect taxes	0697		0698	
421621 Registration duties	0700		0701	
421622 Subscription tax	0702		0703	
421628 Other indirect taxes	0704		0705	
42168 Other receivables	0706		0707	
4217 Amounts owed by the Social Security and other social bodies	0709		0710	
42171 Social Security office (CCSS)	0711		0712	
42172 Foreign social security offices	2511		2512	
42178 Other social bodies	2513		2514	
4218 Miscellaneous receivables	0714		0715	
42181 Foreign taxes	0716		0717	
421811 Foreign VAT	0720		0721	
421818 Other foreign taxes	0722		0723	
42187 Derivative financial instruments	2515		2516	
42188 Other miscellaneous receivables	0724		0725	
42189 Value adjustments	0726		0727	
422 Other receivables after one year	0729		0730	
4221 Staff - advances and down payments	0731		0732	
4222 Amounts owed by partners and shareholders (others than from affiliated undertakings)	0733		0734	

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	Net debit balance	Net credit balance
4223 State - Subsidies to be received	0748 _____	0750 _____
42231 Investment subsidies	0751 _____	0752 _____
42232 Operating subsidies	0753 _____	0754 _____
42238 Other subsidies	0755 _____	0756 _____
4228 Miscellaneous receivables	0761 _____	0764 _____
42287 Derivative financial instruments	2517 _____	2518 _____
42288 Other miscellaneous receivables	0801 _____	0802 _____
42289 Value adjustments	0803 _____	0804 _____
43 Down payments received on orders as far as they are not deducted distinctly from inventories	0805 _____	0806 _____
431 Down payments received within one year	0807 _____	0808 _____
4311 Down payments received on orders	2061 _____	2064 _____
4312 Inventories of work and contracts in progress less down payments received	2065 _____	2066 _____
432 Down payments received after more than one year	0809 _____	0810 _____
4321 Down payments received on orders	2067 _____	2068 _____
4322 Inventories of work and contracts in progress less down payments received	2069 _____	2070 _____
44 Trade payables and bills of exchange	0811 _____	0812 _____
441 Trade payables	0813 _____	0814 _____
4411 Trade payables within one year	0815 _____	0816 _____
44111 Suppliers	0817 _____	0818 _____
44112 Suppliers - invoices not yet received	0819 _____	0820 _____
44113 Suppliers with a debit balance	0821 _____	0822 _____
4412 Trade payables after more than one year	0823 _____	0824 _____
44121 Suppliers	0825 _____	0826 _____
44123 Suppliers with a debit balance	0827 _____	0828 _____
442 Bills of exchange payable	0829 _____	0830 _____
4421 Bills of exchange payable within one year	0831 _____	0832 _____
4422 Bills of exchange payable after more than one year	0833 _____	0834 _____
45 Amounts payable to affiliated undertakings and to undertakings with which the undertaking is linked by virtue of participating interests	0835 _____	0836 _____
451 Amounts payable to affiliated undertakings	0837 _____	0838 _____
4511 Amounts payable to affiliated undertakings within one year	0839 _____	0840 _____
45111 Purchases and services	0841 _____	0842 _____
45112 Loans and advances	0843 _____	0844 _____
45118 Other payables	0845 _____	0846 _____
4512 Amounts payable to affiliated undertakings after more than one year	0847 _____	0848 _____
45121 Purchases and services	0849 _____	0850 _____
45122 Loans and advances	0851 _____	0852 _____
45128 Other payables	0853 _____	0854 _____

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	Net debit balance	Net credit balance	
452 Amounts payable to undertakings with which the undertaking is linked by virtue of participating interests	0801 _____	0802 _____	
4521 Amounts payable to undertakings with which the undertaking is linked by virtue of participating interests within one year	0803 _____	0804 _____	
45211 Purchases and services	0805 _____	0806 _____	
45212 Loans and advances	0807 _____	0808 _____	
45218 Other payables	0809 _____	0804 _____	
4522 Amounts payable to undertakings with which the undertaking is linked by virtue of participating interests payable after more than one year	0806 _____	0806 _____	
45221 Purchases and services	0807 _____	0808 _____	
45222 Loans and advances	0809 _____	0808 _____	
45228 Other payables	0805 _____	0806 _____	
46 Tax and social security debts	0807 _____	0808 _____	
461 Tax debts	0809 _____	0810 _____	
4611 Municipal authorities	0811 _____	0812 _____	
4612 Direct Tax Authority (ACD)	0817 _____	0818 _____	
46121 Corporate income tax (CIT)	0819 _____	0820 _____	
461211 Corporate income tax - Tax accrual	0821 _____	0822 _____	
461212 CIT - Tax payable	0823 _____	0824 _____	
46122 Municipal business tax (MBT)	0825 _____	0826 _____	
461221 MBT - Tax accrual	0827 _____	0828 _____	
461222 MBT - Tax payable	0829 _____	0830 _____	
46123 Net wealth tax (NWT)	0831 _____	0832 _____	
461231 NWT - Tax accrual	0833 _____	0834 _____	
461232 NWT - Tax payable	0835 _____	0836 _____	
46124 Withholding tax on wages and salaries	0837 _____	0838 _____	
46125 Withholding tax on financial investment income	0839 _____	0840 _____	
46126 Withholding tax on director's fees	0841 _____	0842 _____	
46128 ACD - Other amounts payable	0843 _____	0844 _____	
4613 Customs and Excise Authority (ADA)	0845 _____	0846 _____	
4614 Indirect tax authorities (AED)	0852 _____	0854 _____	
46141 Value-added tax (VAT)	0855 _____	0856 _____	
461411 VAT received	0857 _____	0858 _____	
461412 VAT payable	0859 _____	0860 _____	
461413 VAT down payments received	0861 _____	0862 _____	
461418 VAT - Other payables	0863 _____	0864 _____	
46142 Indirect taxes	0865 _____	0866 _____	
461421 Registration duties	0867 _____	0868 _____	
461422 Subscription tax	0869 _____	0870 _____	
461428 Other indirect taxes	0875 _____	0876 _____	
46148 AED - Other debts	2519 _____	2520 _____	
4615 Foreign tax authorities	0877 _____	0878 _____	
46151 Foreign VAT	2521 _____	2522 _____	
46158 Other foreign taxes	2523 _____	2524 _____	

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	Net debit balance	Net credit balance
462 Social security debts and other social securities offices	0670 _____	0680 _____
4621 Social Security office (CCSS)	0681 _____	0682 _____
4622 Foreign Social Security offices	0683 _____	0684 _____
4628 Other social bodies	0685 _____	0686 _____
47 Other debts	0687 _____	0688 _____
471 Other debts payable within one year	0689 _____	0690 _____
4711 Received deposits and guarantees	0691 _____	0692 _____
4712 Amounts payable to partners and shareholders (others than from affiliated undertakings)	0693 _____	1000 _____
4713 Amounts payable to directors, managers, statutory auditors and similar	1005 _____	1006 _____
4714 Amounts payable to staff	1007 _____	1008 _____
4715 State - Greenhouse gas and similar emission quotas to be returned or acquired	1017 _____	1018 _____
4716 Loans and similar debts	0271 _____	0272 _____
47161 Other loans	0273 _____	0274 _____
47162 Lease debts	0265 _____	0266 _____
47163 Life annuities	0275 _____	0276 _____
47168 Other similar debts	0277 _____	0278 _____
4717 Derivative financial instruments	2525 _____	2526 _____
4718 Other miscellaneous debts	1019 _____	1020 _____
472 Other debts payable after more than one year	1021 _____	1022 _____
4721 Received deposits and guarantees	1023 _____	1024 _____
4722 Amounts payable to partners and shareholders (others than from affiliated undertakings)	1031 _____	1032 _____
4723 Amounts payable to directors, managers, statutory auditors and similar	1037 _____	1038 _____
4724 Amounts payable to staff	1039 _____	1040 _____
4726 Loans and similar debts	0381 _____	0382 _____
47261 Other loans	0383 _____	0384 _____
47262 Lease debts	0347 _____	0348 _____
47263 Life annuities	0385 _____	0386 _____
47268 Other similar debts	0387 _____	0388 _____
4727 Derivative financial instruments	2527 _____	2528 _____
4728 Other miscellaneous debts	1051 _____	1052 _____
48 Deferred charges and income	1053 _____	1054 _____
481 Deferred charges (on one or more financial years)	1055 _____	1056 _____
482 Deferred income (on one or more financial years)	1057 _____	1058 _____
483 State - Greenhouse gas and similar emission quotas received	1059 _____	1060 _____
484 Transitory or suspense accounts - Assets	1061 _____	1062 _____
485 Transitory or suspense accounts - Liabilities	1063 _____	1064 _____
486 Linking accounts (branches) - Assets	1065 _____	1066 _____
487 Linking accounts (branches) - Liabilities	1067 _____	1068 _____

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Class 5. FINANCIAL ACCOUNTS

	Net debit balance	Net credit balance
50 Transferable securities	2520 _____	2530 _____
501 Shares in affiliated undertakings	1071 _____	1072 _____
502 Own shares or own corporate units	1075 _____	1076 _____
503 Shares in undertakings with which the undertaking is linked by virtue of participating interests	1073 _____	1074 _____
508 Other transferable securities	1077 _____	1078 _____
5081 Shares - listed securities	1079 _____	1080 _____
5082 Shares - unlisted securities	1081 _____	1082 _____
5083 Debenture loans and other notes issued and repurchased by the company	1083 _____	1084 _____
5084 Listed debenture loans	1085 _____	1086 _____
5085 Unlisted debenture loans	1087 _____	1088 _____
5088 Other miscellaneous transferable securities	1089 _____	1090 _____
51 Cash at bank, in postal cheques accounts, cheques and in hand	1091 _____	1092 _____
513 Banks and postal cheques accounts (CCP)	2531 _____	2532 _____
5131 Banks and CCP : available balance	2533 _____	2534 _____
5132 Banks and CCP : overdraft	2535 _____	2536 _____
516 Cash in hand	1105 _____	1106 _____
517 Internal transfers	1107 _____	1108 _____
5171 Internal transfers : debit balance	2537 _____	2538 _____
5172 Internal transfers : credit balance	2539 _____	2540 _____
518 Other cash amounts	1109 _____	1110 _____
TOTAL CLASSES 1 TO 5	1111 _____	1112 _____

Class 6. CHARGES ACCOUNTS

	Net debit balance	Net credit balance
60 Use of merchandise, raw and consumable materials	1113 _____	1114 _____
601 Purchases of raw materials	1115 _____	1116 _____
603 Purchases of consumable materials and supplies	2541 _____	2542 _____
6031 Fuels, gas, water and electricity	1121 _____	1122 _____
60311 Solid fuels	1123 _____	1124 _____
60312 Liquid fuels	1125 _____	1126 _____
60313 Gas	1127 _____	1128 _____
60314 Water and sewage	2543 _____	2544 _____
60315 Electricity	1131 _____	1134 _____
6032 Maintenance supplies	2545 _____	2546 _____
6033 Workshop, factory and store supplies and small equipment	2547 _____	2548 _____

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	Net debit balance	Net credit balance
6034 Work clothes	2549	2550
6035 Office and administrative supplies	1135	1136
6036 Motor fuels	1137	1138
6037 Lubricants	1139	1140
6038 Other consumable supplies	1141	1142
604 Purchases of packaging	1143	1144
606 Purchases of merchandise and other goods for resale	1153	1154
6061 Purchases of merchandise	1158	1160
6062 Purchases of land for resale	1155	1156
6063 Purchases of buildings for resale	1157	1158
607 Changes in inventory	1161	1162
6071 Changes in inventory of raw materials	1162	1164
6073 Changes in inventory of consumable materials and supplies	2551	2552
6074 Changes in inventory of packaging	1168	1170
6076 Changes in inventory of merchandise and other goods for resale	1171	1174
60761 Merchandise	2553	2554
60762 Land for resale	2555	2556
60763 Buildings for resale	2557	2558
608 Purchases of items included in the production of goods and services	1206	1200
6081 Services included in the production of goods and services	1201	1202
60811 Tailoring	1203	1204
60812 Research and development	1205	1206
60813 Architects' and engineers' fees	1207	1208
60814 Outsourcing included in the production of goods and services	2559	2560
6082 Other purchases of material included in the production of goods and services	1208	1210
6083 Purchase of greenhouse gas and similar emission quotas	2561	2562
6088 Other purchases included in the production of goods and services	1211	1212
609 Rebates, discounts and refunds (RDR) received and not directly deducted from purchases	1213	1214
6091 RDR on purchases of raw materials	1215	1216
6093 RDR on purchases of consumable materials and supplies	2563	2564
6094 RDR on purchases of packaging	1221	1222
6096 RDR on purchases of merchandise and other goods for resale	2565	2566
6098 RDR on purchases included in the production of goods and services	1227	1228
6099 Unallocated RDR	1229	1230

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	Net debit balance	Net credit balance
61 Other external charges	1221 _____	1222 _____
611 Rents and service charges	1233 _____	1234 _____
6111 Rents and operational leasing for real property	2567 _____	2568 _____
61111 Land	2569 _____	2570 _____
61112 Buildings	2571 _____	2572 _____
6112 Rents and operational leasing on movable property	2573 _____	2574 _____
61123 Rolling stock	1247 _____	1248 _____
61128 Other	2575 _____	2576 _____
6113 Service charges and co-ownership expenses	1249 _____	1250 _____
6114 Financial leasing on real property	2577 _____	2578 _____
6115 Financial leasing on movable property	2579 _____	2580 _____
61153 Rolling stock	1262 _____	1264 _____
61158 Other	2581 _____	2582 _____
612 Subcontracting, servicing, repairs and maintenance	1265 _____	1268 _____
6121 General subcontracting (not included in the production of goods and services)	1269 _____	1270 _____
6122 Servicing, repairs and maintenance	2583 _____	2584 _____
61221 Buildings	2585 _____	2586 _____
61223 Rolling stock	1277 _____	1278 _____
61228 Other	2587 _____	2588 _____
613 Remuneration of intermediaries and professional fees	1281 _____	1284 _____
6131 Commissions and brokerage fees	1285 _____	1286 _____
6132 IT services	1291 _____	1294 _____
6133 Banking and similar services	1295 _____	1296 _____
61332 Loans' issuance expenses	2589 _____	2590 _____
61333 Bank account charges and bank commissions (included custody fees on securities)	2591 _____	2592 _____
61334 Charges for electronic means of payment	1303 _____	1304 _____
61336 Factoring services	1307 _____	1308 _____
61338 Other banking and similar services (except interest and similar expenses)	2593 _____	2594 _____
6134 Professional fees	2595 _____	2596 _____
61341 Legal, litigation and similar fees	2597 _____	2598 _____
61342 Accounting, tax consulting, auditing and similar fees	2599 _____	2600 _____
61348 Other professional fees	1221 _____	1222 _____
6135 Notarial and similar fees	2601 _____	2602 _____
6138 Other remuneration of intermediaries and professional fees	1227 _____	1228 _____
614 Insurance premiums	1229 _____	1230 _____
6141 Insurance for assets	1231 _____	1232 _____
61411 Buildings	1233 _____	1234 _____
61412 Rolling stock	1235 _____	1236 _____
61418 Other	2603 _____	2604 _____
6142 Insurance on rented assets	1241 _____	1242 _____
6143 Transport insurance	1243 _____	1244 _____
6144 Business risk insurance	1251 _____	1252 _____
6145 Customers credit insurance	1253 _____	1254 _____
6146 Third-party insurance	1255 _____	1256 _____
6148 Other insurances	1257 _____	1258 _____

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	Net debit balance	Net credit balance
615 Marketing and communication costs	1108 _____	1160 _____
6151 Marketing and advertising costs	1161 _____	1162 _____
61511 Press advertising	1163 _____	1164 _____
61512 Samples	1165 _____	1166 _____
61513 Fairs and exhibitions	1167 _____	1168 _____
61514 Gifts to customers	1169 _____	1170 _____
61515 Catalogues, printed materials and publications	1171 _____	1172 _____
61516 Donations	1173 _____	1174 _____
61517 Sponsorship	1175 _____	1176 _____
61518 Other purchases of advertising services	1177 _____	1178 _____
6152 Travel and entertainment expenses	1179 _____	1180 _____
61521 Travel expenses	1181 _____	1182 _____
615211 Management (if appropriate owner and partner)	1183 _____	1184 _____
615212 Staff	1185 _____	1186 _____
61522 Relocation expenses	1187 _____	1188 _____
61523 Business assignments	1189 _____	1190 _____
61524 Receptions and entertainment costs	1191 _____	1192 _____
6153 Postal charges and telecommunication costs	1193 _____	1194 _____
61531 Postal charges	1195 _____	1196 _____
61532 Telecommunication costs	1197 _____	1198 _____
616 Transportation of goods and collective staff transportation	1401 _____	1402 _____
6161 Transportation of purchased goods	1403 _____	1404 _____
6162 Transportation of sold goods	1405 _____	1406 _____
6165 Collective staff transportation	1411 _____	1412 _____
6168 Other transportation	2605 _____	2606 _____
617 External staff of the company	1415 _____	1416 _____
6171 Temporary staff	1417 _____	1418 _____
6172 External staff on secondment	1419 _____	1420 _____
618 Miscellaneous external charges	1421 _____	1422 _____
6181 Documentation	1423 _____	1424 _____
6182 Costs of training, symposiums, seminars, conferences	1425 _____	1426 _____
6183 Industrial and non-industrial waste treatment	2653 _____	2654 _____
6184 Fuels, gas, water and electricity (not included in the production of goods and services)	2607 _____	2608 _____
61841 Solid fuels	2609 _____	2610 _____
61842 Liquid fuels (oil, motor fuel, etc.)	2611 _____	2612 _____
61843 Gas	1185 _____	1186 _____
61844 Water and waste water	2613 _____	2614 _____
61845 Electricity	2615 _____	2616 _____
6185 Supplies and small equipment	1187 _____	1188 _____
61851 Office supplies	1189 _____	1190 _____
61852 Small equipment	2617 _____	2618 _____
61853 Work clothes	2619 _____	2620 _____
61854 Maintenance supplies	2621 _____	2622 _____
61858 Other	2623 _____	2624 _____
6186 Surveillance and security charges	1427 _____	1428 _____
6187 Contributions to professional associations	1430 _____	1440 _____
6188 Other miscellaneous external charges	1441 _____	1442 _____

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	Net debit balance	Net credit balance
619 Rebates, discounts and refunds received on other external charges	1442 _____	1444 _____
62 Staff expenses	1446 _____	1446 _____
621 Staff remuneration	1447 _____	1448 _____
6211 Gross wages	1449 _____	1450 _____
62111 Base wages	1451 _____	1452 _____
62112 Wage supplements	1453 _____	1454 _____
621121 Sunday	1455 _____	1456 _____
621122 Public holidays	1457 _____	1458 _____
621123 Overtime	1459 _____	1460 _____
621128 Other supplements	1461 _____	1462 _____
62114 Incentives, bonuses and commissions	1463 _____	1464 _____
62115 Benefits in kind	1465 _____	1466 _____
62116 Severance pay	1467 _____	1470 _____
62117 Survivor's pay	1471 _____	1472 _____
6218 Other benefits	2625 _____	2626 _____
6219 Refunds on wages paid	1475 _____	1476 _____
622 Other staff remuneration	1481 _____	1484 _____
6221 Students	1485 _____	1486 _____
6222 Casual workers	1487 _____	1488 _____
6228 Other	1489 _____	1490 _____
623 Social security costs (employer's share)	1491 _____	1492 _____
6231 Social security on pensions	2627 _____	2628 _____
6232 Other social security costs (including illness, accidents, a.s.o.)	2629 _____	2630 _____
624 Other staff expenses	2631 _____	2632 _____
6241 Complementary pensions	1508 _____	1510 _____
62411 Premiums for external pensions funds	1511 _____	1512 _____
62412 Changes to provisions for complementary pensions	1513 _____	1514 _____
62413 Withholding tax on complementary pensions	1515 _____	1516 _____
62414 Insolvency insurance premiums	1517 _____	1518 _____
62415 Complementary pensions paid by the employer	1519 _____	1520 _____
6248 Other staff expenses not mentioned above	2633 _____	2634 _____
63 Allocations to value adjustments (AVA) and fair value adjustments (FVA) on formation expenses, intangible, tangible and current assets (except transferable securities)	1527 _____	1528 _____
631 AVA on formation expenses and similar expenses	1529 _____	1530 _____
6311 AVA on set-up and start-up costs	2635 _____	2636 _____
6313 AVA on expenses for capital increases and various operations (mergers, demergers, changes of legal form)	1535 _____	1536 _____
6314 AVA on loan-issuance expenses	1537 _____	1538 _____
6318 AVA on other similar expenses	1539 _____	1540 _____
632 AVA on intangible fixed assets	1541 _____	1542 _____
6321 AVA on development costs	2637 _____	2638 _____
6322 AVA on concessions, patents, licences, trademarks and similar rights and assets	1545 _____	1546 _____
6323 AVA on goodwill acquired for consideration	1547 _____	1548 _____
6324 AVA on down payments and intangible fixed assets under development	1549 _____	1550 _____

RCSL Nr. :	Matricule :
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	Net debit balance	Net credit balance
633 AVA on tangible fixed assets and fair value adjustments (FVA) on investment properties	1611 _____	1612 _____
6331 AVA on land, fittings-out and buildings and FVA on investment properties	1612 _____	1614 _____
63311 AVA on land	1615 _____	1616 _____
63312 AVA on fixtures and fittings-out of land	1617 _____	1618 _____
63313 AVA on buildings	1618 _____	1640 _____
63314 AVA on fixtures and fittings-out of buildings	2639 _____	2640 _____
63315 FVA on investment properties	2641 _____	2642 _____
6332 AVA on plant and machinery	1641 _____	1642 _____
6333 AVA on other fixtures and fittings, tools and equipment (including rolling stock)	1642 _____	1644 _____
6334 AVA on down payments and tangible fixed assets under development	1645 _____	1646 _____
634 AVA on inventories	1647 _____	1648 _____
6341 AVA on inventories of raw materials and consumables	1649 _____	1670 _____
6342 AVA on inventories of work and contracts in progress	1671 _____	1672 _____
6343 AVA on inventories of goods	1673 _____	1674 _____
6344 AVA on inventories of merchandise and other goods for resale	1675 _____	1676 _____
6345 AVA on down payments on inventories	1677 _____	1678 _____
635 AVA and FVA on receivables from current assets	1679 _____	1680 _____
6351 AVA on trade receivables	1681 _____	1682 _____
6352 AVA on amounts owed by affiliated undertakings and undertakings with which the undertaking is linked by virtue of participating interests	1683 _____	1684 _____
6353 AVA on other receivables	1685 _____	1686 _____
6354 FVA on receivables from current assets	2643 _____	2644 _____
64 Other operating charges	1687 _____	1688 _____
641 Fees and royalties for concessions, patents, licences, trademarks and similar rights and assets	1689 _____	1690 _____
6411 Concessions	1691 _____	1692 _____
6412 Patents	1693 _____	1694 _____
6413 Software licences	1695 _____	1696 _____
6414 Trademarks and franchise	1697 _____	1698 _____
6415 Similar rights and assets	1699 _____	1699 _____
64151 Copyrights and reproduction rights	1699 _____	1699 _____
64158 Other similar rights and assets	1699 _____	1699 _____
642 Indemnities, damages and interest	2645 _____	2646 _____
643 Attendance fees, director's fees and similar remuneration	2647 _____	2648 _____
6431 Attendance fees	1697 _____	1698 _____
6432 Director's fees	1699 _____	1699 _____
6438 Other similar remuneration	2649 _____	2650 _____
644 Loss on disposal of intangible and tangible fixed assets	2651 _____	2652 _____
6441 Loss on disposal of intangible fixed assets	2653 _____	2654 _____
64411 Book value of yielded intangible fixed assets	2655 _____	2656 _____
64412 Disposal proceeds of intangible fixed assets	2657 _____	2658 _____

RCSL Nr. :	Matricule :
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	Net debit balance	Net credit balance
6442 Loss on disposal of tangible fixed assets	2638	2640
64421 Book value of yielded tangible fixed assets	1762	1764
64422 Disposal proceeds of tangible fixed assets	2641	2642
645 Losses on bad debts	1611	1612
6451 Trade receivables	1612	1614
6452 Amounts owed by affiliated undertakings	2642	2644
6453 Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	2645	2646
6454 Other receivables	1617	1618
646 Taxes, duties and similar expenses	1619	1620
6461 Real property tax	1621	1622
6462 Non-refundable VAT	1623	1624
6463 Duties on imported merchandise	1625	1626
6464 Excise duties on production and tax on consumption	1627	1624
6465 Registration fees, stamp duties and mortgage duties	1628	1626
64651 Registration fees	1627	1628
64658 Other registration fees, stamp duties and mortgage duties	2647	2648
6466 Motor-vehicle taxes	1647	1648
6467 Bar licence tax	1649	1650
6468 Other duties and taxes	1651	1652
647 Allocations to tax-exempt capital gains	1655	1656
648 Other miscellaneous operating charges	2649	2670
6481 Fines, sanctions and penalties	1791	1792
6488 Miscellaneous operating charges	2671	2672
649 Allocations to provisions	2673	2674
6491 Allocations to tax provisions	1653	1654
6492 Allocations to operating provisions	1659	1660
65 Financial charges	1661	1662
651 Allocations to value adjustments (AVA) and fair-value adjustments (FVA) of financial fixed assets	1663	1664
6511 AVA on financial fixed assets	1665	1666
65111 AVA on shares in affiliated undertakings	1667	1668
65112 AVA on amounts owed by affiliated undertakings	1669	1670
65113 AVA on participating interests	1671	1672
65114 AVA on amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1673	1674
65115 AVA on securities held as fixed assets	1675	1676
65116 AVA on loans, deposits and claims held as fixed assets	1677	1678
6512 FVA on financial fixed assets	1681	1682
652 Charges and loss of disposal of financial fixed assets	2675	2676
6521 Charges of financial fixed assets	2677	2678
65211 Shares in affiliated undertakings	2679	2680
65212 Amounts owed by affiliated undertakings	2681	2682
65213 Participating interests	2683	2684
65214 Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	2685	2686

RCSL Nr. :	Matricule :
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	Net debit balance	Net credit balance
65215 Securities held as fixed assets	2687	2688
65216 Loans, deposits and claims held as fixed assets	2689	2690
6522 Loss on disposal of financial fixed assets	2691	2692
65221 Loss on disposal of shares in affiliated undertakings	2693	2694
652211 Book value of yielded shares in affiliated undertakings	2695	2696
652212 Disposal proceeds of shares in affiliated undertakings	2697	2698
65222 Loss on disposal of amounts owed by affiliated undertakings	2699	2700
652221 Book value of yielded amounts owed by affiliated undertakings	2701	2702
652222 Disposal proceeds of amounts owed by affiliated undertakings	2703	2704
65223 Loss on disposal of participating interests	2705	2706
652231 Book value of yielded participating interests	2707	2708
652232 Disposal proceeds of participating interests	2709	2710
65224 Loss on disposal of amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	2711	2712
652241 Book value of yielded amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	2713	2714
652242 Disposal proceeds of amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	2715	2716
65225 Loss on disposal of securities held as fixed assets	2717	2718
652251 Book value of yielded securities held as fixed assets	2719	2720
652252 Disposal proceeds of securities held as fixed assets	2721	2722
65226 Loss on disposal of loans, deposits and claims held as fixed assets	2723	2724
652261 Book value of yielded loans, deposits and claims held as fixed assets	2725	2726
652262 Disposal proceeds of loans, deposits and claims held as fixed assets	2727	2728
653 Allocations to value adjustment (AVA) and fair-value adjustments (FVA) on transferable securities	2729	2730
6531 AVA on transferable securities	2685	2686
65311 AVA on shares in affiliated undertakings	2687	2688
65312 AVA on own shares or own corporate units	2691	2692
65313 AVA on shares in undertakings with which the undertaking is linked by virtue of participating interests	2695	2696
65318 AVA on other transferable securities	2699	2694
6532 FVA on transferable securities	2731	2732
654 Loss on disposal of receivables and transferable securities from current assets	2733	2734
6541 Loss on disposal of receivables from current assets	2735	2736
65411 From affiliated undertakings	2737	2738

RCSL Nr. :	Matricule :
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	Net debit balance	Net credit balance
65412 From undertakings with which the undertaking is linked by virtue of participating interests	2736	2740
65413 from other receivables from current assets	2740	2742
6542 Loss on disposal of transferable securities	1701	1702
65421 Shares in affiliated undertakings	1701	1704
65422 Own shares or corporate units	1702	1706
65423 Shares in in undertakings with which the undertaking is linked by virtue of participating interests	1706	1706
65428 Other transferable securities	1708	1710
655 Interest and discounts	1711	1712
6551 Interest on debenture loans	1717	1718
65511 Interest on debenture loans - affiliated undertakings	2742	2744
65512 Interest on debenture loans - other	2746	2746
6552 Banking and similar interest	1719	1720
65521 Banking interest on current accounts	1721	1722
65522 Banking interest on financing operations	1723	1724
65523 Interest on financial leases	1726	1726
655231 Interest on financial leases - affiliated undertakings	2747	2748
655232 Interest on financial leases - other	2748	2750
6553 Interest on trade payables	1727	1728
6554 Interest payable to affiliated undertakings and undertakings with which the undertaking is linked by virtue of participating interests	1730	1730
65541 Interest payable to affiliated undertakings	2751	2752
65542 Interest payable to undertakings with which the undertaking is linked by virtue of participating interests	2752	2754
6555 Discounts and charges on bills of exchange	1731	1732
65551 Discounts and charges on bills of exchange - affiliated undertakings	2755	2756
65552 Discounts and charges on bills of exchange - other	2757	2758
6556 Granted discounts	1733	1734
65561 Granted discounts - affiliated undertakings	2759	2760
65562 Granted discounts - other	2761	2762
6558 Interest payable on other loans and debts	1735	1736
65581 Interest payable on other loans and debts - affiliated undertakings	2763	2764
65582 Interest payable on other loans and debts - other	2765	2766
656 Foreign currency exchange losses	1737	1738
6561 Foreign currency exchange losses - affiliated undertakings	2767	2768
6562 Foreign currency exchange losses - other	2769	2770
657 Share in the losses of undertakings accounted for under the equity method	1739	1740
658 Other financial charges	1741	1742
6581 Other financial charges - affiliated undertakings	2771	2772
6582 Other financial charges - other	2773	2774

RCSL Nr. :	Matricule :
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	Net debit balance	Net credit balance
659 Allocations to financial provisions	1742 _____	1744 _____
6591 Allocations to financial provisions - affiliated undertakings	2775 _____	2776 _____
6592 Allocations to financial provisions - other	2777 _____	2778 _____
67 Income taxes	1801 _____	1802 _____
671 Corporate income tax (CIT)	1803 _____	1804 _____
6711 CIT - current financial year	1805 _____	1806 _____
6712 CIT - previous financial years	1807 _____	1808 _____
672 Municipal business tax	1809 _____	1810 _____
6721 MBT - current financial year	1811 _____	1812 _____
6722 MBT - previous financial years	1813 _____	1814 _____
673 Foreign income taxes	1815 _____	1816 _____
6731 Withholding taxes	1817 _____	1818 _____
6732 Taxes levied on permanent establishments	1819 _____	1820 _____
67321 Current financial year	1821 _____	1822 _____
67322 Previous financial years	1823 _____	1824 _____
6733 Taxes levied on non-resident undertakings	1825 _____	1826 _____
6738 Other foreign income taxes	1827 _____	1828 _____
679 Allocations to provisions for deferred taxes	1829 _____	1830 _____
68 Other taxes not included in the previous caption	1835 _____	1836 _____
681 Net wealth tax (NWT)	1837 _____	1838 _____
6811 NWT - current financial year	1839 _____	1840 _____
6812 NWT - previous financial years	1841 _____	1842 _____
682 Subscription tax	1843 _____	1844 _____
683 Foreign taxes	1845 _____	1846 _____
688 Other taxes	1847 _____	1848 _____

Class 7. INCOME ACCOUNTS

	Net debit balance	Net credit balance
70 Net turnover	1851 _____	1852 _____
702 Sales of goods	2779 _____	2780 _____
7021 Sales of finished goods	1861 _____	1862 _____
7022 Sales of semi-finished goods	1863 _____	1864 _____
7023 Sales of residual products	1865 _____	1866 _____
7029 Sales of work in progress	2781 _____	2782 _____
703 Sales of services	2783 _____	2784 _____
7031 Fees and royalties for concessions, patents, licences, trademarks and similar rights and assets	2785 _____	2786 _____
70311 Concessions	2787 _____	2788 _____
70312 Patents	2789 _____	2790 _____
70313 Software licences	2791 _____	2792 _____
70314 Trademarks and franchises	2793 _____	2794 _____
70315 Similar rights and assets	2795 _____	2796 _____
703151 Copyrights and reproduction rights	2797 _____	2798 _____
703158 Other similar rights and assets	2799 _____	2800 _____

RCSL Nr. :	Matricule :
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	Net debit balance	Net credit balance
7032 Rental income	1001 _____	1002 _____
70321 Rental income from real property	1003 _____	1004 _____
70322 Rental income from movable property	1005 _____	1006 _____
7033 Sales of services not mentioned above	1015 _____	1016 _____
7039 Sales of services in the course of completion	2001 _____	2002 _____
704 Sales of packaging	1007 _____	1008 _____
705 Commissions and brokerage fees	1019 _____	1020 _____
706 Sales of merchandise and other goods for resale	1017 _____	1018 _____
7061 Sales of merchandise	1040 _____	1041 _____
7062 Sales of land resale	2003 _____	2004 _____
7063 Sales of buildings for resale	2005 _____	2006 _____
708 Other components of turnover	1017 _____	1018 _____
709 Rebates, discounts and refunds (RDR) granted and not immediately deducted from sales	1001 _____	1002 _____
7092 RDR on sales of goods	2007 _____	2008 _____
7093 RDR on sales of services	1003 _____	1004 _____
7094 RDR on sales of packages	2006 _____	2010 _____
7095 RDR on commissions and brokerage fees	2011 _____	2012 _____
7096 RDR on sales of merchandise and other goods for resale	1001 _____	1002 _____
7098 RDR on other components of turnover	1005 _____	1006 _____
7099 Not allocated rebates, discounts and refunds	2013 _____	2014 _____
71 Change in Inventories of goods and of work in progress	1007 _____	1008 _____
711 Change in inventories of work and contracts in progress	1006 _____	1010 _____
7111 Change in inventories of work in progress	1011 _____	1012 _____
7112 Change in inventories: contracts in progress - goods	1013 _____	1014 _____
7113 Change in inventories: contracts in progress - services	1015 _____	1016 _____
7114 Change in inventories: buildings under construction	1017 _____	1018 _____
712 Change in inventories of goods	1019 _____	1020 _____
7121 Change in inventories of finished goods	1021 _____	1022 _____
7122 Change in inventories of semi-finished goods	1023 _____	1024 _____
7123 Change in inventories of residual goods	1025 _____	1026 _____
72 Capitalised production	1021 _____	1022 _____
721 Intangible fixed assets	1023 _____	1024 _____
7211 Development costs	1025 _____	1026 _____
7212 Concessions, patents, licences, trademarks and similar rights and assets	1027 _____	1028 _____
72121 Concessions	1030 _____	1040 _____
72122 Patents	1041 _____	1042 _____
72123 Software licences	1043 _____	1044 _____
72124 Trademarks and franchises	1045 _____	1046 _____
72125 Similar rights and assets	1047 _____	1048 _____
721251 Copyrights and reproduction rights	1049 _____	1050 _____
721258 Other similar rights and assets	1051 _____	1052 _____

RCSL Nr. :	Matricule :
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	Net debit balance	Net credit balance
722 Tangible fixed assets	1062 _____	1064 _____
7221 Land, fittings and buildings	1065 _____	1064 _____
7222 Plant and machinery	1067 _____	1068 _____
7223 Other fixtures and fittings, tools and equipment (included motor vehicles)	1069 _____	1060 _____
73 Reversals of value adjustments (RVA) on intangible, tangible and current assets (except transferable securities)	1061 _____	1062 _____
732 RVA on intangible fixed assets	1062 _____	1064 _____
7321 RVA on development costs	1065 _____	1066 _____
7322 RVA on concessions, patents, licences, trademarks and similar rights and assets	1067 _____	1068 _____
7324 RVA on down payments and intangible fixed assets under development	1071 _____	1072 _____
733 RVA on tangible fixed assets and fair value adjustments (FVA) on investment properties	1073 _____	1074 _____
7331 RVA on land, fixtures and fittings-out and buildings and FVA on investment properties	1075 _____	1076 _____
73311 RVA on land	1077 _____	1078 _____
73312 RVA on fixtures and fittings-out of land	1079 _____	1080 _____
73313 RVA on buildings	1081 _____	1082 _____
73314 RVA on fixtures and fittings-out of buildings	2015 _____	2016 _____
73315 FVA on investment properties	2017 _____	2018 _____
7332 RVA on plant and machinery	1085 _____	1086 _____
7333 Other fixtures and fittings, tools and equipment (included motor vehicles)	1087 _____	1088 _____
7334 RVA on down payments and tangible fixed assets under development	1089 _____	1090 _____
734 RVA on inventories	1091 _____	1092 _____
7341 RVA on inventories of raw materials and consumables	1093 _____	1094 _____
7342 RVA on inventories of work and contracts in progress	1095 _____	1096 _____
7343 RVA on inventories of goods	1097 _____	1098 _____
7344 RVA on inventories of merchandise and other goods for resale	1099 _____	2000 _____
7345 RVA on down payments on inventories	2001 _____	2002 _____
735 RVA and FVA on receivables from current assets	2003 _____	2004 _____
7351 RVA on trade receivables	2005 _____	2006 _____
7352 RVA on amounts owed by affiliated undertakings and undertakings with which the undertaking is linked by virtue of participating interests	2007 _____	2008 _____
7353 RVA on other receivables	2009 _____	2010 _____
7354 FVA on receivables from current assets	2019 _____	2020 _____
74 Other operating income	2011 _____	2012 _____
741 Fees and royalties for concessions, patents, licences, trademarks and similar rights and assets from ancillary activities	2013 _____	2014 _____
7411 Concessions	2015 _____	2016 _____
7412 Patents	2017 _____	2018 _____
7413 Software licences	2019 _____	2020 _____

RCSL Nr. :	Matricule :
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	Net debit balance	Net credit balance
7414 Trademarks and franchises	2021 _____	2022 _____
7415 Similar rights and assets	2021 _____	2024 _____
74151 Copyrights and reproduction rights	2025 _____	2026 _____
74158 Other similar rights and assets	2027 _____	2028 _____
742 Rental income from ancillary activities	2021 _____	2022 _____
7421 Rental income on real property	2023 _____	2024 _____
7422 Rental income on movable property	2025 _____	2026 _____
743 Attendance fees, director's fees and similar remunerations	2021 _____	2022 _____
744 Gain of disposal of intangible and tangible fixed assets	2027 _____	2028 _____
7441 Gain on disposal of intangible fixed assets	2029 _____	2030 _____
74411 Book value of yielded intangible fixed assets	2031 _____	2032 _____
74412 Disposal proceeds of intangible fixed assets	2033 _____	2034 _____
7442 Income of yielded tangible fixed assets	2035 _____	2036 _____
74421 Book value of yielded tangible fixed assets	2037 _____	2038 _____
74422 Disposal proceeds of tangible fixed assets	2039 _____	2040 _____
745 Subsidies for operating activities	2023 _____	2024 _____
7451 Product subsidies	2035 _____	2036 _____
7452 Interest subsidies	2037 _____	2038 _____
7453 Compensatory allowances	2039 _____	2040 _____
7454 Subsidies in favour of employment development	2041 _____	2042 _____
7458 Other subsidies for operating activities	2047 _____	2048 _____
746 Benefits in kind	2041 _____	2042 _____
747 Reversals of temporarily not taxable capital gains and of investment subsidies	2053 _____	2054 _____
7471 Temporarily not taxable capital gains not reinvested	2055 _____	2056 _____
7472 Temporarily not taxable capital gains reinvested	2057 _____	2058 _____
7473 Capital investment subsidies	2059 _____	2060 _____
748 Other miscellaneous operating income	2043 _____	2044 _____
7481 Insurance indemnities	2051 _____	2052 _____
7488 Miscellaneous operating income	2045 _____	2046 _____
749 Reversals of provisions	2047 _____	2048 _____
7491 Reversals of provisions for taxes	2049 _____	2050 _____
7492 Reversals of operating provisions	2061 _____	2064 _____
75 Financial Income	2065 _____	2066 _____
751 Reversals of value adjustments (RVA) and fair-value adjustments (FVA) on financial fixed assets	2067 _____	2068 _____
7511 RVA on financial fixed assets	2069 _____	2070 _____
75111 RVA on shares in affiliated undertakings	2071 _____	2072 _____
75112 RVA on amounts owed by affiliated undertakings	2073 _____	2074 _____
75113 RVA on participating interests	2075 _____	2076 _____
75114 RVA on amounts owed by undertakings with which the company is linked by virtue of participating interests	2077 _____	2078 _____
75115 RVA on securities held as fixed assets	2079 _____	2080 _____
75116 RVA on loans, deposits and claims held as fixed assets	2081 _____	2082 _____
7512 FVA on financial fixed assets	2083 _____	2086 _____

RCSL Nr. :	Matricule :
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	Net debit balance	Net credit balance
752 Income and gains from the disposal of financial fixed assets	2051	2052
7521 Income from financial fixed assets	2067	2068
75211 Shares in affiliated undertakings	2068	2069
75212 Amounts owed by affiliated undertakings	2091	2092
75213 Participating interests	2093	2094
75214 Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	2096	2096
75215 Securities held as fixed assets	2097	2098
75216 Loans, deposits and claims held as fixed assets	2098	2100
7522 Gains from the disposal of financial fixed assets	2053	2054
75221 Shares in affiliated undertakings	2055	2056
752211 Book value of yielded shares in affiliated undertakings	2057	2058
752212 Disposal proceeds of shares in affiliated undertakings	2058	2060
75222 Amounts owed by affiliated undertakings	2061	2062
752221 Book value of yielded amounts owed by affiliated undertakings	2062	2064
752222 Disposal proceeds of amounts owed by affiliated undertakings	2065	2066
75223 Participating interests	2067	2068
752231 Book value of yielded participating interests	2068	2070
752232 Disposal proceeds of participating interests	2071	2072
75224 Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	2073	2074
752241 Book value of yielded amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	2075	2076
752242 Disposal proceeds of amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	2077	2078
75225 Securities held as fixed assets	2079	2080
752251 Book value of yielded securities held as fixed assets	2081	2082
752252 Disposal proceeds of securities held as fixed assets	2083	2084
75226 Loans, deposits and claims held as fixed assets	2085	2086
752261 Book value of yielded loans, deposits and claims held as fixed assets	2087	2088
752262 Disposal proceed of loans, deposits and claims held as fixed assets	2089	2090
753 Reversals of value adjustments (RVA) and fair-value adjustments (FVA) on transferable securities	2091	2092
7531 RVA on transferable securities	2106	2110
75311 RVA on shares in affiliated undertakings	2111	2112
75312 RVA on own shares or corporate units	2115	2116
75313 RVA on shares in undertakings with which the undertaking is linked by virtue of participating interests	2113	2114
75318 RVA on other transferable securities	2117	2118
7532 Fair value adjustments on transferable securities	2093	2094

RCSL Nr. :	Matricule :
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	Net debit balance	Net credit balance
754 Gains from the disposal and other income from current receivables and transferable securities of current assets	2096	2096
7541 Gains from the disposal of receivables from current assets	2097	2098
75411 on affiliated undertakings	2099	2000
75412 on undertakings with which the undertaking is linked by virtue of participating interests	2001	2002
75413 on other current receivables	2003	2004
7542 Gains from the disposal of transferable securities	2123	2124
75421 Shares in affiliated undertakings	2125	2126
75422 Own shares or corporate units	2129	2130
75423 Shares in undertakings with which the undertaking is linked by virtue of participating interests	2127	2128
75428 Other transferable securities	2131	2132
7548 Other income from transferable securities	2133	2134
75481 Shares in affiliated undertakings	2135	2136
75482 Own shares or corporate units	2138	2140
75483 Shares in undertakings with which the undertaking is linked by virtue of participating interests	2137	2138
75488 Other transferable securities	2141	2142
755 Other interest income from current assets and discounts	2143	2144
7552 Bank and similar interest	2145	2146
75521 Interest on bank accounts	2005	2006
75523 Interest on financial leases	2151	2152
755231 from affiliated undertakings	2007	2008
755232 from other	2009	2010
7553 Interest on trade receivables	2153	2154
7554 Interest on amounts owed by affiliated undertakings and undertakings with which the undertaking is linked by virtue of participating interests	2155	2156
75541 Interest on amounts owed by affiliated undertakings	2011	2012
75542 Interest on amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	2013	2014
7555 Discounts on bills of exchange	2157	2158
75551 Discounts on bills of exchange - affiliated undertakings	2015	2016
75552 Discounts on bills of exchange - other	2017	2018
7556 Discounts received	2159	2160
75561 Discounts received - affiliated undertakings	2019	2020
75562 Discounts received - other	2021	2022
7558 Interest on other amounts receivable	2161	2162
75581 Interest on other amounts receivable - affiliated undertakings	2023	2024
75582 Interest on other amounts receivable - other	2025	2026
756 Foreign currency exchange gains	2163	2164
7561 Foreign currency exchange gains - affiliated undertakings	2027	2028
7562 Foreign currency exchange gains - other	2029	2030
757 Share of profit from undertakings accounted for under the equity method	2165	2166

RCSL Nr. :	Matricule :
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	Net debit balance	Net credit balance
758 Other financial income	2167 _____	2168 _____
7581 Other financial income - affiliated undertakings	2631 _____	2632 _____
7582 Other financial income - other	2633 _____	2634 _____
759 Reversals of financial provisions	2169 _____	2170 _____
7591 Reversals of financial provisions - affiliated undertakings	2635 _____	2636 _____
7592 Reversals of financial provisions - other	2637 _____	2638 _____
77 Adjustments of income taxes	2231 _____	2232 _____
771 Adjustments of corporate income tax (CIT)	2233 _____	2234 _____
772 Adjustments of municipal business tax (MBT)	2235 _____	2236 _____
773 Adjustments of foreign income taxes	2237 _____	2238 _____
779 Reversals of provisions for deferred taxes	2239 _____	2240 _____
78 Adjustments of other taxes not included in the previous caption	2241 _____	2242 _____
781 Adjustments of net wealth tax (NWT)	2243 _____	2244 _____
782 Adjustments of subscription tax	2245 _____	2246 _____
783 Adjustments of foreign taxes	2247 _____	2248 _____
788 Adjustments of other taxes	2249 _____	2250 _____
TOTAL CLASSES 6 AND 7	2251 _____	2252 _____
TOTAL CLASSES 1 TO 7	2657 _____	2658 _____
RESULT FOR THE FINANCIAL YEAR	0041 _____	

RCSL Nr. :	Matricule :
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ANNEX TO THE STANDARD CHART OF ACCOUNTS

Annex N° 1 - Class 1 : Details of the account 106 "Account of the owner or the co-owners"

	Net debit balance	Net credit balance
106 Account of the owner or the co-owners	2210 _____	2260 _____
1061 Withdrawals for the owner's or the co-owners' personal use	2261 _____	2262 _____
10611 Cash withdrawals (daily life)	2263 _____	2264 _____
10612 Withdrawals of merchandise, finished products and services (at cost)	2265 _____	2266 _____
10613 Private share of medical services expenses	2267 _____	2268 _____
10614 Private insurance premiums	2269 _____	2270 _____
106141 Life insurance	2271 _____	2272 _____
106142 Accident insurance	2273 _____	2274 _____
106143 Fire insurance	2275 _____	2276 _____
106144 Third-party insurance	2277 _____	2278 _____
106145 Full coverage insurance	2279 _____	2280 _____
106148 Other private insurance premiums	2281 _____	2282 _____
10615 Contributions	2283 _____	2284 _____
106151 Social Security	2285 _____	2286 _____
106152 Child benefit office	2287 _____	2288 _____
106153 Health insurance funds	2289 _____	2290 _____
106154 Death and other health insurance funds	2291 _____	2292 _____
106158 Other contributions	2293 _____	2294 _____
10616 In kind withdrawals (personal share of operating costs)	2295 _____	2296 _____
106161 Wages	2297 _____	2298 _____
106162 Rent	2299 _____	2300 _____
106163 Heating, gas, electricity	2301 _____	2302 _____
106164 Water	2303 _____	2304 _____
106165 Telephone	2305 _____	2306 _____
106166 Car	2307 _____	2308 _____
106168 Other in kind withdrawals	2309 _____	2310 _____
10617 Acquisitions	2311 _____	2312 _____
106171 Private furniture	2313 _____	2314 _____
106172 Private car	2315 _____	2316 _____
106173 Private held securities	2317 _____	2318 _____
106174 Private buildings	2319 _____	2320 _____
106178 Other acquisitions	2321 _____	2322 _____
10618 Taxes	2323 _____	2324 _____
106181 Income tax paid	2325 _____	2326 _____
106183 Municipal business tax - payment in arrears	2329 _____	2330 _____
106188 Other taxes	2331 _____	2332 _____

RCSL Nr. :	Matricule :
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	Net debit balance	Net credit balance
10619 Special private withdrawals	2121 _____	2124 _____
106191 Repairs to private buildings	2126 _____	2126 _____
106192 Deposits on private financial accounts	2127 _____	2128 _____
106193 Refund of private debts	2129 _____	2130 _____
106194 Gifts and allowance to children	2141 _____	2142 _____
106195 Inheritance taxes and mutation tax due to death	2143 _____	2144 _____
106198 Other special private withdrawals	2145 _____	2146 _____
1062 Additional private contributions from the owner or the co-owners	2147 _____	2148 _____
10621 Inheritance or donation	2149 _____	2150 _____
10622 Personal holdings	2151 _____	2152 _____
10623 Private loans	2153 _____	2154 _____
10624 Disposals	2155 _____	2156 _____
106241 Private furniture	2157 _____	2158 _____
106242 Private car	2159 _____	2160 _____
106243 Private shares / bonds	2161 _____	2162 _____
106244 Private buildings	2163 _____	2164 _____
106248 Other disposals	2165 _____	2166 _____
10625 Received rents	2167 _____	2168 _____
10626 Received wages or pensions	2169 _____	2170 _____
10627 Received child benefit	2171 _____	2172 _____
10628 Tax refunds	2173 _____	2174 _____
106281 Income tax	2175 _____	2176 _____
106284 Municipal business tax (MBT)	2179 _____	2180 _____
106288 Other tax refunds	2181 _____	2182 _____
10629 Business share in private expenses	2183 _____	2184 _____

RCSL Nr. :	Matricule :
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Size criteria and categorization of the undertaking

Average number of staff employed during the financial year: 2020 _____

Articles 35 and 47 of the amended law of December 19th 2002 specify the size criteria (a description of the size criteria can be found on the page « Forms » under the « Description » section) that are used to categorize the undertakings into "Small-sized undertaking", "Medium-sized undertaking" and "Large-sized undertaking" and thus requiring or allowing the use of abridged or non-abridged versions of the balance sheet and/or the profit and loss account. Large-sized undertakings are those which, on their balance sheet dates, exceed the limits of at least two of the following three criteria provided for under article 47 during two consecutive financial years and that must file their balance sheet and their profit and loss account using the non-abridged versions. Small-sized undertakings are those which do not exceed the limits of at least two out of the three criteria provided for under article 35 during two consecutive financial years, and that may file their balance sheet and their profit and loss account using the abridged versions. Medium-sized undertakings are those exceeding the limits of at least two out of the three criteria provided for under article 35, but which do not exceed the limits of at least two out of the three criteria provided for under article 47 during two consecutive financial years, and that must file their balance sheet using the non-abridged version but may file their profit and loss account using the abridged version:

Categorization of the undertaking	Documents to be generated
2040 <input type="checkbox"/> Large-sized undertaking	2041 <input type="checkbox"/> Balance sheet 2042 <input type="checkbox"/> Profit and loss account
2043 <input type="checkbox"/> Medium-sized undertaking	2044 <input type="checkbox"/> Balance sheet 2045 <input type="checkbox"/> Profit and loss account - abridged 2046 <input type="checkbox"/> Profit and loss account (option)
2047 <input type="checkbox"/> Small-sized undertaking	2048 <input type="checkbox"/> Balance sheet - abridged 2049 <input type="checkbox"/> Profit and loss account - abridged 2050 <input type="checkbox"/> Balance sheet (option) 2051 <input type="checkbox"/> Profit and loss account (option)

Non-automated generation of the balance sheet and the profit and loss account

Is the undertaking a Reserved Alternative Investment Fund (RAIF) using the industry-specific lay-outs for the balance sheet and the profit and loss account (art. 38 (4) from the law of 23rd July 2016)?

or

Does the undertaking make use of the special conditions applicable to parent companies and subsidiaries as provided for under section 11 of chapter II of the amended law of December 19th 2002?

or

Does the undertaking claim another reason for not establishing its balance sheet and profit and loss account according to the forms provided by the eCDF platform? (explanations to provide in field 2385 "Comments")

2062 Yes

RCSL Nr.:	Matricule:
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Day-to-day bookkeeping

Does the undertaking keep its books and accounts according to an internal chart of accounts that differs from the standardized charts of accounts? (art. 6(1) RGD)

Yes

Optional remarks of the depositor

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06 Appendix - Other possible layouts for the consolidated accounts

While the Luxembourgish legislator has restricted the layout of the balance sheet and profit and loss account for statutory financial statements to one single possibility, this was done with the intention of easing data collection under a structured format. As consolidated data are not currently collected in a structured way, Luxembourg has decided to remain flexible on the layout of the consolidated financial statements by allowing all formats of balance sheet and profit and loss account that are accepted by the European Directive. Therefore, in addition to the presentation of the balance sheet and profit and loss account sets in Illustrative Annual Accounts' section, you will find below other acceptable presentations for the consolidated balance sheet and consolidated profit and loss account.

BALANCE SHEET¹⁰⁸ - in List

A. Subscribed capital unpaid

B. Formation expenses

C. Fixed assets

I. Intangible assets

1. Development costs
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were:
 - a) acquired for valuable consideration and need not be shown under C (I) (3);
 - b) created by the undertaking itself, in so far as national law permits their being shown as assets
3. Goodwill, to the extent that it was acquired for valuable consideration
4. Payments on account

II. Tangible assets

1. Land and buildings
2. Plant and machinery
3. Other fixtures and fittings, tools and equipment
4. Payments on account and tangible assets in course of construction

III. Financial assets

1. Shares in affiliated undertakings
2. Loans to affiliated undertakings
3. Participating interests
4. Loans to undertakings with which the company is linked by virtue of participating interests
5. Investments held as fixed assets
6. Other loans

¹⁰⁸ According to Article 10a of the 4th Directive, instead of this presentation of balance sheet items and the one foreseen by the [Article 34](#) of the Accounting Law, it is permitted to present those items on the basis of a distinction between current and non-current items, provided that the information given is at least equivalent to that otherwise required by this layout and the one foreseen by the Accounting Law.

D. Current assets

- I. Stocks
 1. Raw materials and consumables
 2. Work in progress
 3. Finished goods and goods for resale
 4. Payments on account
- II. Debtors (Amounts becoming due and payable after more than one year must be shown separately for each item)
 1. Receivables resulting from sales and from the provision of services
 2. Amounts owed by affiliated undertakings
 3. Amounts owed by undertakings with which the company is linked by virtue of participating interests
Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests
 4. Other receivables
- III. Investments
 1. Shares in affiliated undertakings
 2. Own shares
 3. Other investments
- IV. Cash at bank and in hand

E. Deferred charges

F. Creditors: amounts becoming due and payable within one year

1. Bonds
2. Amounts owed to credit institutions
3. Payments received on account of orders in so far as they are not shown separately as deductions from stocks
4. Amounts due to trade creditors
5. Bills of exchange payable
6. Amounts owed to affiliated undertakings
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests
8. Other creditors
9. Accruals and deferred income

G. Net current assets/liabilities

H. Total assets less current liabilities

I. Creditors: amounts becoming due and payable after more than one year

1. Bonds
2. Amounts owed to credit institutions
3. Payments received on account of orders in so far as they are not shown separately as deductions from stocks
4. Amounts due to trade creditors
5. Bills of exchange payable
6. Amounts owed to affiliated undertakings
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests
8. Other creditors
9. Accruals and deferred income

J. Provisions for liabilities and charges

1. Provisions for pensions and similar obligations
2. Provisions for taxation
3. Other provisions

K. Deferred income

L. Capital and reserves

- I. Subscribed capital
- II. Share premium account
- III. Revaluation reserve
- IV. Reserves
 1. Legal reserve
 2. Reserve for own shares or corporate units
 3. Reserves provided for by the articles of association
 4. Other reserves, including the fair value reserve
- V. Profit or loss brought forward
- VI. Profit or loss for the financial year

PROFIT AND LOSS ACCOUNT

Option 1 (List by nature)

1. Net turnover
2. Variation in stocks of finished goods and in work in progress
3. Work performed by the undertaking for its own purposes and capitalised
4. Other operating income
5. a) Raw materials and consumables
b) Other external charges
6. Staff costs:
a) wages and salaries
b) social security costs, with a separate indication of those relating to pensions
7. Value adjustments in respect of
a) formation expenses and of tangible and intangible fixed assets
b) current assets
8. Other operating charges / Other operating expenses
9. Income from participating interests
a) from affiliated undertakings
b) from other participating interests
10. Income from other investments, other securities and loans forming part of the fixed assets
a) from affiliated undertakings
b) other income not shown under a)
11. Other interest receivables and other financial income
a) from affiliated undertakings
b) other interest and financial income
12. Share in the results of the undertakings to which the equity method has been applied
13. Value adjustments in respect of financial assets and investments held as current assets
14. Interest payable and other financial expenses
a) Relating to affiliated undertakings
b) Other interest and financial expenses
15. Tax on results
16. Results after taxation
17. Other taxes not shown under items 1. to 16.
18. Results for the financial year

Option 2 (List by function)

1. Net turnover
2. Cost of sales (including value adjustments)
3. Gross profit or loss
4. Distribution costs (including value adjustments)
5. Administrative expenses (including value adjustments)
6. Other operating income
7. Income from participating interests
a) from affiliated undertakings
b) from other participating interests

8. Income from other investments, other securities and loans forming part of the fixed assets
 - a) from affiliated undertakings
 - b) other income not shown under a)
9. Other interest receivables and other financial income
 - a) from affiliated undertakings
 - b) other interest and financial income
10. Value adjustments in respect of financial assets and investments held as current assets
11. Interest payable and other financial expenses
 - a) Relating to affiliated undertakings
 - b) Other interest and financial expenses
12. Tax on results
13. Results after taxation
14. Other taxes not shown under items 1. to 16.
15. Results for the financial year

Option 3 (in table by function)

A. Charges

1. Cost of sales (including value adjustments)
2. Distribution costs (including value adjustments)
3. Administrative expenses (including value adjustments)
4. Value adjustments in respect of financial assets and investments held as current assets
5. Interest payable and other financial expenses
 - a) Relating to affiliated undertakings
 - b) Other interest and financial expenses
6. Tax on results
7. Results after taxation
8. Other taxes not shown under items 1. to 16.
9. Results for the financial year

B. Income

1. Net turnover
2. Other operating income
3. Income from participating interests
 - a) from affiliated undertakings
 - b) from other participating interests
4. Income from other investments, other securities and loans forming part of the fixed assets
 - a) from affiliated undertakings
 - b) other income not shown under a)
5. Other interest receivables and other financial income
 - a) from affiliated undertakings
 - b) other interest and financial income
6. Results for the financial year



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Appendix - General information regarding the filing and the publication of the annual accounts

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Filing of financial data with the RCS and publication of the RESA annual accounts

(Table updated on 30 November 2019)

Warning:

This table **deals exclusively** with the obligation to submit financial data with the RCS and the related formalism (transmission via eCDF and application of the PCN or direct deposit to the RCS) as well as the obligation to publish the annual accounts to the RESA. This table **does not deal** with other obligations regarding the communication of financial data and annual accounts such as these may arise, for example, from tax legislation or prudential regulations or even from the transparency policy voluntarily adopted by the Entity. The table also **does not deal** with the bookkeeping and annual accounts preparation obligations, which may exist independently of the obligation to file with the RCS and to publish to the RESA.

This table aims to contribute to the development of an accounting doctrine (art. 73 b), modified law of 19/12/2002) and only represents the opinion of the Accounting Standards Commission (CNC) on a certain number of questions of an interpretative nature. The administrative or management bodies of companies remain responsible in accordance with common law for any decision taken on the basis of this document.

#	Legal status	Criteria	e CDF filing/transfer required (I)	Annual accounts			
				PCN (II)	RCS filing (III)	RESA publication (IV)	
1	Sole trader	Net turnover < € 100 000	-	-	-	-	
		Net turnover >= € 100 000	-	-	Yes	-	
2	Public company limited by shares (SA), Simplified joint stock company (SAS) Private limited company (SARL), Simplified Private Limited Liability Company (SARL-S), Corporate partnership limited by shares (SCA), European Company (SE)	Undertaking regulated by CSSF (b) with the exception of support FSP (c)	-	-	Yes	Yes	
		Support FSP (c)	IFRS Standards adopted (a)	-	-	Yes	Yes
			IFRS Standards not adopted	Yes	Yes	Yes	Yes
		Insurance or reinsurance company (d)	-	-	Yes	Yes	
		Insurance sector professional (PSA) (e)	IFRS Standards adopted (a)	-	-	Yes	Yes
			IFRS Standards not adopted	Yes	Yes	Yes	Yes
		Reserved Alternative Investment Fund (FIAR, L.23/07/2016) (f)	IFRS Standards adopted (a)	-	-	Yes	Yes
			IFRS Standards not adopted	Yes (partially) (g)	Yes	Yes	Yes
		Financial holding company as outlined within Article 31 L.19/12/2002 (h)	IFRS Standards adopted (a)	-	-	Yes	Yes
			IFRS Standards not adopted	Yes	Yes	Yes	Yes
Other (i)	IFRS Standards adopted (a)	-	-	Yes	Yes		
	IFRS Standards not adopted	Yes	Yes	Yes	Yes		
3	Cooperative society (SCoop), Cooperative society organized as a public limited company (SCoopSA), European Cooperative society (SEC)	Undertaking regulated by CSSF (b) with the exception of support FSP (c) and SEPCAV (j)	-	-	Yes	Yes	
		Support FSP (c)	IFRS Standards adopted (a)	-	-	Yes	Yes
			IFRS Standards not adopted	Yes	Yes	Yes	Yes
		Pension savings company with variable capital (SEPCAV) (j)	-	-	-	-	
		Insurance or reinsurance company (d)	-	-	Yes	Yes	
		Pension fund (within insurance sector - L.07/12/2015) (k)	-	-	Yes	Yes	
		Insurance sector professional (PSA) (e)	IFRS Standards adopted (a)	-	-	Yes	Yes
			IFRS Standards not adopted	Yes	Yes	Yes	Yes
		Reserved Alternative Investment Fund (FIAR, L.23/07/2016) (f)	IFRS Standards adopted (a)	-	-	Yes	Yes
			IFRS Standards not adopted	Yes (partially) (g)	Yes	Yes	Yes
Financial holding company as outlined within Article 31 L.19/12/2002 (h)	IFRS Standards adopted (a)	-	-	Yes	Yes		
	IFRS Standards not adopted	Yes	Yes	Yes	Yes		
Other	IFRS Standards adopted (a)	-	-	Yes	Yes		
	IFRS Standards not adopted	Yes	Yes	Yes	Yes		
4	Special limited partnership (SCSp)	-	-	- (l)	-		
5	Temporary commercial companies or commercial companies by participation (m)	-	-	-	-		

6	Economic interest grouping(GIE)or European economic interest grouping(GEIE)	Insurance sector professional (PSA) (e)	IFRS Standards adopted (a)	-	-	Yes	-
			IFRS Standards not adopted	Yes	Yes	Yes	-
		Other	IFRS Standards adopted (a)	-	-	Yes	-
			IFRS Standards not adopted	Yes	Yes	Yes	-

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Warning:

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#	Legal status	Criteria	e CDF filing/transfer required (I)	PCN (II)	Annual accounts				
					RCS filing (III)	RESA publication (IV)			
7	General corporate partnerships (SNC) or limited corporate partnership (SCS)	Company referred to in art. 77, 2 ^d al., points 2 ^a and 3 ^a , L.19/12/2002 (n)	Undertaking regulated by CSSF (b) with the exception of support FSP (c)	-	-	Yes	Yes		
			Support FSP (c)	IFRS Standards adopted (a)	-	-	Yes	Yes	
				IFRS Standards not adopted	Yes	Yes	Yes	Yes	
			Insurance sector professional (PSA) (e)	IFRS Standards adopted (a)	-	-	Yes	Yes	
				IFRS Standards not adopted	Yes	Yes	Yes	Yes	
			Reserved Alternative Investment Fund (FIAR, L.23/07/2016) (f)	IFRS Standards adopted (a)	-	-	Yes	Yes	
				IFRS Standards not adopted	Yes (partially) (g)	Yes	Yes	Yes	
		Financial holding company as outlined within Article 31 L.19/12/2002 (h)	IFRS Standards adopted (a)	-	-	Yes	Yes		
			IFRS Standards not adopted	Yes	Yes	Yes	Yes		
		Other	IFRS Standards adopted (a)	-	-	Yes	Yes		
			IFRS Standards not adopted	Yes	Yes	Yes	Yes		
		Other	Net turnover >= € 100 000	Net turnover <€ 100 000	-	-	-	-	
				Undertaking regulated by CSSF (b) with the exception of support FSP (c)	Support FSP (c)	-	-	Yes	-
					IFRS Standards adopted (a)	IFRS Standards adopted (a)	-	-	Yes
IFRS Standards not adopted	Yes					Yes	Yes	-	
Insurance sector professional (PSA) (e)	IFRS Standards adopted (a)				-	-	Yes	-	
	IFRS Standards not adopted				Yes	Yes	Yes	-	
Reserved Alternative Investment Fund (FIAR, L.23/07/2016) (f)	IFRS Standards adopted (a)				-	-	Yes	-	
	IFRS Standards not adopted				Yes (partially) (g)	Yes	Yes	-	
Financial holding company as outlined within Article 31 L.19/12/2002 (h)	IFRS Standards adopted (a)			-	-	Yes	-		
	IFRS Standards not adopted			Yes	Yes	Yes	-		
Other	IFRS Standards adopted (a)	-	-	Yes	-				
	IFRS Standards not adopted	Yes	Yes	Yes	-				
8	Public administration (with some exceptions noted)	-	-	-	-				
9	Civil company (SC)	-	-	-	-				
10	Liberal professions (exercised individually and not in corporate form) (o)	-	-	-	-				
11	Foundation	-	-	-	-				
12	Non-profit organisation (Asbl)	Asbl receiving a donation whose amount exceeds EUR 30 000 and subject to authorisation (art. 16 para. 6 L.21/04/1928)	-	-	Yes	Yes			
		Pension fund (within insurance sector - L.07/12/2015) (k)	-	-	Yes	Yes			
		Other	-	-	-	-			
13	Farming association (q)	-	-	-	-				
14	Mutual insurance company (ASSMUT) (r)	Insurance or reinsurance company (d)	-	-	Yes	Yes			
		Pension fund (within insurance sector - L.07/12/2015) (k)	-	-	Yes	Yes			
15	Saving pension plan (ASSEP) (s)	-	-	-	-				
16	Mutual fund (FCP) (t)	Undertaking for Collective Investment (UCI, L.17/12/2010)	-	-	-	-			
		Specialised Investment Fund (SIF, L.13/02/2007)	-	-	-	-			
		Reserved Alternative Investment Fund (FIAR, L.23/07/2016) (g)	-	-	-	-			

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Filing of financial data with the RCS and publication of the RESA annual accounts

(Table updated on 30 November 2019)

Warning:
This table **deals exclusively** with the obligation to submit financial data with the RCS and the related formalism (transit by eCDF and application of the PCN or direct deposit to the RCS) as well as the obligation to publish the annual accounts to the RESA.
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#	Legal status	Criteria	eCDF filing/transfer required (I)	PCN (II)	Annual accounts				
					RCS filing (III)	RESA publication (IV)			
17	Luxembourg branch of a company/ company governed by foreign law (I)	Non-commercial company or similar organisation (K1)	Branch accounts	-	-	-	-		
		Company accounts	-	-	-	-			
		Sole trader (K2)	Branch accounts	IFRS Standards adopted (a)	-	-	Yes	-	
			IFRS Standards not adopted	Yes	Yes	Yes	-		
		Sole trader accounts	-	-	-	-			
		GIE or GEIE (K3)	Branch accounts	IFRS Standards adopted (a)	-	-	Yes	-	
			IFRS Standards not adopted	Yes	Yes	Yes	-		
		GIE / GEIE accounts	-	-	-	-			
		Commercial company governed by the law of a Member State and to which Directive 2017/1132/EU applies (EU) (K4)	Branch accounts	IFRS Standards adopted (a)	-	-	Yes	-	
			IFRS Standards not adopted	Yes	Yes	Yes	-		
		Company accounts	-	-	Yes	Yes			
		Commercial company not governed by the law of a Member State but having a form comparable to those referred to in Directive 2017/1132/EU (outside the EU) (K5)	Branch accounts	The accounts of the company governed by foreign law are drawn up in accordance with Directive 2013/34/EU or equivalent	IFRS Standards adopted (a)	-	-	Yes	-
				IFRS Standards not adopted	Yes	Yes	Yes	-	
			The accounts of the company governed by foreign law are not established in accordance with Directive 2013/34/EU or equivalent	IFRS Standards adopted (a)	-	-	Yes	Yes	
				IFRS Standards not adopted	Yes	Yes	Yes	Yes	
		Company accounts	The accounts of the company governed by foreign law are drawn up in accordance with Directive 2013/34/EU or equivalent	-	-	Yes	Yes		
			The accounts of the company governed by foreign law are not established in accordance with Directive 2013/34/EU or equivalent	-	-	-	-		
Commercial company not having a legal form comparable to those referred to in Directive 2017/1132/EU (art. 1300-3, 1 st al., L.10/08/1915) (EU or non-EU) (K6)	Branch accounts	IFRS Standards adopted (a)	-	-	Yes	-			
	IFRS Standards not adopted	Yes	Yes	Yes	-				
Company accounts	-	-	Yes	Yes					
Credit institution covered by directive 86/635/EEC	Branch accounts	-	-	-	- (w)				
	Credit institution accounts	-	-	Yes	Yes				
Insurance or reinsurance company covered by Directive 91/674/EEC	Branch accounts	-	-	Yes	Yes				
	Insurance or reinsurance company accounts	-	-	(partially) (x)	(partially) (x)				

Acronyms & abbreviations

CAHT	Chiffre d'affaires net - Net turnover
CAA	Commissariat aux assurances
CSSF	Commission de surveillance du secteur financier
IFRS	Normes internationales d'information financière ("International Financial Reporting Standards")
PCN	Plan comptable normalisé - Standard chart of accounts
RCS	Registre de commerce et des sociétés
RESA	Recueil électronique de sociétés et associations

eCDF scope:
The preparation and / or transfer via the electronic platform for the collection of financial data (eCDF) (www.ecdf.lu) of financial data relating to the standard chart of accounts (PCN), the balance sheet or abridged balance sheet and the profit and loss account is mandatory for companies subject to the obligation to deposit the balance of accounts taken over to the PCN (GDR 14/12/2011).

eCDF application modalities:
When preparation (HTML solution) and / or transfer (HTML and XML solutions) are mandatory on the eCDF platform, transit via eCDF takes place upstream of the official filing with the RCS.
a) The preparation or transfer of financial data to eCDF covers the standard chart of accounts (PCN), the balance sheet (or abridged profit and loss account), excluding other components of the accounting package (e.g. legal annex, management report, control report, allocation of the result) which are deposited directly on the RCS portal (www.lbr.lu).
b) The choice of balance sheet and profit and loss account forms (abridged or non abridged versions) depends on the category to which the company belongs in application of articles 35, 36 and 47 L.19/12/2002:
- Small-sized undertakings (art. 35: Balance sheet < 4,4M € ; CAHT < 8,8M € ; Size < 50 staff employed) are allowed to file an abridged balance sheet.
- Medium-sized undertakings (art. 47: Balance sheet < 20M € ; CAHT < 40M € ; Size < 250 staff employed) are allowed to file an abridged profit and loss account.

subject to not exceeding at least 2 of the 3 criteria for 2 consecutive years (cf.: Q&A CNC 19/019 Catégorisation des entreprises: interprétation du critère de répétition visé à l'article 36 LRCS).
Companies whose securities are admitted to trading on a regulated market are excluded from the benefit of these simplification measures.

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Filing of financial data with the RCS and publication of the RESA annual accounts

(Table updated on 30 November 2019)

Warning:

This table **deals exclusively** with the obligation to submit financial data with the RCS and the related formalism (transit by eCDF and application of the PCN or direct deposit to the RCS) as well as the obligation to publish the annual accounts to the RESA. This table **does not deal** with other obligations regarding the communication of financial data and annual accounts such as these may arise, for example, from tax legislation or prudential regulations or even from the transparency policy voluntarily adopted by the Entity. The table also **does not deal** with the bookkeeping and annual accounts preparation obligations, which may exist independently of the obligation to file with the RCS and to publish to the RESA. This table aims to contribute to the development of an accounting doctrine (art. 73 b), modified law of 19/12/2002) and only represents the opinion of the Accounting Standards Commission (CNC) on a certain number of questions of an interpretative nature. The administrative or management bodies of companies remain responsible in accordance with common law for any decision taken on the basis of this document.

- II The standard chart of accounts applies to companies within the meaning of article 8 of the C.Com. with the exception of those exempted in application of article 13 C.Com. and article 75 L.19 / 12/2002:
- PCN scope:**
- Companies within the meaning of art. 8 C.Com. falling within the scope of the accounting obligation:
 - 1° sole traders,
 - 2° commercial companies with legal personality, european interest groupings and economic interest groupings,
 - 3° special limited partnerships,
 - 4° branches and head offices established in Luxembourg by natural persons, companies governed by foreign law and EEIGs not having their registered office in Luxembourg.
 - With the exception of companies exempted pursuant to article 13 C.Com and 75 L.19/12/2002
 - 1° Traders who are natural persons whose CAHT for the last financial year does not exceed €100 000,
 - 2° General corporate partnerships and limited corporate partnerships whose CAHT for the last financial year does not exceed €100 000 with the exception of those referred to in article 77, 2d alinéa, points 2° et 3° L.19/12/2002,
 - 3° Special limited partnership whatever their turnover,
 - 4° Credit institutions
 - 5° Insurance and reinsurance companies,
 - 6° Companies in the financial sector subject to prudential supervision by the Commission de surveillance du secteur financier (CSSF) with the exception of support PSF,
 - 7° Companies establishing their annual accounts according to the IFRS-EU regime in application of Article 72bis L.19/12/2002.
- For companies to which the PCN applies, it is specified that the balance of accounts included in the PCN is only deposited for administrative purposes and is never accessible to the public.
As of the fiscal years beginning on January 1, 2020, the balance of accounts entered in the PCN includes a transition table ensuring the linkage with the items and headings of the balance sheet and the profit and loss account.
- III Since January 1, 2012, financial data filings with the Trade and Companies Register (RCS) have been carried out exclusively electronically on the RCS portal (www.lbr.lu). Since that date, accounting documents can no longer be filed in paper format.
- IV For companies covered by the accounting publication obligation, a reference to the filing of annual accounts with the RCS is published in the (RESA) (before June 1, 2016, the publication was made at the Memorial C). The annual accounts are accessible to the public on the RCS portal (www.lbr.lu) within the limits set by law in accordance with the provisions of Chapter IV of Title II L.19/12/2002 (e.g.: exemption option publication of the profit and loss account for Small-sized undertakings referred to in article 35 L.19/12/2002).
- a Under Article 75, al. 2 of the modified law of 19/12/2002, undertakings who establish their annual accounts following the IFRS standards (art.72bis) are exempt from filing the standard chart of accounts outlining the financial position of the company and consequently, the structured eCDF submission.
- b Within the meaning of article 2 (2) L.23 /12/1998, the CSSF is the competent authority for the prudential supervision of the following entities:
- credit institutions (law of 5 April 1993),
 - FSP within the meaning of the law of 5 April 1993 on the financial sector (investment firms, specialised FSP, support FSP and PSCD (providers of data communication services),
 - managers of alternative investment funds authorized under the law of 12 July 2013 (GFA),
 - Undertaking for Collective Investment:
 - . Undertaking for Collective Investment (OPC, law of 17 December 2010),
 - . management companies (chapters 15 and 16 of the law of 17 December 2010),
 - . specialised Investment Funds (SIF, law of 13 February 2007),
 - pension funds in the form of sepcev or assep (law of 13 July 2005),
 - approved securitisation bodies (law of 22 March 2004),
 - fiduciary representatives working with a securitisation body (law of 22 March 2004),
 - investment company in risk capital (SICAR, law of 15 June 2004),
 - payment institutions (law of 10 November 2009),
 - electronic money institutions (law of 10 November 2009).
- c Support FSP designates professionals of the financial sector exercising one of the additional activities referred to in subsection 3 of section 2 of chapter 2 of part I, L.05/04/1993:
- Customer communication agents,
 - Administrative agents of the financial sector,
 - Primary IT system operators in the financial sector,
 - Operators of secondary IT systems and financial sector communication networks,
 - Financial sector dematerialisation service providers,
 - Financial sector custody service providers.
- d Luxembourg insurance company and Luxembourg reinsurance company within the meaning of Article 32 (1) points 8 and 12 of the Law of 7 December 2015 on the insurance sector.
- e Insurance sector professional (PSA) means professionals exercising one or more of the activities of the insurance sector referred to in section 2 of chapter I of title III L.07/12/2015:
- Management companies of captive insurance companies and management companies of run-off insurance companies,
 - Management companies of reinsurance companies,
 - Pension fund management companies,
 - Approved providers of actuarial services,
 - Insurance portfolio management companies,
 - Authorised service providers linked to the governance of insurance and reinsurance companies,
 - Claims adjusters.

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Warning:
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This table **does not deal** with other obligations regarding the communication of financial data and annual accounts such as these may arise, for example, from tax legislation or prudential regulations or even from the transparency policy voluntarily adopted by the Entity.
The table also **does not deal** with the bookkeeping and annual accounts preparation obligations, which may exist independently of the obligation to file with the RCS and to publish to the RESA.
This table aims to contribute to the development of an accounting doctrine (art. 73 b), modified law of 19/12/2002) and only represents the opinion of the Accounting Standards Commission (CNC) on a certain number of questions of an interpretative nature. The administrative or management bodies of companies remain responsible in accordance with common law for any decision taken on the basis of this document.

- f Reserved Alternative Investment Fund (FIAR) within the meaning of the law of 23 July 2016. The FIAR is an alternative investment fund which has similarities with collective investment undertakings but which differs from them by the absence of direct supervision by a Luxembourg supervisory authority (cf.: Q&A CNC 19/018 Fonds d'investissement alternatifs réservés (FIAR): Plan comptable normalisé (PCN) et formalisme de dépôt des données financières).
- g Unlike other companies subject to preparation and/or transfer of financial data via eCDF, the FIAR is only required to prepare and/or transfer eCDF data relating to the PCN. The FIAR balance sheet and profit and loss account are the subject of a traditional filing on the RCS portal (cf.: Q&A CNC 19/018 Fonds d'investissement alternatifs réservés (FIAR): Plan comptable normalisé (PCN) et formalisme de dépôt des données financières).
- h The financial holding company within the meaning of article 31 L.19/12/2002 refers to companies whose sole purpose is to acquire holdings in other companies as well as the management and development of these holdings without that these companies interfere directly or indirectly in the management of these companies, without prejudice to the rights that the financial participation companies hold in their capacity as shareholders or partners. The concept of financial participation company within the meaning of article 31 L.19/12/2002 includes but is not limited to family wealth management companies (SPF) within the meaning of the law of 11 May 2007.
Financial holding companies have been subject to standardised collection since the entry into force of the eCDF platform on 1 January 2012 (fiscal year 2011). Since the entry into force of the law of 30 July 2013 (fiscal year 2014), all financial participation companies are subject to the Standard Accounting Plan (PCN). The balance sheet and profit and loss account forms reserved for certain financial holding companies (GDR 29/06/1984) were repealed by the Grand-Ducal regulation of 15 December 2016 (fiscal year 2017). Since then, financial holding companies have been subject to the common law accounting regime (p.ex.: PCN eCDF, balance sheet or abridged balance sheet (art.34 L.19/12/2002), profit and loss account or abridged profit and loss account (art.46 L.19/12/2002) except using the IFRS option (article 72bis).
- i Including companies governed by Luxembourg law whose securities are admitted to trading on a regulated market of a Member State of the European Union insofar as these are not also companies subject to the prudential supervision of the CSSF or insurance or reinsurance companies.
- j Variable capital pension savings companies (SEPCAV) within the meaning of the law of 13 July 2005 on institutions for occupational retirement provision in the form of a variable capital pension savings company (sepcav) and saving pension plans (assep).
- k Pension fund within the meaning of article 31 (1) point 14 of the law of 7 December 2015 on the insurance sector subject to prudential supervision by the Commissariat aux assurances (CAA).
- l The article 76 (2) mod. L. 19/12/2002 provides that a grand-ducal implementing regulation determines the filing procedure, the form and the content of the financial information filed by the special limited partnerships in the trade and companies register (RCS) and communicated for statistical purposes to the National Institute of Statistics and Economic Studies (STAT.EC). In the absence of publication of the said implementing regulations, the SCSp are for the time being exempted from submitting financial data to the RCS.
- m The temporary commercial company (formerly "temporary association" and the commercial companies by participation (formerly "association by participation") do not constitute companies within the meaning of Article 8 of the C.Com. and are therefore not subject to filing financial data to RCS and publication of annual accounts to RESA. The operations of these companies are generally included in the accounts of their partners and / or managers.
- n In accordance with article 77, 2d al., points 2° et 3° L.mod.19/12/2002, the SNC and SCS all of whose partners have unlimited liability are organized in the form of capital companies or assimilated companies (ie.: SA, SCA or S.à r.l. for Luxembourg) are subject to the obligation of accounting disclosure.
- o When the liberal profession is exercised in corporate form, the system for filing financial data with the RCS and for publishing the annual accounts is determined by reference to the legal form retained for the exercise of the liberal profession.
- p Unlike the annual accounts of commercial companies covered by the accounting publication obligation, the annual accounts of which are subject to publication by mention of filing with the RESA (see: note IV), the annual accounts of a foundation are published in full in RESA.
- q Farming association within the meaning of the Grand-Ducal decree of 17 September 1945 revising the law of 27 March 1900 on the organisation of farming associations.
- r Mutual insurance association within the meaning of article 48 of the law of 7 December 2015 on the insurance sector.
- s Saving pension plan (ASSEP) within the meaning of the law of 13 July 2005 on institutions for occupational retirement provision in the form of a variable capital pension savings company (SEPCAV) and saving pension plans (ASSEP).
- t Mutual fund, as an undivided pool of securities composed and managed according to the principle of risk spreading on behalf of undivided owners who are only committed up to the amount of their stake and whose rights are represented by shares, within the meaning of the following laws:
- Law of 17 December 2010 concerning collective investment undertakings (art. 5 (part I) and 89 (part II)),
- Law of 13 February 2007 relating to specialised investment funds (art. 4),
- Law of 23 July 2016 relating to reserved alternative investment funds (art. 6).
- u Cf.: Circular RCSL 11/1 - Procedure for filing and publishing the annual accounts of Luxembourg branches of foreign companies, January 2011 (www.lbr.lu, portal RCS, general information, circulars).
- v.1 For example, a Luxembourg branch of a civil society governed by foreign law, a non-profit association governed by foreign law or a liberal professional domiciled abroad.
- v.2 Branch / head office in Luxembourg of a natural person trader having his domicile abroad.
- v.3 Luxembourg branch of a GIE / EEIG having its head office abroad.
- v.4 These are commercial companies governed by the law of a Member State as referred to in Annex II of Directive 2017/1132/EU.
By way of illustration, for the three member states neighboring Luxembourg, these are the following legal forms:
- Germany: Aktiengesellschaft (AG), Kommanditgesellschaft auf Aktien (KGaA), Gesellschaft mit beschränkter Haftung (GmbH);
- Belgium: société anonyme (SA), société en commandite par actions (SCA), société de personnes à responsabilité limitée (SPRL);
- France: société anonyme (SA), société en commandite par actions (SCA), société à responsabilité limitée (SARL), société par actions simplifiée (SAS).
- v.5 These are commercial companies not governed by the law of a Member State but having a form comparable to those referred to in Annex II of Directive 2017/1132/EU, namely a form equivalent to legal companies Luxembourg taking the form of a public limited company (SA), a limited partnership with shares (SCA) or a limited liability company (S.à r.l).
- v.6 For example, a Luxembourg branch of a cooperative company governed by foreign law or a trading company of persons governed by foreign law (e.g.: form similar to SNC or SCS governed by Luxembourg law).
- w Branches of credit institutions having their head office in the EU are not required to publish annual accounts relating to their own activity in application of article 113 (3) of the amended law of 17 June 1992. The same applies to branches of credit institutions having their head office outside the EU. For the latter, only the accounts of the company governed by foreign law are filed for publication, i.e. without restatement when they are established in an equivalent manner (art. 114 (2) mod. L. 17/06/1992), or after restatement when these are not established in an equivalent manner (art. 114 (3) mod. L. 17/06/1992).
- x Although Luxembourg branches of insurance companies are not required to publish full annual accounts relating to their own activity, they must nevertheless file for publication a special annex relating to their own activity. This appendix contains the financial information required by article 127 point 4 of the amended law of 8 December 1994.



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