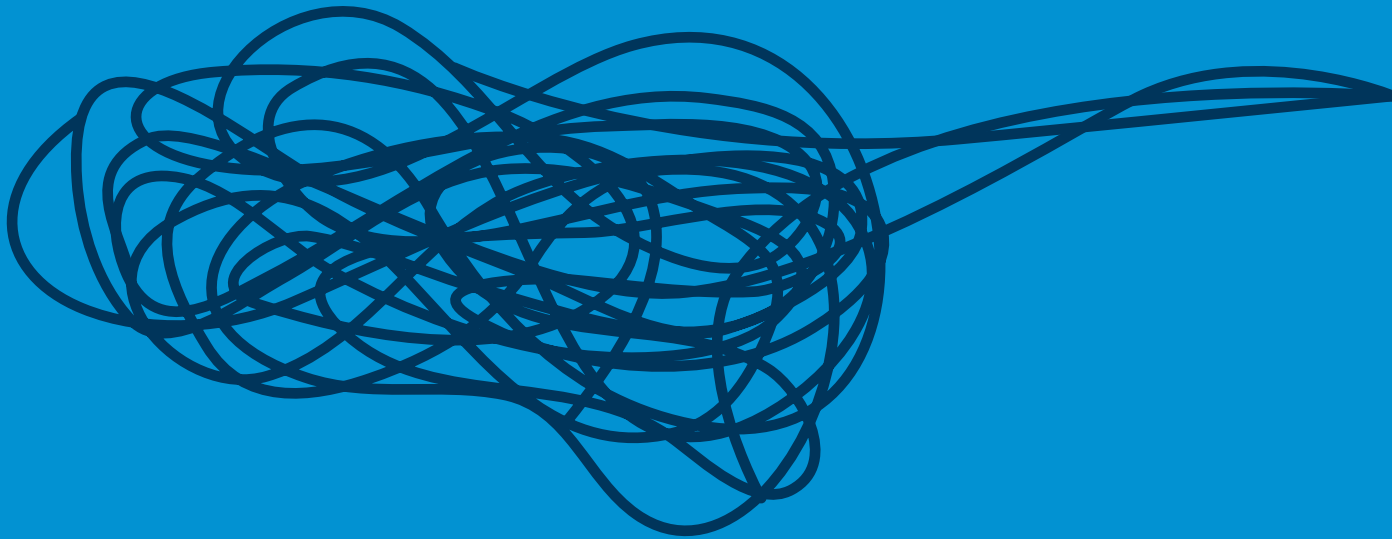
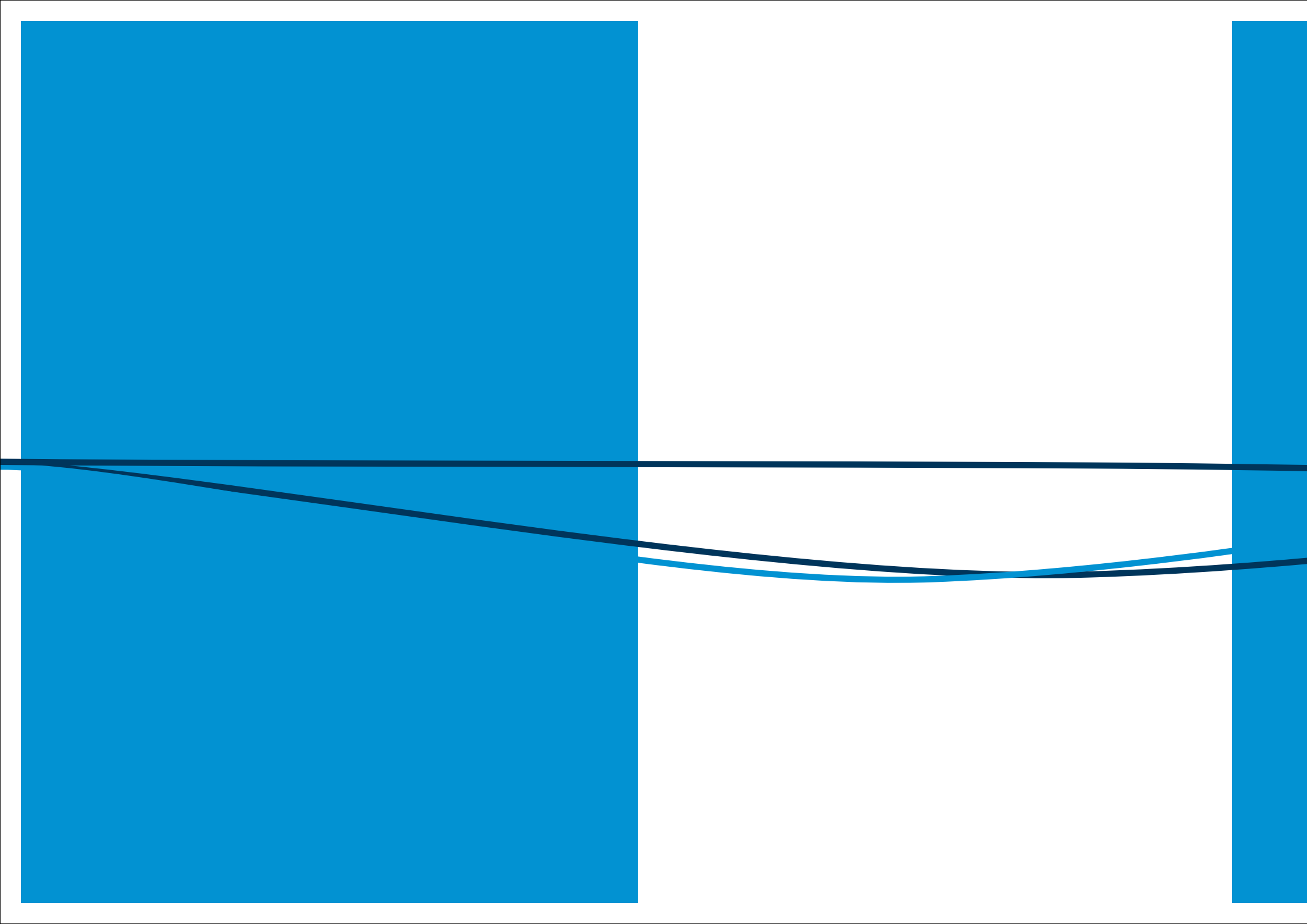


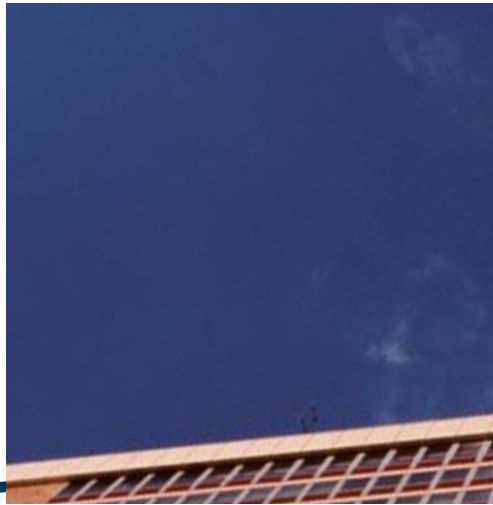
# Global Compliance Services\*



PwC Luxembourg  
How can we help you?







“More and more, businesses are operating in a regulatory environment with increasingly complex and risky areas. Lack of compliance to regulatory (e.g. accounting, tax, legal, social, ...) requirements can expose you to significant risks; not only with the Luxembourg authorities, but also with current and potential investors (e.g. shareholders, banks, ...).

Even though regulatory compliance is not always seen as the top priority, lack of timely compliance can, in some cases lead to reputational and financial damage. PwC Luxembourg, with a dedicated team of more than 180 professionals, can assist you by providing the entire range of services, from the creation to the liquidation of your Luxembourg entity.



We offer Global Compliance Services (GCS) to multinational groups, private equity houses, real estate companies, alternative assets management structures and local clients (industrial and commercial companies, banks, insurance companies, professionals of the financial sector, ...).

Our credentials and our long standing experience with first class clients prove our ability to deliver high added value services in these areas.”

Put our experience at your company’s disposal.

**Luc Trivaudey**

Luxembourg Global Compliance Services Leader

You intend to implement a business or an entity in Luxembourg

You are running one or multiple companies in Luxembourg

You have to coordinate, control and report tax and accounting compliance on a multi-territory basis

You intend to re-structure or liquidate your current business

All these situations often raise complex issues, especially given the increasingly tough nature of the legal, fiscal, social and regulatory environment.

We are familiar with the types of challenges you are likely to face, and offer comprehensive solutions to help you meet your objectives in terms of:

- Accounting
- Corporate tax compliance
- Indirect tax compliance
- Corporate secretarial
- Payroll

# Compliance is a complex area which requires a dedicated expertise

## Question of Control

- What is compliance?
- How is it managed?
- What do we see?
- Complexity of work at local level
- Fragmented reporting

Who keeps track of local entities and where does that responsibility lie?

## Pressures of Workload

- Time constraints
- Lack of qualified resources
- Increased global responsibilities
- Increased external pressures

How are you managing your time and your people to focus on what needs to get done?

## Global Compliance Function

## Management of Costs

- Multiple providers
- No centralised cost structure
- No control over cost over-runs
- No transparency

What are you spending globally for compliance?

## Fear of Risk

- Multiple jurisdictions
- Increased accountability
- Filing failures
- Public image

How are you responding to government risk and control regulations?

## Your needs

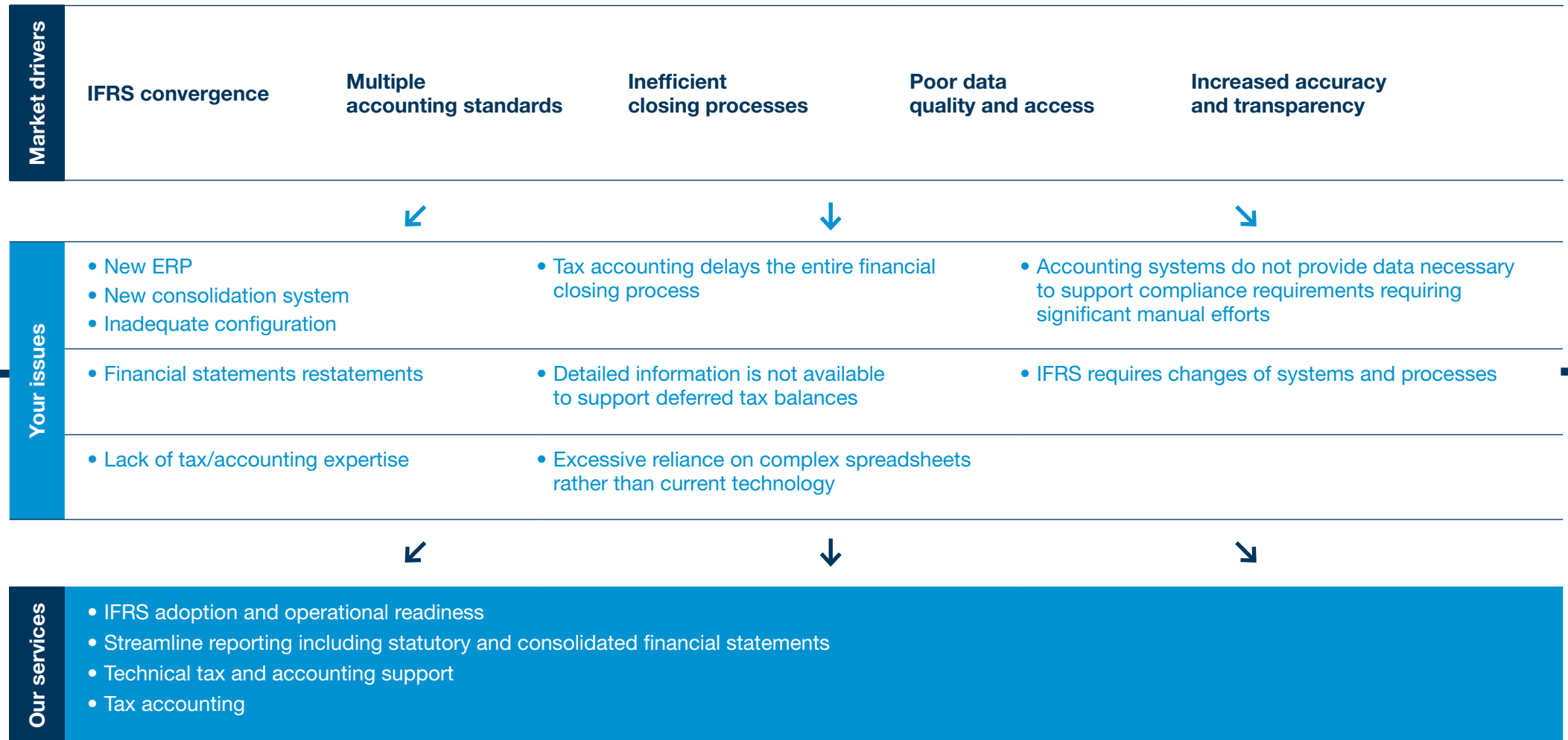


In order to face the issues raised by the different market drivers you have to deal with on a daily basis, you are currently considering specific needs in term of:

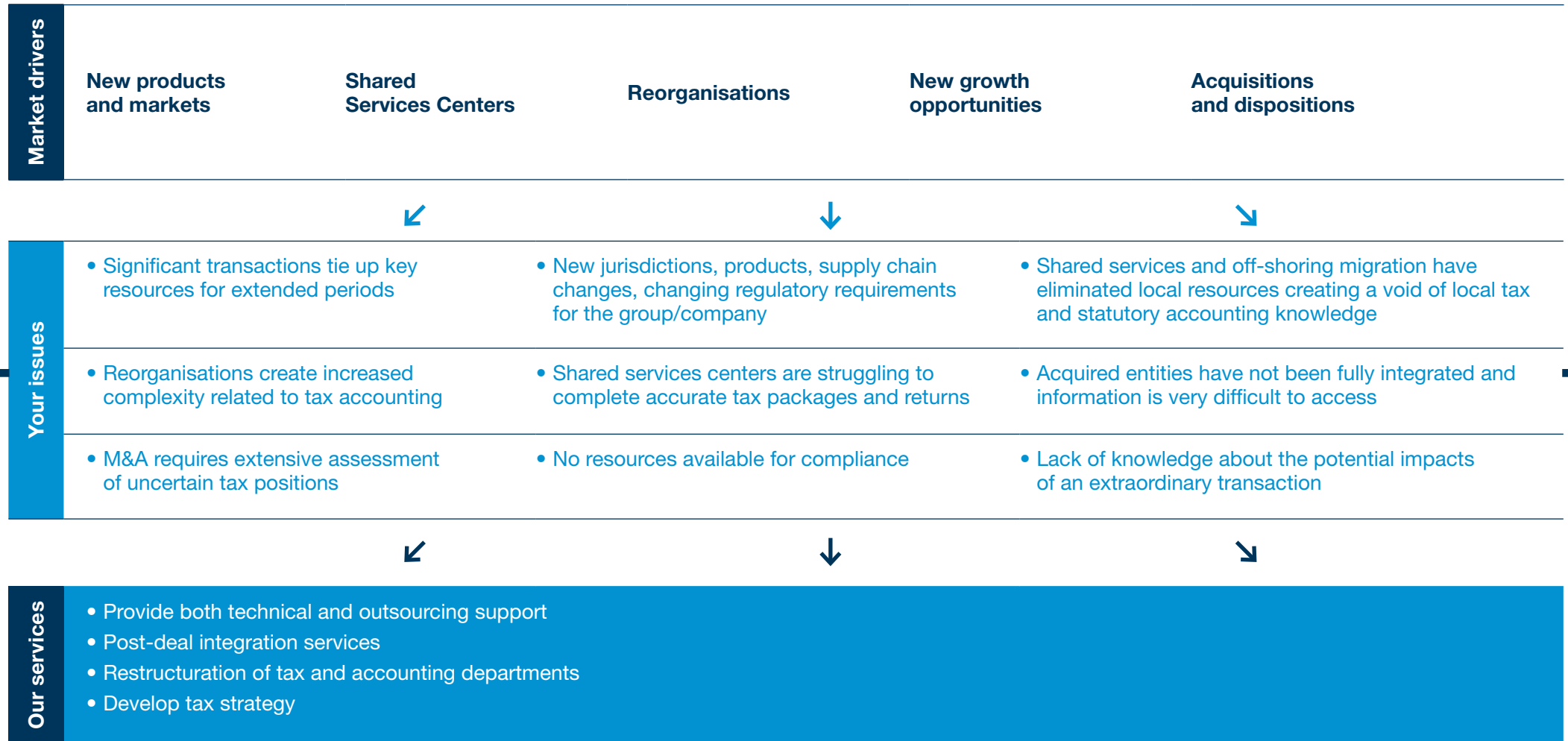
- Financial reporting
- Business changes
- Regulatory compliance issues
- Running and maintaining your operations

All our compliance services offer is tailored to help you address these needs.

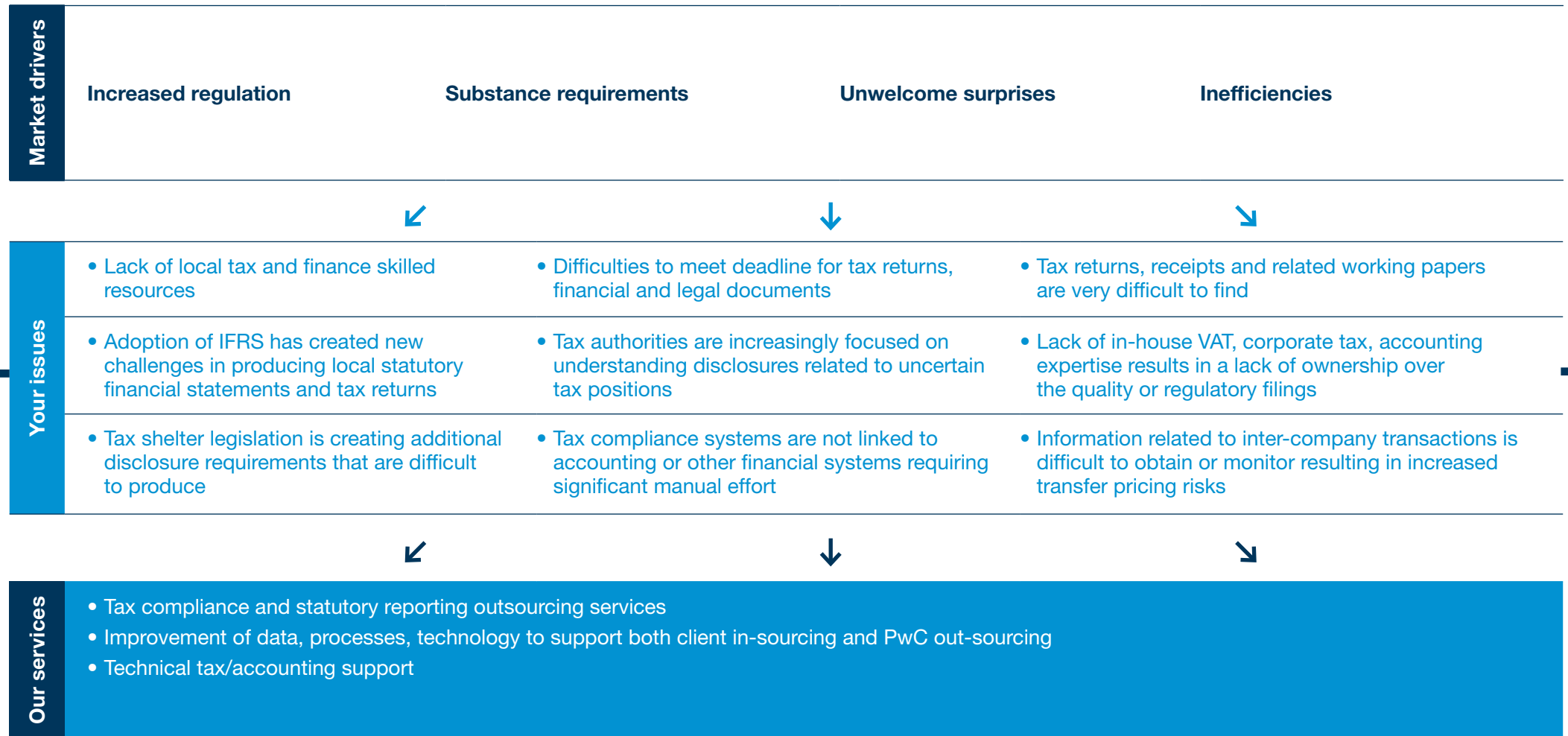
# Financial Reporting



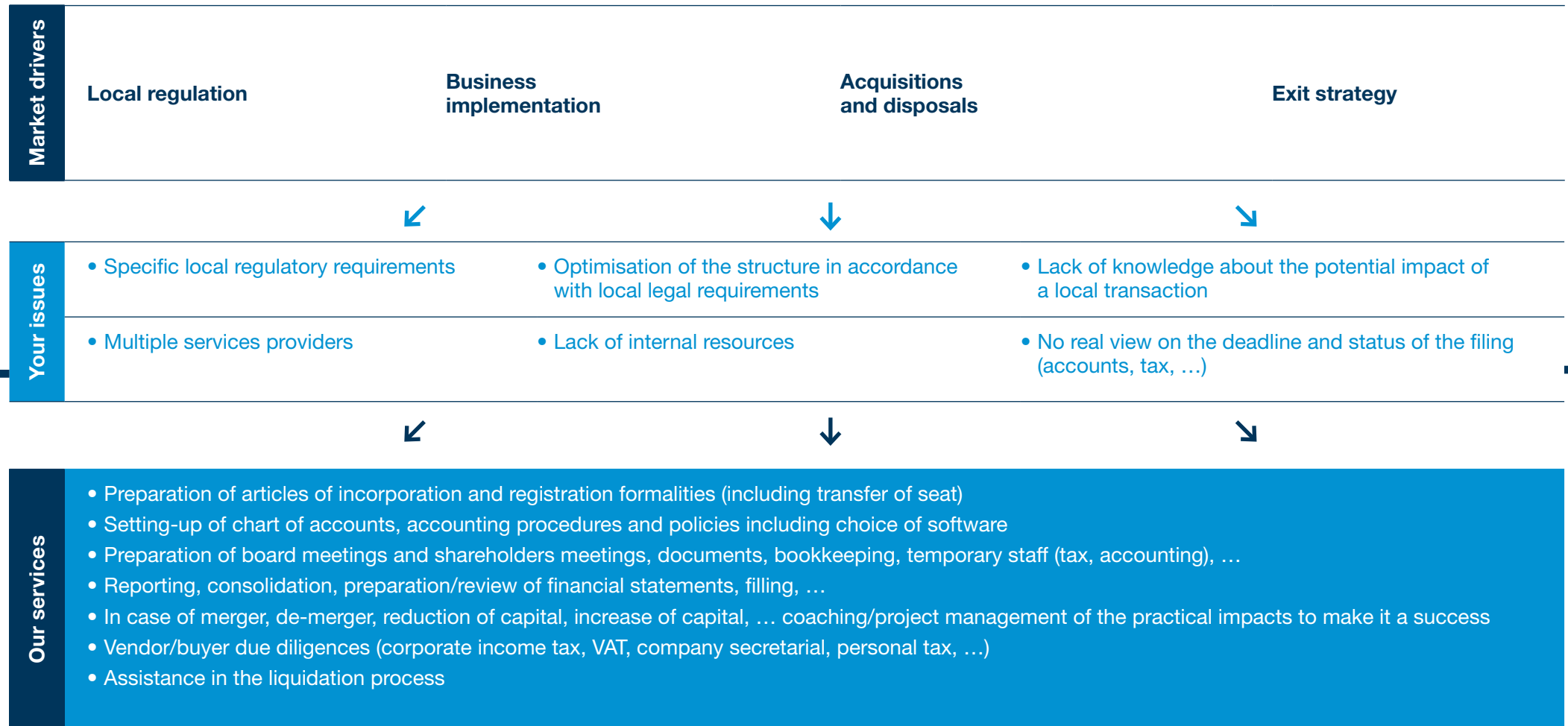
# Business Changes: M&A, Spin-offs, Shared Services Centers and expansion



# Regulatory Compliance



# Running and maintaining your operations



## You are facing the following challenges...

You do business in a complex local and/or international environment.

Operating in foreign countries requires coordination of subsidiaries with diverse accounting practices, legislative environments and local business requirements.

In order to be effective, a compliance management solution should clearly address and suit your needs.

**Some of the issues you are facing can include:**



## Our services

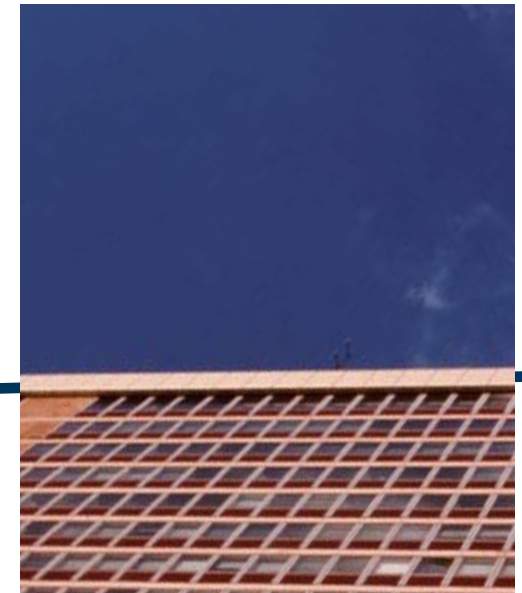
PwC Luxembourg can help you manage your local or global compliance issues, risks and opportunities, and face your needs and challenges, allowing you to have firm control.

We have a strong local and international network of tax and accounting compliance professionals, providing a consistently high quality service, coordinated across as many territories as you require.

Our services, which cover the entire life cycle of your business include:

- **Corporate secretarial**
- **Accounting**
- **Corporate tax compliance**
- **Indirect tax compliance**

All these services can be coordinated at the global level from Luxembourg. This coordination can even be supported by a web tool, GCS WorldView, specifically designed to this end.



# Corporate secretarial services – how we can help you!

Company life cycle	<b>Structuring</b>	<ul style="list-style-type: none"><li>• Implementation of complex international structures as part of restructuring plans, mergers and acquisitions</li><li>• Coordination with tax specialists, lawyers and notaries</li></ul>
	<b>Incorporation</b>	<ul style="list-style-type: none"><li>• Liaison with Luxembourg administrative authorities, banks, other services providers, ...</li></ul>
	<b>Filing</b>	<ul style="list-style-type: none"><li>• Preparation of articles of incorporation and registration formalities</li><li>• Coordination with domiciliation agents and directors/managers</li></ul>
	<b>Re-organisation</b>	<ul style="list-style-type: none"><li>• Maintenance of shareholders' register</li><li>• Organisation of boards and shareholders meetings</li></ul>
	<b>Exit strategy</b>	<ul style="list-style-type: none"><li>• Preparation of minutes of boards and shareholders meetings</li><li>• Follow-up of legal formalities (filing of annual accounts)</li></ul>
	<b>Liquidation</b>	<ul style="list-style-type: none"><li>• Set-up of data room in the context of due diligences</li><li>• Assistance in the liquidation process</li></ul>

## Accounting services – how we can help you!

Company life cycle	<b>Structuring</b>	<ul style="list-style-type: none"> <li>• Setting-up of chart of accounts, accounting procedure and policies</li> <li>• Advices on accounting treatments</li> </ul>
	<b>Incorporation</b>	<ul style="list-style-type: none"> <li>• Preparation of forecasts, cash flow statements, ...</li> <li>• Preparation of group accounting manual and chart of accounts for subsidiaries in the context of consolidation process</li> </ul>
	<b>Filing</b>	<ul style="list-style-type: none"> <li>• Preparation of group consolidation instructions for subsidiaries and headquarters</li> <li>• Conversion from foreign GAAP to local GAAP and local to foreign</li> </ul>
	<b>Re-organisation</b>	<ul style="list-style-type: none"> <li>• Bookkeeping and preparation of periodical reports and consolidation under Luxembourg GAAP, IFRS and US GAAP including e-accounting platform</li> <li>• Preparation or compilation of statutory financial statements and consolidated financial statements in accordance with Luxembourg GAAP, US GAAP, IFRS and/or other GAAP</li> </ul>
	<b>Exit strategy</b>	<ul style="list-style-type: none"> <li>• Specific investors reporting (cost accounting, INREV reporting, ...)</li> <li>• IFRS transition coordination</li> </ul>
	<b>Liquidation</b>	<ul style="list-style-type: none"> <li>• Connection and liaison with auditors (including preparation of audit trails)</li> <li>• Preparation of financial information for deal purposes and liquidation report</li> </ul>

# Corporate income tax services – how we can help you!

Company life cycle	<b>Structuring</b>	<ul style="list-style-type: none"> <li>• Coordination with tax consultants during the set-up of the structures</li> <li>• Corporate tax process analysis and review</li> </ul>
	<b>Incorporation</b>	<ul style="list-style-type: none"> <li>• Tax unity implementation</li> <li>• Calculation and/or review of tax provision for local reporting and group reporting (including IAS 12, FIN 48, deferred taxes)</li> </ul>
	<b>Filing</b>	<ul style="list-style-type: none"> <li>• Preparation and review of Luxembourg income tax returns</li> <li>• Preparation and review of the withholding tax returns on dividends, directors fees and subscription tax</li> <li>• Ad-hoc direct tax advice</li> </ul>
	<b>Re-organisation</b>	<ul style="list-style-type: none"> <li>• Filing of the tax returns</li> <li>• Tax Management Report (TMR)</li> <li>• Review of tax assessments</li> </ul>
	<b>Exit strategy</b>	<ul style="list-style-type: none"> <li>• Contacts with the tax authorities</li> <li>• Assistance in the context of tax audit by the tax authorities</li> </ul>
	<b>Liquidation</b>	<ul style="list-style-type: none"> <li>• Tax litigation assistance</li> <li>• Tax due diligence</li> </ul>

# Indirect tax compliance services – how we can help you!

Company life cycle	<b>Structuring</b>	<ul style="list-style-type: none"><li>• VAT registration and un-registration</li><li>• VAT process analysis/review</li></ul>
	<b>Incorporation</b>	<ul style="list-style-type: none"><li>• Assistance on VAT in the context of software implementation</li><li>• E-VAT compliance</li><li>• VAT helpline</li></ul>
	<b>Filing</b>	<ul style="list-style-type: none"><li>• Preparation and review of annual and/or periodic Luxembourg VAT returns</li><li>• Ad-hoc indirect tax advice</li></ul>
	<b>Re-organisation</b>	<ul style="list-style-type: none"><li>• Filing of the VAT returns</li><li>• Review of VAT assessments</li><li>• Contacts with the tax authorities</li></ul>
	<b>Exit strategy</b>	<ul style="list-style-type: none"><li>• Assistance in the context of VAT audit by tax authorities</li><li>• VAT litigation assistance</li></ul>
	<b>Liquidation</b>	<ul style="list-style-type: none"><li>• Assistance for VAT refund in foreign countries</li><li>• VAT due diligences</li></ul>

## For your compliance requirements in Luxembourg, we are also in a position to provide you with:

- 
- Related trainings (direct tax, indirect tax, IFRS, accounting, consolidation, ...)

---

  - Temporary assistance

---

  - Identification and evaluation of potential candidates to fill your open position

---

  - Identification and coordination
    - of potential resident directors/managers
    - with domiciliation agents
    - with payroll services providers
-

## Business case: Assistance in a client merger process

### The challenge

Our client is a logistic services provider with one operational business based in Luxembourg. One of its competitors was acquired during a group external growth operation and the management decided to merge the two separate businesses into one single entity.

PwC Luxembourg was asked to provide Global Compliance Services (GCS) to help the client manage all the administrative, tax, accounting and operational issues generated by the merger, within a short time frame.

### Our approach

In close cooperation with our client, we prepared and validated an action plan including key areas of focus and specific milestones. Our initial involvement was oriented on the choice of the best structure to optimise the efficiency of the merger.

Strong efforts were also put in on tax and statutory compliance in order to ensure that all regulatory and legal requirements (filing of statutory accounts, direct and indirect tax returns) were completed before the merger was initiated. During this step, our experts mainly provided advice on treatments and on the preparation of the statutory accounts and tax returns (VAT and direct taxes).

Our GCS experts then greatly assisted our client in the preparation of the merger project, the agendas of the different board meetings and extraordinary general meeting of shareholders and coordinated the involvement of other external parties (notaries, auditors, lawyers, banks, ...). We also assisted our client by providing specific help on the proper transfer of the employees, suppliers and customer contracts... We helped our client manage all the administrative tasks with the local authorities (social security, VAT, business licence, ...). Moreover, our team was involved in the development and implementation of a common accounting manual in order to optimise the existing financial processes.

### Key client benefits

The dedicated GCS team helped the client reach its objective to go through a smooth transition process with a high involvement of its team.

Our GCS experts provided strong coaching to the client's team. At present, we keep providing specific services and coaching on various accounting, tax and corporate secretarial matters.

## Business case: Financial reporting quality improvement

### The challenge

The client is a large, Luxembourg-based Real Estate fund which has decided to improve its financial reporting process by reducing the latter duration and enhancing the quality of the deliverables issued by their local service providers worldwide.

Before our action, the fund was using a great number of service providers who all applied their own internal procedures, methodologies, as well as quality requirements.

### Our approach

We suggested that our client rationalises the number of service providers involved in the reporting process by appointing our global network. The change from existing local service providers to PwC teams has been gradually implemented in the major territories.

PwC Luxembourg was appointed the central coordinator in order to enhance communication channels between the fund and local PwC teams. In addition, we leveraged the work performed by our tax structuring team on the accounting process in order to avoid any major tax adjustments in the financial reports.

### Key client benefits

Through its network, PwC ensured a consistent quality-oriented approach which generated a significant improvement in the quality of the reporting process. Our client was then able to focus on major issues only and also on other internal projects such as the IFRS implementation for which we are also continuously providing substantial assistance.

## Business case: Implementation of Private Equity structures in Luxembourg

### The challenge

The client is one of the largest players in the Private Equity industry and has decided to structure its activities in Luxembourg.

In addition to the regular services given in the context of deals structuring, PwC Luxembourg was requested to provide Global Compliance Services in order to help the client properly implement the operational processes in Luxembourg.

The client's mid-term objective was to run its business with a high level of autonomy and with its own local employees and management.

### Our approach

Further to the initial analysis phase, we have set up an experienced team in order to provide sustainable support to our client and help the local management run the business entities as smooth as possible. Best practices recommendations and processes have been detailed in an operating memorandum including a wide range of topics in which the client was involved.

During the transition period, we have also provided our client with specific services, such as advice on accounting treatments, maintenance of accounting records and preparation of statutory accounts, preparation of monthly financial reports for management purposes, preparation of tax returns, assistance with the preparation of articles of association, coordination with notaries and local authorities in the context of new entities incorporations, assistance in the liquidation process, coordination of our client recruitment process, ...

### Key client benefits

The operational processes have been successfully developed and implemented by the dedicated PwC team who has provided our client with the required tools and an extensive level of coaching.

Our GCS department has also led the coordination and cooperation with the other services providers which was also a key objective of our client.

The client employees are now running the operations and our GCS experts continue to help our client on specific situations through ongoing consulting and coaching on complex accounting treatments, valuation of complex financial instruments, technical support during the implementation of new structures, and by providing dedicated tax and accounting trainings.

# GCS WorldView – a Web tool designed to help you and support the compliance function

## What is GCS WorldView?

- A unique web-based database providing you with full oversight of your regulatory compliance position on a global basis;
- The database is an on-line ‘window’ on our service delivery;
- It is a repository for key corporate statutory information (permanent and annual) for both compliance and planning purposes.

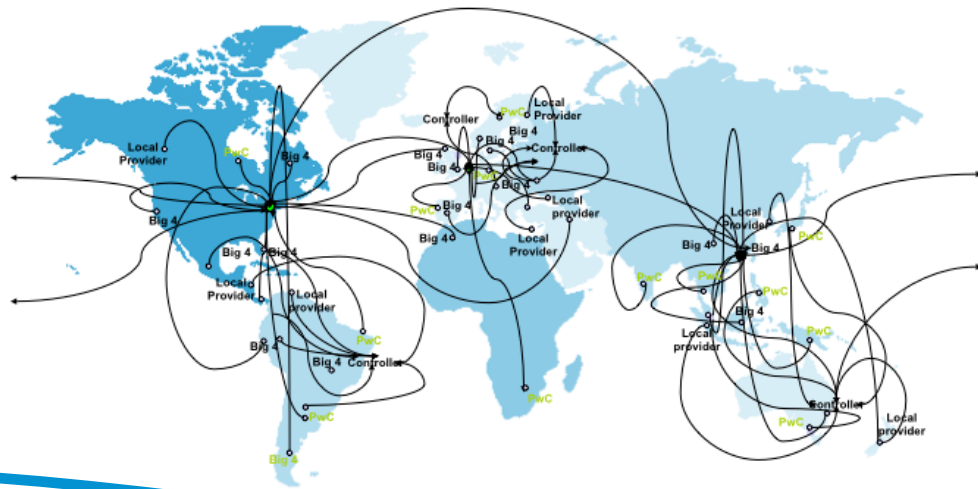
## How does it work?

- The network continually updates the database;
- The PwC client compliance relationship manager is responsible for this database and ensures that all information is just a click away from you.

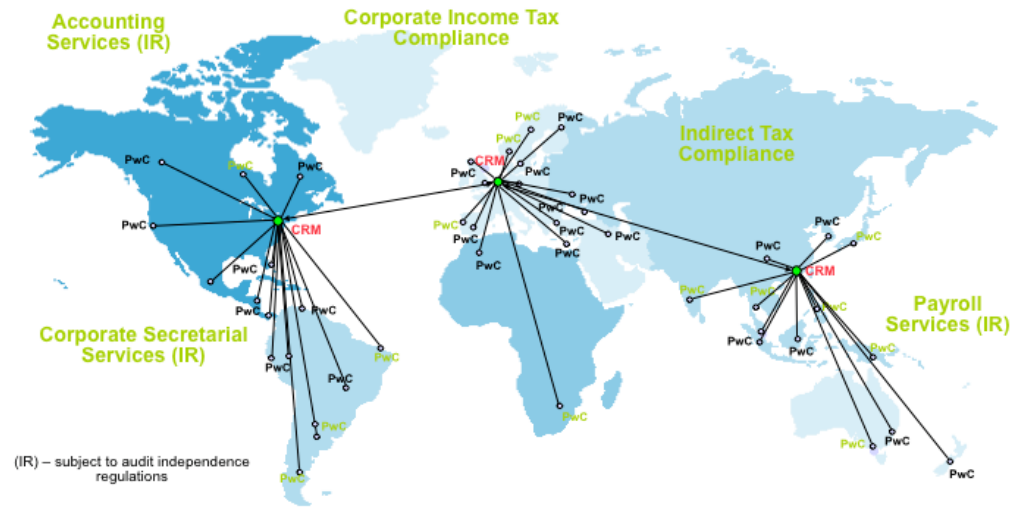
## How do you ensure smooth transition?

- A smooth and swift transition is essential for you;
- GCS have performed and completed many transitions with efficiency and success;
- GCS work closely with you and external suppliers to ensure continuous and hassle free communication;
- GCS ensure that capturing and defining respective roles and responsibilities of the three parties involved results in a clearly defined table of priorities;
- These priorities are linked together with local contracts and operating level agreements to ensure a consistent structure and approach to the transition.

If your organisation looks like this...



...we can organise it like that:



## Why PwC Luxembourg?

PwC GCS Luxembourg comprises a team of more than 180 people with a strong international and multi-cultural focus and with deep knowledge of the Luxembourg environment.

PwC Luxembourg is part of a global network providing GCS services in Europe, Asia, America, Africa, ... Through our international network, we can support and coordinate from Luxembourg all the compliance services where you are established.

## Who are our clients?

### **PwC Luxembourg offers Global Compliance Services to:**

- Multinational groups
- Private equity houses
- Real estate companies
- Alternative assets management structures
- Local clients (operational and commercial companies, banks, insurance companies, professionals of the financial sector, ...)

## Your contacts in Luxembourg

### **Tax Management and Accounting Services Leader:**

Wim Piot - Partner

[wim.piot@lu.pwc.com](mailto:wim.piot@lu.pwc.com)

+352 49 48 48 5773

### **Real Estate:**

Cécile Menner - Partner

[cecile.menner@lu.pwc.com](mailto:cecile.menner@lu.pwc.com)

+352 49 48 48 5791

Anne-Sophie Preud'homme - Partner

[anne.sophie.preudhomme@lu.pwc.com](mailto:anne.sophie.preudhomme@lu.pwc.com)

+352 49 48 48 5770

### **Private Equity, Hedge Fund, Holdings and Financing Structures:**

Laurent Garzino - Partner

[laurent.garzino@lu.pwc.com](mailto:laurent.garzino@lu.pwc.com)

+352 49 48 48 3171

Luc Trivaudey - Partner

[luc.trivaudey@lu.pwc.com](mailto:luc.trivaudey@lu.pwc.com)

+352 49 48 48 2520

### **Local Companies:**

François-Xavier Dujardin - Partner

[francois-xavier.dujardin@lu.pwc.com](mailto:francois-xavier.dujardin@lu.pwc.com)

+352 49 48 48 5733

Christophe Loly - Partner

[christophe.loly@lu.pwc.com](mailto:christophe.loly@lu.pwc.com)

+352 49 48 48 5726





For any further information about our firm or our services please contact  
PricewaterhouseCoopers Marketing & Communications department:  
[info@lu.pwc.com](mailto:info@lu.pwc.com)

PricewaterhouseCoopers  
400, route d'Esch, B.P. 1443  
L-1014 Luxembourg  
Telephone +352 49 48 48-1  
Facsimile +352 49 48 48-2900

[www.pwc.com/lu](http://www.pwc.com/lu)