

# NEWSLETTER

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## THE BDO ENTREPRENEURS DAY IS COMING!

**T**he forum to inform you and to allow you to network and exchange experiences with other entrepreneurs.

In these barren times, creative and innovative entrepreneurs are the future of our country. Hence it is important for both start-ups and established entrepreneurs to feel adequately supported. Because the entrepreneur himself at times also needs a pat on the back and the right guidance.

The BDO Entrepreneurs Day aims to put entrepreneurship in a positive light and inform the entrepreneur about all kinds of financial subjects. In three rooms dedicated to different subjects - the family entrepreneur, the innovative entrepreneur and the international entrepreneur - an informative afternoon programme will be put together to captivate every entrepreneur. Through various presentations, a clear and practical overview will be given of the subject concerned. Business cases will provide a more concrete approach to entrepreneurship and enable learning from the experiences of others.

In addition to the presentations, there will be a range of stands in a central area where you can ask your individual questions. Our tax consult-

ants, accountants, auditors and other exhibitors will be available to answer more specific questions about your business.

In brief, an afternoon not to be missed that will be beneficial in both the short and long term.

Learn more about the programme and the practical content of the BDO Entrepreneurs Day on [www.bdo.be](http://www.bdo.be).

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▶ more info on [www.bdo.be](http://www.bdo.be)

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## EDITO

Dear reader,

Our Newsletter has now also been edited in our new house style. The boxes at the top of the first page serve as a guideline and indicate the topics concerned. The conclusions or the main adjustments have been summarised for you in the boxes near the corresponding article.

As before, this Newsletter comprises articles that provide you more background information on changes in law, as well as topical subjects on financial, legal or tax matters.

For instance, you will be able to read that, also under European pressure, favourable tax schemes are less and less tolerated. The Belgian regulation on coordination centres has already before been replaced by the notional interest deduction regulation. In Luxembourg, an old lady – the so-called Holding 29 – will not survive the year 2010. Fearful of an immense flight of capital the Grand Duchy of Luxembourg has in the mean time developed a number of alternatives.

As Belgium has experienced while landing on the "grey list" of tax havens, countries that have a banking secrecy are currently also being observed. The increasing mutual exchange of bank information impels a prudent man to put his financial (and tax) affairs timely in order.

And the crisis not being over yet, you will be able to read in our social law article about crisis measures on employment. However, BDO feels secure about the future. With the BDO Entrepreneurs Day, we intend to support the entrepreneur operating in Belgium in times of crisis. On this day we intend to shed a positive light on entrepreneurship and inform you of various financial topics. Register for this day via our BDO website.

Enjoy reading!



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## THE SWAN SONG FOR BANKING SECRECY

**T**axpayers who in the past have not entirely complied with their tax obligations and pinned all their hopes to evade the tax authority on Belgian, Luxembourg or Swiss banking secrecy would do well to review their strategy at an accelerated tempo. Banking secrecy is crumbling away at a furious pace, both internationally and within Belgium.

### BELGIAN DISCRETION

The Belgian is by nature inclined to be discrete, certainly when it comes to his pennies, and has a healthy share of suspicion when it comes to the all too curious gaze of the tax authority. Most taxpayers can appreciate banking secrecy to keep energetic inspectors at bay, or in order not to make it too easy for enthusiastic policymakers to introduce a tax on capital for example.

Although for Belgium, you cannot really call it "banking secrecy" and it is more about a duty of discretion. The banker has a duty to keep the confidential information that he has secret, but without there being a case of professional confidentiality covered by the Penal Code (Art. 458). In Belgium, banking secrecy is thus not protected by criminal law, while this is indeed the case in Luxembourg for example.

### BANKING SECRECY AND INCOME TAXES

The examination and inspection authorities of the tax authority have fortunately been curtailed in a number of areas. Thus the tax authority may not collect information from banking, exchange, credit and savings institutions for the purpose of taxing their customers. On the other hand, banking secrecy falls away in many situations.

If a taxpayer has submitted an objection against a tax assessment, the tax authority may collect all information from the bank, for example, that could be useful for the examination of the objection. Also professional accounts, even when partly used for private purposes, can be consulted by the tax authority. It goes a step further for foreign accounts. Here, there is not only a duty of declaration on the part of the taxpayer, but he must - on request - also allow the tax authority to examine the account statements.

### BANKING SECRECY AND INDIRECT TAXES

Finally, there is the much more flexible arrangement with regard to indirect taxes (VAT, inheritance tax, registration duties). While for VAT and registration duties in themselves there is no longer a fundamental ban on requesting data from a bank (subject to special

authorisation of the Director-General of VAT, registration and estates), there's no stopping things now for inheritance tax. Here, in the event of decease, the banker must spontaneously send an overview of the assets present on the date of decease to the administration, including an inventory of the contents of a safe deposit box that may have been rented. In the event of decease, the tax authority can - subject to authorisation of the Director-General - collect all possible information on transactions carried out before the death (by the deceased, by the spouse, by third parties) and which affect the levy of inheritance tax.

### BANKING SECRECY IN THE TAXATION AND COLLECTION STAGE

There is no question of banking secrecy with regard to the collection of tax debts as well: after all, the banks are required, on the request of the tax authority, to provide information on their customers that could be useful for the collection of the tax debt.

A recent bill, which stipulates that the tax authority can collect information from a bank for a tax inspection, if there are indications that could create the suspicion that the tax due is higher than shown by the declared income, has already been given the green light by the Council of State. If the bill is approved, banking secrecy will be further eroded and the taxpayer will not be able to leave it out of the taxation procedure.

### INTERNATIONAL DEVELOPMENTS AT LIGHTNING SPEED

Separate from these long-standing "holes" in banking secrecy, which are growing increasingly larger, there is of course also the money laundering legislation that imposes the obligation on the banker, just like many other professional practitioners, to disclose certain information that comes to his knowledge. But above all, the international pressure for further fiscal data exchanges is bringing about developments at lightning speed.

Thus the Belgian tax authority can obtain information spontaneously from foreign tax departments in the framework of the Savings Directive (and vice versa). In general, on the basis of the double taxation treaties, the Belgian tax authority does not have the right to collect information from foreign tax departments that he cannot request in Belgium either. But this does not apply to what the foreign tax authority passes on spontaneously ...

The information that the Belgian tax authority receives on the basis of the Savings Directive is

such information. Many Belgian taxpayers with accounts in the Netherlands, for example, have experienced personally in the last few months that there is an actual flow of information. The information flowing from the Netherlands was not always sufficiently detailed to determine the right tax base. The Belgian tax authority was also not entitled to request additional information from the foreign tax authority in this respect. But there is a way around it here too: the double taxation treaties on the exchange of banking information are continually being amended. The aim is that most of these exchange clauses will be in force by the end of 2010.

## AMENDMENT OF DOUBLE TAX TREATIES

Through a combination of banking secrecy under domestic law and the existing double taxation treaties, Belgium has actually landed on the "grey list" of tax havens. In order to get off this list, Belgium has in the meantime signed various protocols with many countries to enable the mutual exchange of bank information. Belgian banking secrecy under domestic law remains

standing, but Belgium can no longer hide behind this in an international context. After further formalisation in the various treaty states and their effective application, the consequences will become increasingly perceptible in practice. With a number of countries, the exchange of bank information is limited to exchanges "on request", where the request must relate to both a specific taxpayer and a financial institution, but the additional breach of banking secrecy is no less there.

Incidentally, one year earlier than originally anticipated, Belgium has opted for automatic information exchange as of 1 January 2010 in the framework of the Savings Directive. Thus, since 1 January 2010, a Dutch or French resident, for example, who still keeps a Belgian bank account will have had the income from this automatically reported to the tax authority of his country of residence.

Belgium is of course not the only country required to adapt to the international pressure for greater transparency. For example, the legendary Swiss banking secrecy has already been broken by the US (such that the names

and accounts of American taxpayer-customers of the UBS were offered up). Banking secrecy is gradually but certainly wearing away in Luxembourg as well.

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## CONCLUSION

The importance of the tax authority being able to correctly assess taxes is increasingly gaining weight, to the detriment of banking secrecy and to the detriment of the right to personal privacy for the taxpayer. Provided the right to information is applied with moderation and reasonableness by the tax authority, there are fewer and fewer reasonable arguments - aside from the right to privacy - to go against this when under international pressure.

A prudent taxpayer has every interest in organising his affairs such that he actually has nothing to hide from the tax authorities. Then he will not need to worry about the waning banking secrecy. For a person who has a number of bank accounts or assets that would create difficulty if brought to light, there is still the possibility of tax regularisation to put his affairs in order once and for all. In view of the impending end of banking secrecy, both peace of mind and the power of "regret" will undoubtedly do well. Concealed assets are all too often devoid of sound inheritance and asset planning, such that the tax problems only increase. A subsequent regularisation could sometimes be almost unaffordable, and along with banking secrecy, the assets would be further eroded.



# WORKING CAPITAL MANAGEMENT

One of the many measures that companies take in times of crisis is to pay extra attention to the management of short term assets and liabilities, i.e. the working capital. They mainly look for one-off measures. However, working capital management is an instrument for continually managing and improving the financial structure and returns.

## WORKING CAPITAL MANAGEMENT FROM OPERATIONAL PROCESSES

For purchasing, good planning and a selection of a limited number of suppliers can improve the financial position. Fewer suppliers require less monitoring and provide discount opportunities and better payment conditions.

Improving the working capital by paying all suppliers one month later is not a long term strategy, and will negatively affect the creditworthiness and image of the company in the market. For payments, the message is to observe agreements especially. Pay suppliers on the due payment date and already determine these when the invoice is received. A discount for a cash payment can be applied depending on the supplier and the cash planning. Harmonise the payment periods on the basis of segmentation, e.g.: operating and non-operating costs. Also analyse your supplier situation promptly: old balances, debit amounts, down payments, cash payments. Communicate problems both internally and to your supplier promptly.

A quality production process (timing and correctness) also makes a positive contribution to the management of working capital. There are fewer debates, less administration and also probably less stock.

For stocks, companies are often happy to have a high value that positively affects the results at the year end. However, this same stock is an important reason for depreciation and loss in the following year. Insufficient monitoring of the rotation of individual stock items or too many items not only generate an investment

in working capital, but also often increase (not directly visible) logistical costs. Examine this development from month to month. A product that sells well in January has a high rotation on an annual basis, but the remaining stock at the end of December is perhaps hopelessly out of date. The same applies to tailor-made products.

Sales and invoicing require good agreements between the sales department, customers and administration. Are all data correct, is information passed on promptly, is there a possibility for electronic invoicing, etc. - these are all elements that can affect the collection process. Often simple things can help here (e.g. daily invoicing instead of weekly or monthly).

The collection of accounts receivable starts with a thorough customer analysis, and good agreements at the time of the order or sales meeting. It is clear that if all the above processes proceed well, debt collection will also be easier. The daily registration of receipts and payments is a priority for every company. Also use credit limits and segment your customers. A weekly age analysis of the accounts receivable is a simple yet efficient tool. It not only improves your liquidity, but also reduces the risk of non-payment. Suppliers who monitor this rigorously and correctly are generally also paid faster.

## NOT ONLY THE JOB OF THE FINANCE DEPARTMENT

It is clear that working capital management helps to fulfil the company strategy. Hence it is important for there to be firm agreements across the entire organisation, for tasks to be distributed and for there to be sufficient internal control to monitor this process. The IT environment also has to be harmonised to this, and if necessary adjusted.

## REPORTING AND FOLLOW-UP

The finance department is responsible for the good monitoring and reporting of KPIs (Key Performance Indicators) on working capital

management. Important parameters here are, e.g.: the working capital turnover ratio, number of days and development of the customer and supplier credit, incoming and outgoing credit notes, stock rotation, stock lists per customer, age lists. The role of the finance department consists of regularly registering and reporting this to the people concerned in good time.

## IMPORTANCE OF BUDGETING AND CASH PLANNING

Good management and knowledge of the working capital will greatly improve the value of the cash planning process. Keep it simple, use clear scenarios and regularly adjust them. A policy instrument such as this will better map out your requirements. As a result, the financing can be better adjusted and your creditworthiness will increase.

## CONCLUSION

Working capital management is an important policy instrument for every company at every stage of business. It will improve the financing and help to reduce certain risks. By evaluating customers and suppliers, it will help realise the strategy. The role of the finance department is to build in sufficient control, to report to and communicate with the organisation.

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## WHAT IS WORKING CAPITAL MANAGEMENT?

Working capital is the difference between the current assets (assets that can be converted into liquidity within the year) and the liabilities (source of finance). A simple but good approximation is the difference between the trade receivables and stocks minus the trade creditors.

However, working capital management is not only a financial task. It runs across all operational processes. It improves the liquidity in particular, but also the solvency and the profit in time. It is a useful instrument for drawing up the cash planning, charting seasonal requirements and financing growth.

# DISAPPEARANCE OF THE 1929 HOLDING COMPANY AND LUXEMBOURG ALTERNATIVES EXAMINED FROM THE BELGIAN POINT OF VIEW

The success of the Luxembourg holdings, mostly in the hands of wealthy families, lies in the beneficial tax regime based on the legislation of 1929. That because of this Luxembourg used to be truly appealing emerges from the more than 10,000 Holdings 29 established there. A total exemption from income tax, withholding tax on interests and dividends and from wealth tax is indeed not to be despised, even if there is a very limited capital tax and a so-called "taxe d'abonnement" of 0.2%. Internationally, the holding 29 was, nevertheless, a fiscal pariah, excluded e.g. from double tax treaties and European tax Directives.

The European Commission criticised the holding 29, qualifying it as prohibited State aid. The tax scheme was deemed to cease to exist as from 1 January 2007 with an extinguish scenario for existing holdings until 31 December 2010.

Luxembourg had to look for (acceptable) alternatives, in which the so-called "Société de Gestion de Patrimoine Familial (SPF) bears closest resemblance to the previous holding 29

What solution(s) are offered to individuals or family groups who want to create a new investment vehicle in Luxembourg, or who are required to find a substitute for the 1929 holding company of which they are a shareholder today?

## FROM A LEGAL POINT OF VIEW

As was the case with the H29, all proposed alternative Luxembourg vehicles are open to a "small group" of shareholders.

The SPF is the sole entity where the shareholders must necessarily be natural persons, even though they can act through an intermediate company or entity as long as it does not perform any economic, industrial or commercial activities.

### THE ENVISAGED LUXEMBOURG VEHICLES ARE AS FOLLOWS:

- the Private Asset Management Company (Société de gestion de Patrimoine Familial - SPF)
- the Specialised Investment Fund (SIF)
- the Risk Capital Investment Company (Société d'Investissement en Capital à Risque - SICAR)
- the SOciété de PARTicipations Financières (SOPARFI)

Because of the possibility to create closed compartments, the SIF and the SICAR enable certain shareholders to be differentiated from one another in the facts.

Compared to the H29 – which, as a logical consequence of its name of "holding company", could not perform an industrial or commercial activity, nor hold land or buildings other than its own premises – the other entities are not always more restrictive.

It is true that the SPF cannot lend with interest (which the H29 was allowed to do for the companies it held). The SICAR must invest in risk capital (i.e. primarily in shares), and the SIF has an obligation to diversify (with, in particular, no asset constituting more than 30% of the total) but can go so far as to hold real estate.

On the other hand, all the alternatives enable participations to be taken in all types of companies, even those that are not companies with shared capital. In addition, the SOPARFI is not subject to any restrictions whatsoever and is the only one able to charge management fees, for example.

## FROM THE TAX POINT OF VIEW OF THE VEHICLE (HOLDER OF BELGIAN INVESTMENTS)

With regard to the dividends collected, and in line with the H29 that was not covered neither by European Directives nor by preventive double tax treaties, the SPF and the SIF are still subject to the basic withholding tax in Belgium (25% or 15%) but will not be taxed in Luxembourg (provided that, for the SPF, the threshold of 5% of bad dividends is not exceeded, coming from non-resident and non-listed companies that are not subject to a tax comparable to the Luxembourgish corporate income tax (IRC - Impôt sur le Revenu des Collectivités)).

For the SOPARFI – which is eligible in terms of the Directives and Tax Treaties – the situation of the Belgian deduction at source will be as follows:

- None for a minimum participation of 10% which is/will be held for one year; or
- 10% or 15% in all the other cases;

Whilst there will be no taxation in Luxembourg provided the observance of the exemption conditions – similar to the Belgian ones. For the opaque SICAR (as opposed to a fiscally transparent SICAR, second possible form of SICAR), the unconditional exemption of dividends in Luxembourg leads to a relative uncertainty regarding the Belgian movable

withholding tax: the total exemption granted by the Parent-Subsidiary Directive would be a priori impossible, while the limits of 10% or 15% provided by the Belgian-Luxembourg Double Tax Treaty would seem to be more defensible.

### CAPITAL GAINS

Concerning capital gains on shares, the exemption is quite general: it is unconditional for the SIF and the SICAR (as was the case for the H29), whereas, for the SPF, the 5% bad dividends may not be exceeded. As for the SOPARFI, certain conditions must be met – in particular that the participations are of minimum 10% or 6,000,000 euros.

### INTEREST

With regard to the collection of interest by the SPF and the SIF, the situation is very similar to the one for the collection of dividends: 15% withholding tax in Belgium and normally no taxation in Luxembourg (as is the case today for the H29).

The Belgian deduction at source can generally be avoided for the SOPARFI and the (opaque) SICAR:

- Either on the basis of the Interest-Royalty Directive (in the event of a minimum participation of 25% in the Belgian company)
- Or on the basis of the Belgian – Luxembourg treaty (in the opposite case where the participation is less than 25% and the loan is not represented by securities. This is nevertheless with a reservation regarding the applicability to the SICAR),

whereas in Luxembourg the first (the SOPARFI) will be fully taxed, but the second (the opaque SICAR) will be exempt if the interest comes from securities.

Finally, in return for not being subject to income tax, let us note that the SPF and the SIF are subject to an annual subscription tax on their assets of 0.25% and 0.01% respectively (against 0.20% for the H29). This tax has a ceiling of 125,000 EUR for the SPF; the SIF can be exempt from it depending on the investments that it makes.

## FROM THE TAX POINT OF VIEW OF THE INDIVIDUAL BELGIAN INVESTOR

### DIVIDENDS

Only the dividends distributed by the SOPARFI are subject to a deduction at source of 15%.

In Belgium, the tax will amount to 25% or 15%, irrespective of the vehicle, leading to a double taxation for the SOPARFI.

### LIQUIDATION BONUS

For profits on liquidations, the system is similar in all cases: absence of withholding tax in Luxembourg and 10% taxation in Belgium on the distributed sum that exceeds the paid-up capital.

### CAPITAL GAINS

For the capital gains of any of these vehicles, the taxation devolved to Belgium will only be effective in the event of miscellaneous income (speculation, abnormal management, etc).

### INTEREST

For the interest, irrespective of the case, there is no deduction at source in Luxembourg and a taxation of 15% in Belgium. With one qualification: the higher taxation in Luxembourg for residents on interest paid by the SPF if the lender does not agree to the communication of his/her identity to the Belgian tax office.

## FROM THE TAX POINT OF VIEW OF THE INVESTING BELGIAN COMPANY

### DIVIDENDS

Only the dividends from a SOPARFI are potentially subject to a deduction at source of 15% in Luxembourg.

However, this can be avoided if the Belgian company holds or undertakes to hold, for an uninterrupted period of at least 12 months, a minimum participation of 10% or 1,200,000 EUR in the SOPARFI. The withholding tax is limited to 10% in the event of a participation (from the start of the financial year) of a minimum of 25% or an acquisition value of at least 6,197,338.12 euros.

In Belgium, the dividends will be fully taxed under corporate income tax if they are paid by an SPF or an SIF (like an H29).

On the other hand, for the (opaque) SICAR and SOPARFI, they can be 95% exempt if they satisfy the conditions of the RDT system ('revenus définitivement taxés' - definitively taxed income), conditions that will admittedly rarely be met by such a SICAR.

### LIQUIDATION BONUS

The tax treatment of the profit from the liquidation is similar in all respects to that of dividends, with the difference that there will never be a deduction at source in Luxembourg, not even for a SOPARFI.

Relative to the gains on the securities of any kind of vehicle, the taxation devolved to Belgium implies, as for the dividends collected, on the one hand full taxation for the SPF or SIF (as for the H29) and, on the other hand, a definite exemption for the SOPARFI and conditional exemption for the (opaque) SICAR.

### INTEREST

Finally, for the interest, the system is identical throughout: no deduction at source in Luxembourg and full taxation under Belgian corporation tax.

## CONCLUSIONS

In a few months, Holding 29 will have had its day. For residents of the neighbouring countries of the Grand Duchy of Luxembourg, it was a well known holding and investment tool appreciated for its advantageous taxation.

The comparative analysis carried out here of the alternatives developed by the Luxembourg government shows, in many respects, that this disappearance will largely be offset by the

activation of various (new) vehicles.

In this respect, the SPF is generally considered – most resembling the H29 but reserved for individuals and companies (that these individuals control) – and also the SOPARFI – with a system rather similar to that of the Belgian "holding company".

Less obvious are the SIF and the SICAR, intended for "informed" investors and subject to financial regulation/supervision. However, if this hurdle – in no way insurmountable – of legal constraints is overcome, the SIF is not taxed on its income and the movable income deriving from the SICAR is even more subtly exempt. With this being the case, the choice between these diverse entities can only, of course, be made on the basis of the actual parameters (type of investor, nature of the investments, envisaged transactions for forward delivery, etc), and after a specific analysis of the legislations concerned that goes into further detail than can be done in this article.

Ultimately it is also worth considering a Belgian alternative structure via the contribution of treasury investments in a Belgian company and the conversion of a holding 29 into a SOPARFI. We shall indeed not forget that, after all, Belgium is also an attractive holding country.

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# FAQ



## WHO, WHEN, AND ON THE BASIS OF WHAT CRITERIA MUST AN AUDITOR BE APPOINTED?

### WHAT FORMS OF COMPANY MUST APPOINT AN AUDITOR?

Limited liability companies (sociétés anonymes), partnerships limited by shares, private companies with limited liability and cooperative societies with limited liability must appoint an auditor.

Likewise, ordinary partnerships, limited partnerships and cooperative societies with unlimited liability with at least one member with unlimited liability being a legal person, must appoint an auditor.

### ON THE BASIS OF WHAT CRITERIA AND WHEN?

The companies listed above must appoint an auditor when for two consecutive financial periods<sup>1</sup>, they exceed two of the following three criteria (Article 15 of the Companies Code):

Turnover, excl. VAT: 7,300,000 EUR

Balance sheet total: 3,650,000 EUR

Annual average: 50  
number of staff members

But also ... if the annual average number of employees exceeds 100, then the company must appoint an auditor.

In addition, companies that do not exceed the limits individually must appoint an auditor when these same limits are exceeded on a consolidated basis:

- Companies that form part of a group that is bound to draw up and publish consolidated annual accounts
- Companies whose securities are registered on the official list of a stock exchange.

### DOES A SMALL COMPANY THAT DOES NOT EXCEED THE CRITERIA BUT WHICH FORMS PART OF A GROUP BOUND TO DRAW UP AND PUBLISH CONSOLIDATED ANNUAL ACCOUNTS HAVE TO APPOINT AN AUDITOR?

Yes. analogously to the above criteria, a company is bound to draw up and publish consolidated annual accounts when it exceeds more than two of the following three criteria:

Turnover, excl. VAT: 29,200,000 EUR

Balance sheet total: 14,600,000 EUR

Annual average: 50  
number of staff members

### EXAMPLES<sup>2</sup>:

#### 1. B and C are subsidiaries of A (the three companies are Belgian)

	A	B	C
Turnover	30 MIL €	4 MIL €	1 MIL €
Bal. sh. total	15 MIL €	2 MIL €	0,5 MIL €
Personnel	300	40	10

Company A exceeds the three criteria of Article 15 of the Companies Act on an individual basis. The company must appoint an auditor for the company accounts (the non-consolidated financial statements).

Likewise on a consolidated basis, the company exceeds the criteria given above and must therefore draw up consolidated accounts and have them audited by an auditor before publishing them. Companies B and C must appoint an auditor on a consolidated basis.

#### 2. A is a foreign company, B and C are Belgian

	A	B	C
Turnover	?	4 MIL €	1 MIL €
Bal. sh. total	?	2 MIL €	0,5 MIL €
Personnel	?	40	10

Company A is a foreign company that draws up and publishes consolidated accounts in accordance with the criteria applicable in its country of residence.

Companies B and C are also bound to appoint an auditor to audit their annual accounts because they are subsidiaries of a company that draws up and publishes consolidated accounts, even abroad.

#### 3. A, B and C are related companies

	A	B	C
Turnover	7,5 MIL €	4 MIL €	1 MIL €
Bal. sh. total	4 MIL €	2 MIL €	0,5 MIL €
Personnel	60	40	10

As A exceeds two of the three criteria individually, it will appoint an auditor, while B and C will not have to appoint an auditor.

#### 4. B is the Belgian branch of the foreign company A

B does not have to appoint an auditor irrespective of its size.

### WHAT IS THE DURATION OF THE APPOINTMENT?

The duration of the appointment of the auditor is three years starting from the date of the General Meeting that appointed it. These three years are interpreted as being three trading years of the company.

However, when an auditor is appointed in year N to audit the years N-1, N and N+1, he must also audit the year N+2 (retroactive appointment).

### WHAT ARE THE PENALTIES IF AN AUDITOR IS NOT APPOINTED?

On the basis of Article 171 of the Companies Code, the directors, managers or representatives of companies are punished by a fine of EUR 50 to 10,000 if they knowingly contravene this and/or imprisonment of one month to one year if they have acted with fraudulent intent.

The same goes for the auditor, external auditor or independent expert who knows of the breach or who has not acted with due care to ensure that conditions have been fulfilled.

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<sup>1</sup> For new companies, the financial plan is taken into account.

<sup>2</sup> The company and its auditor, practical cases, IRE 2004, page 15.

# CARS AND TAXATION: NEW MEASURES

New measures for cars came into effect on 1 January 2010. These changes concern both individuals and companies. Certain measures are federal and others regional. They are introduced in a taxation context that is greener or more ecological. We list them below.

## PERSONAL INCOME TAX - FEDERAL MEASURES

### BENEFIT IN KIND

The benefit in kind (BIK) relating to the personal use of a vehicle provided free of charge is, as of 1 January 2010, equal to the number of kilometres driven for personal purposes (5,000 km for a maximum of 25 km commuting distance, and 7,500 km if the commuting distance is greater) multiplied by the CO<sub>2</sub> emissions per kilometre, and then multiplied by the CO<sub>2</sub>eur coefficient.

This CO<sub>2</sub> eur coefficient is 0.0021 EUR per gram of CO<sub>2</sub> for vehicles with engines running on petrol, LPG or natural gas and 0.0023 EUR per gram of CO<sub>2</sub> for vehicles with diesel engines.

These coefficients will be indexed annually. The new calculation of the annual BIK thus gives the following formula (diesel car, 5000 km/year):

$$5000 \times \text{CO}_2 \text{ emissions} \times 0.0023 = \text{BIK}$$

### TAX REDUCTION FOR NON-POLLUTING VEHICLES

The purchase of a new electric car and other less polluting vehicles no longer gives the right to a tax reduction in the tax declaration, but leads to a reduction granted directly by the dealer on the acquisition price of the vehicle. This discount can be as much as 30% or a maximum of € 9,000 on the purchase price.

In addition, a tax reduction of 40% will also be possible on the amount invested in an external electric charging outlet, that is however limited to € 250.

### DEDUCTIBLE PROFESSIONAL EXPENSES

The fuel costs relating to the use of cars will now be subject to a rejection of the 25% tax deduction<sup>1</sup>.

<sup>1</sup> On the other hand, the fuel costs for vans and lorries remain 100% deductible.

The only costs that remain 100% deductible are the costs of a mobile phone installation and the financing costs linked to the acquisition of these cars.

## PERSONAL INCOME TAX - REGIONAL MEASURES

In the Walloon region, every person who registers a car for the first time, new or second hand, can be entitled to an eco bonus or be required to pay an eco supplement according to the level of CO<sub>2</sub> emissions.

When a car is replaced by another one, the CO<sub>2</sub> emissions of the old car are compared to those of the new one. The bonus will be granted if the new vehicle's CO<sub>2</sub> emissions are in a lower bracket (grams of CO<sub>2</sub> emitted per kilometre) with respect to the replaced vehicle. If the CO<sub>2</sub> emissions are greater, the supplement will be applied.

For large families that often use a larger car and whose tax burden is greater with regard to road tax, the benefit granted to them will correspond to a reduction of the emission bracket (grams of CO<sub>2</sub> emitted per kilometre).

In practice, the eco bonus is paid in the months following the car being put on the road. The eco supplement is payable at the same time as the first road tax payment.

- If CO<sub>2</sub> < 126 g/km:  
Bonus of EUR 100.00 to EUR 1,200.00 (if CO<sub>2</sub> < 99 g/km)
- If 126 g/km ≤ CO<sub>2</sub> ≤ 156 g/km:  
No bonus, no supplement
- If CO<sub>2</sub> > 156 g/km:  
Supplement of EUR 100.00 to EUR 1,500.00

The Flemish Region offers a reimbursement of up to 80% (maximum 400 euros) on the installation, for a vehicle belonging to an individual, of a particle filter in an unequipped diesel engine. The Region wants to raise this reimbursement to 100% (with a ceiling) for this year 2010.

## CORPORATE INCOME TAX - FEDERAL MEASURES

The deductibility of the car costs currently varies from 50% to 100%, or even 120% for electric vehicles, instead of 60 to 90% previously.

The measure implies the following percentages, according to the grams of CO<sub>2</sub> emitted per kilometre.

CO <sub>2</sub> -emissions		Deduction
Diesel	Petrol	
< 60 g	< 60 g	100 %
60 – 105 g	60 – 105 g	90 %
105 – 115 g	105 – 125 g	80 %
115 – 145 g	125 – 155 g	75 %
145 – 170 g	155 – 180 g	70 %
170 – 195 g	180 – 205 g	60 %
> 195 g	> 205 g	50 %

The investments in electric outlets can be written off over two years (fixed instalments) and can be subject to an investment deduction of 21.5%.

The fuel costs also become 75% deductible for all types of vehicles except for vans and lorries, for which they remain fully deductible.

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# EXTENSION OF THE TEMPORARY CRISIS MEASURES ON EMPLOYMENT IN TIMES OF CRISIS

**A**s a starting point, we refer to the newsletter of September 2009 explaining in depth the temporary crisis measures to adapt the volume of work. The three anti-crisis measures were applicable until 31 December 2009. In addition, the Law of 19 June 2009 provided the possibility to extend these measures until 30 June 2010. This extension has now become possible after the advice of the National Labour Council on a Royal Decree discussed by the Cabinet, if the economic conditions so justify. The advice of the National Labour Council was not unanimous. Nevertheless, after the decision of the Inner Cabinet, the anti-crisis measures have been extended to 30 June 2010 (Law of 30 December 2009).

The federal government also decided to make a few changes and to introduce a number of new measures.

## ADJUSTMENT OF THE CRISIS MEASURES

In order to be recognised as a company in difficulty as of 1 January 2010, the company must have experienced a substantial decrease of a minimum of 15% (in contrast to 20% up until 31 December 2009) in its turnover, production or orders in one of the four quarters prior to the first use of the reduction of working capacity in order to cope with the crisis, compared to the same quarter of the year 2008. All other provisions remain unchanged, including the percentage of 20% for companies that invoke recognition as a company in difficulty on the basis of the economic unemployment of employees.

For companies that already have a business plan that satisfies the requirements of the Law of 19 June 2009, a distinction is made between two situations:

- The duration of the business plan goes beyond 31 December 2009 or runs until 30 June 2010. In this case, the business plan is automatically extended, but will automatically end on 30 June 2010 at the latest;
- The duration of the business plan ran until 31 December 2009. In this case, an extension of the plan must be requested at the Office of Collective Labour Relations of the FPS Employment, Labour and Social Dialogue. The request must state the adjusted end date of the business plan.

## CRISIS SUSPENSION: SUPPLEMENTARY PAYMENT OF EUR 5 PER DAY

In contrast to the Law of 19 June 2009, as of 1 January 2010, there is the application of a minimum supplementary payment of EUR 5 per day on which no work is done under the crisis suspension (economic unemployment for white-collar employees). This provision applies to every employer who is bound by a business plan (which requires the amount of the supplementary payment to be stated) and who does not employ any blue-collar workers. Moreover, there

can be no collective labour agreement from the joint committee that the employer comes under if he employed blue-collar employees.

This new provision also applies, as of 1 January 2010, to employers who had already introduced the crisis suspension before 1 January 2010. The Business Plans Committee may allow a derogation from the minimum amount of the supplement, for companies which already had a business plan, on the request of the company, if there is an agreement to this end with all employees of the company and the company demonstrates that there has actually been consultation with all employees of the company. The Committee may also unanimously grant a derogation from this amount for companies where the Committee considers this justified.

In the event of the crisis time credit and/or the crisis suspension being introduced by a collective labour agreement, a new collective labour agreement must be concluded to extend these measures to 30 June 2010.

This is expressly stipulated for the extension of the crisis measure regarding the crisis reduction of working hours. The Royal Decree of 28 June 2009 stipulates that, for the introduction of this crisis measure, the collective labour agreement must state the start and end date of the temporary adjustment of working hours. The collective labour agreement must not contain any provisions by which it can be tacitly renewed. In the event of the crisis reduction of working hours being extended, the conclusion of a new collective labour agreement will thus be required.

In the event of an extension of the crisis time credit, a new individual agreement must be concluded with the employee. The full time employment contract of the employee must be amended by an individual agreement between the employer and employee.

## FIXED CRISIS PREMIUM FOR BLUE-COLLAR EMPLOYEES

From 1 January 2010 to 30 June 2010, every blue-collar employee (employed in the private sector) whose employment contract is ended by the employer without urgent reasons, with or without observance of a notice period or after a bankruptcy, must be paid a fixed crisis premium of EUR 1,666. This amount is exempt from income tax and social security contributions (employer and employee). For part-time blue-collar employees, this premium is reduced in proportion to the working capacity stipulated in the employment contract.

In the event of the employment contract being terminated by the employer, with or without observance of a notice period, the employer will always have to give notice of the dismissal by registered letter, which will then take effect on the third working day after the date of sending, or by writ. This notification must be given between 1 January 2010 and 30 June 2010.

The crisis premium is not due if the employment contract of the worker is ended during the probationary period, for urgent reasons, for the purpose of retirement or early retirement, or in the framework of a restructuring, if the workers can register with an employment unit.

In principle, at the time that the employment contract ends, the employer must pay a part of the premium, i.e. EUR 555, and the National Employment Office pays the remainder of EUR 1,111. The employer will be bound to pay the full premium if he does not respect the conditions relating to the notification of the dismissal (registered letter or writ).

## CRISIS MEASURES EXTENDED UNTIL 30 JUNE 2010

### WHAT HAS CHANGED?

In order to be recognised as a company in difficulty, the fall in revenue, production or orders must be 15% (previously 20%).

### WHAT IS NEW?

- A minimum supplementary payment of EUR 5/day for a crisis suspension (economic unemployment for white-collar employees).
- A fixed crisis premium for blue-collar employees in the private sector of EUR 1,666 for the termination of the employment contract without urgent reasons after a probation period and with the exception of (early retirement) pension and in case of restructurings.

## CONDITIONS FOR EXEMPTING THE EMPLOYER FROM THE PAYMENT OF THE CRISIS PREMIUM

The employer is exempt from paying his share of the fixed crisis premium if he satisfies one of the following conditions:

- If, with respect to the blue-collar employee, a collective or individual reduction of working hours is applied in 2010 in accordance with the Law of 19 June 2009 on various stipulations on employment in times of crisis;
- If the execution of the employment contract for blue-collar employees has been suspended for a number of days in application of Article 51 of the Law on employment of 3 July 1978, according to his labour regulations: four weeks if the worker has less than 20 years of service, and 8 weeks if the worker has at least 20 years of service with the company at the time of the notification of his dismissal.

If the employer satisfies one of these conditions, the fixed crisis premium will be paid in full by the National Employment Office.

This also applies if a company with less than 10 employees is in economic difficulties. Under the Royal Decree of 11 February 2010, this means a company, which in the period from the 4th quarter 2008 to the 3rd quarter 2009, employed less than 10 employees on average and satisfies one of the seven criteria considered by this Royal Decree as being 'economic difficulties'. The derogation from the payment of the fixed crisis premium must be requested by the employer by registered letter or e-mail to the Director-General of the General Office of Collective Labour Relations of the FPS Employment, Labour and Social Dialogue. In his request, the employer must declare on his honour that his company is in economic difficulties, and if required, he must provide the necessary supporting documents. The derogation is allowed by the Business Plans Committee. This Decree came into effect on 16 February 2010.

The RD of 15 February 2010 stipulates that the blue-collar employee can request this premium from the competent NEO office at the earliest on the day after his departure (thus at the earliest as of 02/01/2010, for a departure on 01/01/2010) and at the latest within six months of the day following the end date of the period covered by the wage or severance payment. This request must be

made with the C4 crisis premium form, obtained from the NEO's website. This form must be supplied by the employer on the initiative of the employee, at the latest on his last day of work.

#### **EQUIVALENCES IN APPLICATION OF THE ANTI-CRISIS MEASURES**

The federal government has also decided to regulate the equivalences with full-time employment for white-collar employees, to whom the anti-crisis measures have been applied, with retroactive effect for all branches of social security. RD's have also been issued for equivalence with regard to unemployment, industrial accidents and occupational diseases. With regard to equivalence for annual leave, this is done by the Royal Decree of 30 December 2009 on the right to annual holiday (pay).

#### **NOW ALSO EQUIVALENCE WITH REGARD TO ANNUAL HOLIDAY (PAY)**

In the RD of 30 December 2009, the principle is that the full periods of crisis reduction of working hours, crisis time credit and crisis unemployment for white-collar employees are considered as days of work interruption that are equated to actual working days. These days therefore have to be taken into account for the calculation of the holi-

day pay and for determining the duration of leave. There is thus no loss of holiday rights on the part of employees who have benefited from one of these crisis measures.

The wage benefit that must or can be paid in the framework of these crisis measures is not taken into account for the calculation of the holiday pay. In contrast to the general provision, where the employer is required to pay departing holiday pay in December to employees whose working hours have been reduced in the course of the year, the Royal Decree expressly stipulates that this departing holiday pay is not due for employees whose working hours have been reduced in the framework of one of the crisis measures.

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*Sources: Law of 30 December 2009 on miscellaneous provisions, BS 31/12/2009, RD of 31 July 2009, BS 24/08/2009, RD of 10 September 2009, BS 29/09/2009, RD of 30 December 2009, BS 31/12/2009, RD of 11 February 2010, BS 16/02/2010, RD of 15 February 2010, BS 19/02/2010*

#### **AUDIT & ASSURANCE**

## **MODEL FOR ANNUAL ACCOUNTS: IMPORTANT CHANGES TO THE NOTES - CONVERGENCE WITH IAS 24**

**T**he Royal Decree of 10 August 2009 mainly provides for the transposition of a European legal provision on annual accounts into Belgian domestic. This European Directive changes a number of points of the Fourth EU Directive (annual accounts) and the Seventh EU Directive (consolidated annual accounts).

The Royal Decree in implementation of the Companies Code of 30 January 2001 has been amended in this respect. Both in the full and abridged model of the annual accounts, two new sections have been added: 'Nature and business purpose of off-balance-sheet arrangements' and 'Transactions with related parties outside normal market conditions'.

We will explain the most important changes to the notes to annual accounts.

### **CHANGES RELATING TO OFF-BALANCE-SHEET ARRANGEMENTS**

**ADDITION OF A NEW STATEMENT IN THE NOTES TO THE ANNUAL ACCOUNTS 'NATURE AND BUSINESS PURPOSE OF OFF-BALANCE-SHEET ARRANGEMENTS' WHY INCLUDE THIS INFORMATION IN THE NOTES?**

Arrangements off the balance sheet can bring about risks and benefits for a company that are important in assessing the financial position of the company and, if the company belongs to a group, the financial position of the group as a whole. Hence it is important for third parties to be informed of these off-balance-sheet arrangements.

#### **WHAT ARRANGEMENTS DOES IT CONCERN?**

Arrangements off the balance sheet can be any transaction or agreement between companies and entities (even when they do not have a legal personality) that are not included in the balance sheet. They can relate to the formation or use of one or more entities and offshore-activities set up for a special purpose that are intended to meet economic, legal, tax or accounting objectives.

Some examples : risk and profit sharing arrangements, obligations arising from an agreement such as debt factoring, combined sell and buy-back agreements, arrangements relating to the consignment of shares, take-or-pay arrangements, assets pledged as collateral, operational leasing arrangements, outsourcing.

#### **WHAT INFORMATION MUST BE INCLUDED IN THIS NEW STATEMENT?**

All companies (including abridged model, full model and consolidated annual accounts) are

required to include the nature and business purpose of off-balance-sheet arrangements in the notes to their annual accounts. This information must only be stated if the risks or benefits arising from such arrangements are of some significance and insofar as the publication of such risks or benefits is required to assess the financial position of the company. An arrangement off the balance sheet is considered to be of some significance if the user of the annual accounts would change his assessment of these annual accounts if he knew of this arrangement.

#### **THREE CATEGORIES OF COMPANIES MUST ALSO REPORT THE FINANCIAL CONSEQUENCES OF OFF-BALANCE-SHEET ARRANGEMENTS:**

Some companies with full annual accounts must also report the financial consequences of off-balance-sheet arrangements:

The categories concerned are:

- listed companies;
- companies whose securities are admitted for trade on a MTF (Multilateral Trading Facility) (in Belgium, for example, Alternex, Vrije Markt/Marché Libre, Publieke veiligen); and
- companies that exceed more than one of the criteria referred to in Article 16, §1, first paragraph of the Companies Code.

## CHANGES RELATING TO TRANSACTIONS WITH RELATED PARTIES OUTSIDE NORMAL MARKET CONDITIONS

### ADDITION OF A NEW STATEMENT IN THE NOTES TO THE ANNUAL ACCOUNTS 'TRANSACTIONS WITH RELATED PARTIES OUTSIDE NORMAL MARKET CONDITIONS'

From now on, companies must give information in their annual accounts on the transactions with related parties conducted outside normal market conditions and which are of some importance ('that have not been conducted at arm's length').

#### WHAT TRANSACTIONS ARE COVERED?

This covers transactions with managers in a key position, with the spouses of members of the executive, supervisory or managing authorities.

#### UNDER NORMAL MARKET CONDITIONS?

The term 'under normal market conditions' is not unknown to Belgian law. For example, in the Companies Code, we find the same statement in relation to conflicts of interest in Article 261 (BVBA) and Article 523 and 524 (NV) that agreements or operations that are not conducted under normal circumstances must be reported.

#### MATERIALITY PRINCIPLE

The publication of transactions of some significance with related parties that are not conducted under normal market conditions can help the users of the annual accounts to assess the financial position of the company (group). The determination of whether a transaction is of some significance must be viewed in light of the objective of the decree concerned, i.e. the policy to improve 'good governance'.

#### RELATED PARTIES - CONVERGENCE WITH IAS 24

For a definition of the term 'related party', the Directive refers to the international reporting standards IFRS/IAS.

According to IAS 24 §9, a party is related to an entity if:

- The party, directly or indirectly through one or more intermediaries: (i) exercises control over the entity, is under the control of the entity, or together with the entity is under the control of a third party (including parent companies, subsidiaries and sister companies); (ii) has an interest in the entity that gives the party significant influence over the entity, or (iii) exercises joint control over the entity;
- The party is an associated holding of the entity;
- The party is a joint venture in which the entity is a participant;
- The party is one of the managers who hold key positions in the entity or its parent company;
- The party is a close relative of a natural person referred to under point 1 or 4;

- The party is an entity over which control, joint control or significant influence is exercised, or for which there is an important voting right, either directly or indirectly, in such an entity for natural persons referred to under point 4 or 5; or
- The party is an arrangement for post-employment benefits of the entity, or any other entity that is a related party of this entity.

According to the same article of IAS 24, a transaction between related parties is a transfer of resources, services or obligations between related parties, irrespective of whether a price is charged for this. The Belgian legislator here intends to point out that the reference to IAS 24 §9 is only done on account of the fact that the Directive requires him to do so. The Belgian legislator will not introduce the IAS/IFRS framework into the Belgian law on company annual accounts.

The Belgian legislator also asks company auditors to be extremely vigilant during their audits, such that these arrangements not included in the balance sheet are included in the notes to the annual accounts of the said companies.

#### WHAT COMPANIES (WITH FULL ANNUAL ACCOUNTS) MUST INCLUDE THIS INFORMATION IN THEIR ANNUAL ACCOUNTS?

The three categories of companies that submit annual accounts according to the full model must not only report the transactions with related parties entered into by the company, but also the amount of such transactions, the nature of the relationship with the related party, as well as other information on the transactions that is needed to obtain an understanding of the financial position of the company.

Limited companies (Naamloze vennootschappen) that do not come under the three categories of companies mentioned above can confine themselves to only stating the transactions that are directly or indirectly entered into between the company and its main shareholders and the company and members of the executive, supervisory or managing authorities.

#### WHAT INFORMATION MUST BE INCLUDED IN THE NOTES?

Only transactions of some significance that are not conducted under normal market conditions are reported.

Information on individual transactions can be combined, except when separate information is required to obtain an understanding of the impact of transactions with related parties on the financial position of the company (group). However, this information is not required for transactions entered into between two or more companies within the same group, provided that the shares of these companies are wholly owned by the group.

Suppose, for example, that the parent company A holds 99 percent of the shares of both subsidiary X and subsidiary Y. Y holds the remaining one percent of X and X holds the remaining

share of Y. In such a case, X and Y belong in full to the group. The transactions of some significance outside normal market conditions that take place between A, X and Y do not have to be included in the new statement of the notes.

#### FINANCIAL RELATIONS WITH DIRECTORS, MANAGERS AND AUDITORS (EXISTING STATEMENT XIX OF THE FULL MODEL OF THE ANNUAL ACCOUNTS)

In this existing statement in the notes to annual accounts according to the full model, a new point C has been introduced in which a Belgian company, which itself is not a subsidiary of another Belgian company subject to the statutory audit of its consolidated annual accounts, that is exempt from the consolidation requirement, must nevertheless provide certain information on the fee of the auditor and persons related to the auditor.

#### DATE OF EFFECT

The provisions on the expansion of the minimum content of the notes to annual accounts apply to financial years starting as of 1 September 2008 (as stipulated in the European Directive). The other changes came into effect on 3 September 2009.

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## TWO NEW SECTIONS HAVE BEEN ADDED

In the notes to the annual accounts (abridged model or the full model) two new statements are required to be included:

- the section "nature and business purpose of off-balance-sheet arrangements";
- the section "Transactions with related parties outside normal market conditions"

These new sections result from the transposition of European legislation into domestic legislation. Also more and more reference is made to the international reporting standards IFRS/IAS, such as IAS24.

## SHORT NEWS



### BDO LAUNCHES S-PACK: YOUR PERSONAL COACH FROM THE START

Our S-Pack team helps you giving shape to your ideas from the start of your business.

Along with you, we check the demands, the client potential, the market position and the financial feasibility. In brief, will your ideas have business potential! We translate this for you into a financial plan, coach you in your choice of the right type of company and guide you step by step through the incorporation process of your company. As from the first contact, our S-Pack team will find the answers start-ups are looking for.

Do you wish to transpose your creative ideas into a successful business? Contact our S-Pack team! Karen Keuleers : [karen.keuleers@bdo.be](mailto:karen.keuleers@bdo.be)

### PIERRE-FRANÇOIS COPPENS WRITES EACH WEEK IN LA LIBRE BELGIQUE

Each weekend, Pierre-François Coppens (Tax Manager, Lasne office) provides a definition of a fiscal concept. This article appears in the "Libre Entreprise" section of the newspaper "La Libre Belgique".

### REAL ESTATE SECTOR GROUP

Within BDO, there is now also a Real Estate Sector Group. This cross-discipline group offers financial, legal and tax advice in the context of real-estate projects.

#### THE SERVICES OF THE REAL ESTATE SECTOR GROUP ARE:

- Financial analysis and Due Diligence activities in connection with real-estate transactions

- Determining the value of companies with real estate
- Support in drafting and optimising cash-flows and operational budgets
- Auditing of company processes and verification of local accountancy regulations and IFRS reporting in real-estate companies
- Optimisation of fiscal and legal aspects of real-estate transactions
- Restructuring of real-estate companies through mergers, splits and the like
- Drafting of various contracts relating to real estate, such as leasing, buildings, long-term lease, usufruct, etc.
- Financial and legal analysis of a rental portfolio and of all specific real-estate contracts
- Assistance in connection with the administrative obligations of real-estate companies (accountancy and reporting, integration of facility management information in accounting, drafting of corporation tax and VAT returns)

Would you like more information on this service? If so, contact Marc Verbeek: [marc.verbeek@bdo.be](mailto:marc.verbeek@bdo.be) or Dirk Van Wal: [dirk.vanwal@bdo.be](mailto:dirk.vanwal@bdo.be)

### BDO PUTS TRANSFER PRICING TEAM TOGETHER

The increasing attention of the tax authorities (both in Belgium and abroad) for internal transfer prices means that companies that operate within a national or international group context must clearly map out and document their Transfer Pricing.

To assist our clients as effectively as possible with this issue, a Transfer Pricing Team has been put together within BDO Belgium, consisting of tax experts, lawyers and economists. This team is headed by Michel Comblin and Werner Lapage, both Tax Partners.

Taking into account the often international dimension of Transfer Pricing, the Belgian team will collaborate with existing specialised Transfer Pricing Teams in a large number of countries within the BDO network.

We will update you on further developments in subsequent newsletters. If in the meantime you have any questions, please contact Michel Comblin: [michel.comblin@bdo.be](mailto:michel.comblin@bdo.be) or Werner Lapage: [werner.lapage@bdo.be](mailto:werner.lapage@bdo.be)

## AGENDA



### BDO ENTREPRENEURS DAY

- 20 May 2010 - Ghent - Zebrastraat
- 27 May 2010 - Liège - Cercle de Wallonie
- 10 June 2010 - Mechelen - Technopolis
- 17 June 2010 - Court-St-Etienne  
Château Ferme de Profondval

Further information about the BDO Entrepreneurs Day can be found on the events page of the BDO website.

### BDO SPEAKS AT THE INTERNATIONAL BUSINESS WEEK

- 29 April - Brussels
- 29 April - Antwerp
- 30 April - Ghent

Learn more about the speakers on the International Business week on the BDO-website.

▶ More info on [www.bdo.be](http://www.bdo.be)

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The information contained in this Newsletter is of an informative and general nature and is not intended as professional advice. Our advisors are at your disposal for more in-depth advice and to take appropriate action. Should you want us to send our Newsletter electronically, please then contact us at [newsletter@bdo.be](mailto:newsletter@bdo.be). Our Newsletter can also be consulted at [www.bdo.be](http://www.bdo.be). Our Newsletter is also available in Dutch, French or German.

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