

Global Compliance Services

A wealth of services to clear your way

*Put our experience at your
company's disposal*



“ *More and more, businesses are operating in a regulatory environment with increasingly complex and risky areas. Lack of compliance with regulatory (e.g. accounting, tax, legal, social, requirements, ...) can expose you to significant risks; not only with the Luxembourg and foreign authorities, but also with current and potential stakeholders (e.g. shareholders, banks, ...).*
Our team of more than 200 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, operational 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 **set-up 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:

- 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?
- Who is responsible?
- Complexity of work at local level
- Fragmented reporting

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

Management of Costs

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

How much are you spending globally for compliance?

Global Compliance Function

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 be done?

Fear of Risk

- Multiple jurisdictions
- Increased accountability
- Filing failures
- Public image
- Unexpected Tax issue

How are you responding to governance risk and control regulations?

Your needs

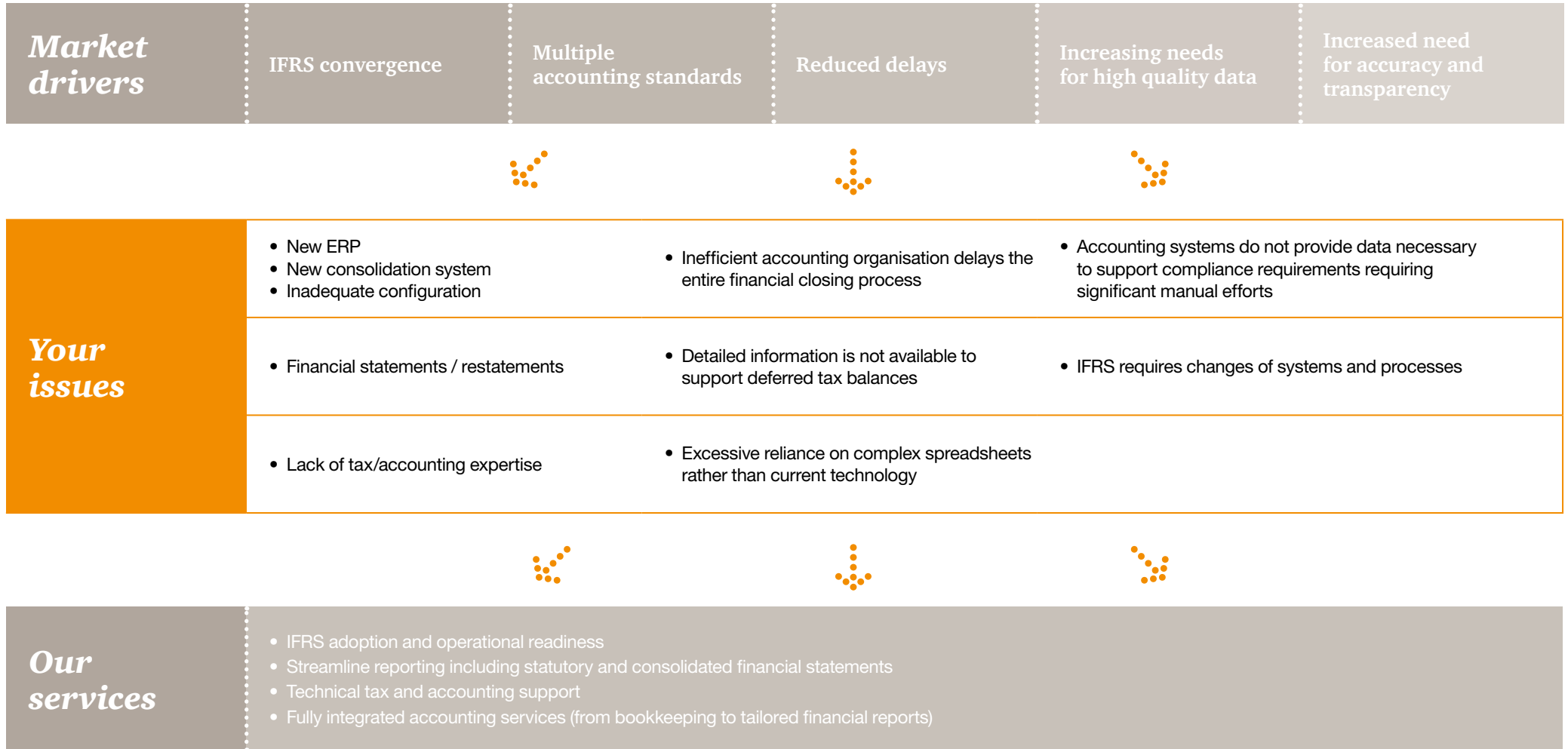
In order to face the issues raised by the different market drivers you have to deal with on a daily basis, you are currently assessing your specific needs in terms of:

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

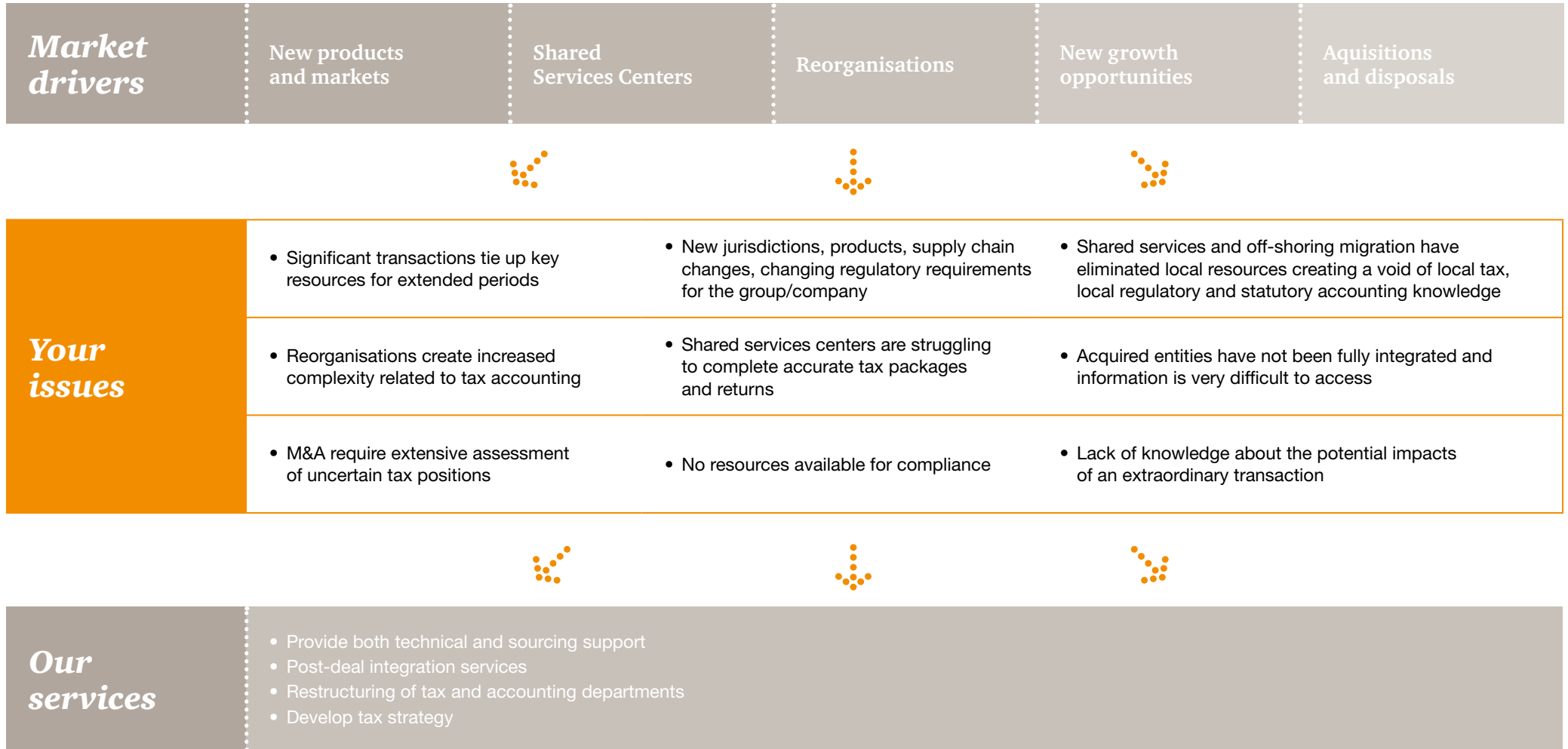
Our compliance services offer is tailored to help you meet these needs.



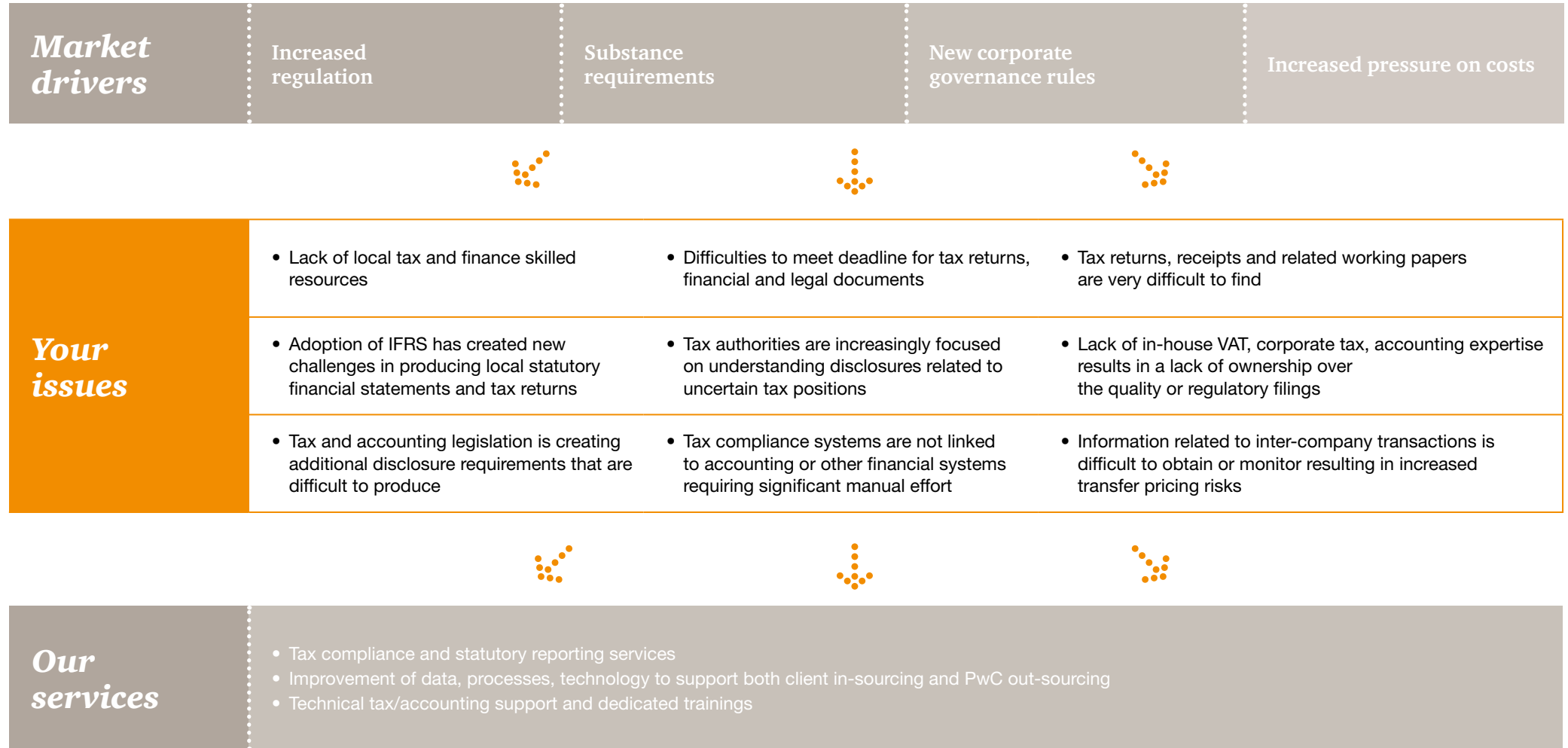
Financial Reporting



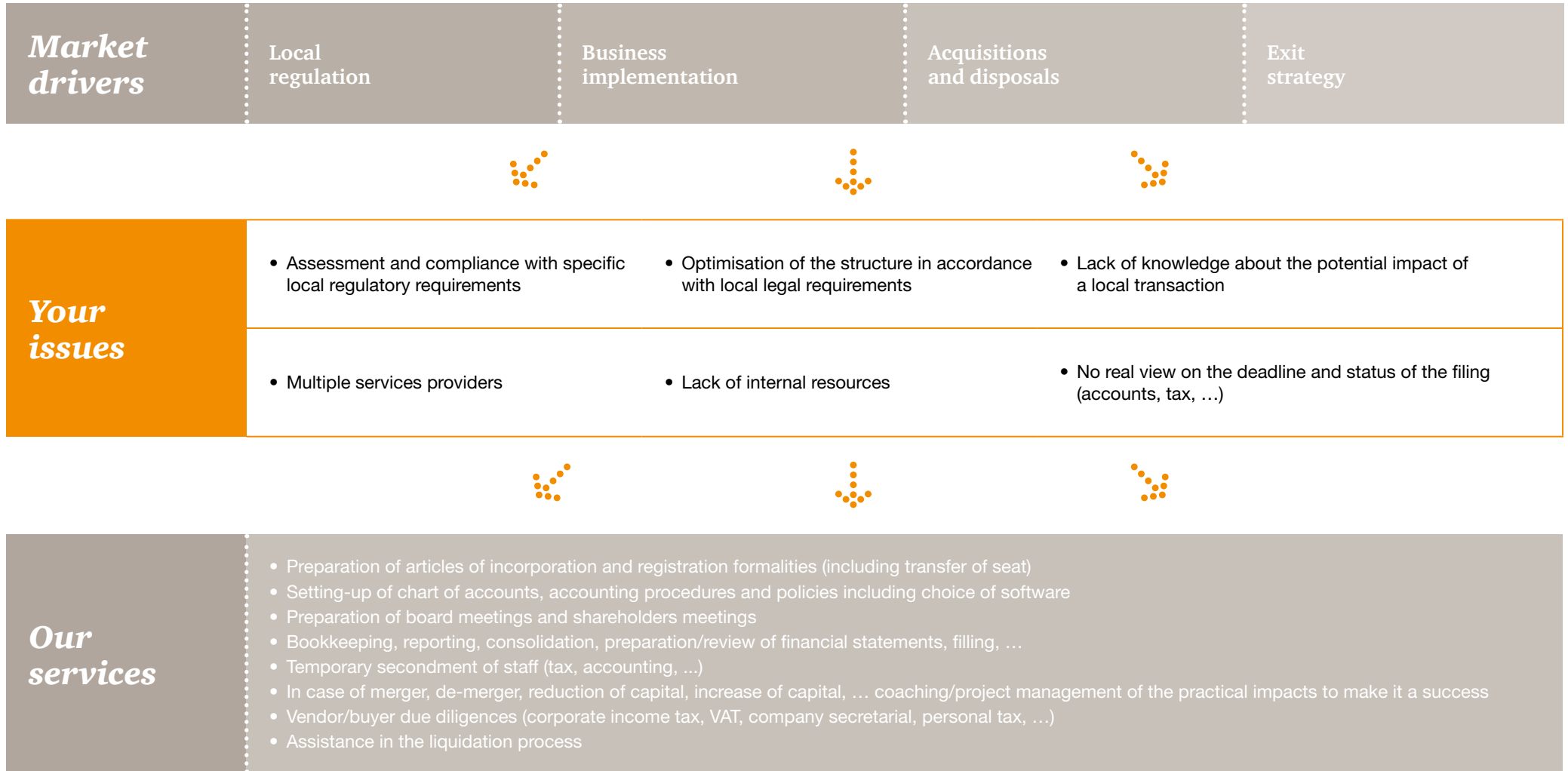
Business Changes: M&A, Spin-offs, Shared Services Centers and expansion



Tax & Regulatory Compliance



Running and maintaining your operations



Your 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 include:



Our services

PwC Luxembourg can help you manage your local or global compliance responsibilities, risks and opportunities, and respond to 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 called Encompass, specifically designed for this purpose.



Corporate secretarial services

How we can help you:

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

Accounting services

How we can help you:

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

Corporate income tax compliance services

How we can help you:

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

Indirect tax compliance services

How we can help you:

<i>Company life cycle</i>	Structuring	<ul style="list-style-type: none">• VAT registration and de-registration• Setting-up and implementation of best practices VAT processes and procedures• Assistance in the context of software implementation
	Incorporation	<ul style="list-style-type: none">• E-VAT compliance• Preparation and review of annual and/or periodic Luxembourg VAT returns and listings
	Filing	<ul style="list-style-type: none">• Filing of VAT returns and listings• Review of VAT assessments• Assistance in the context of a VAT audit by the VAT authorities
	Re-organisation	<ul style="list-style-type: none">• VAT litigation assistance• Assistance with VAT refund in foreign countries• VAT due diligence
	Exit strategy	<ul style="list-style-type: none">• Optimisation of VAT deduction entitlement• Assistance with implementation of FAIA/SAF-T obligations• Preparation or review of a VAT matrix/decision table
	Liquidation	<ul style="list-style-type: none">• Assistance with VAT obligations in foreign countries• Ad-hoc indirect tax advice including VAT helpline

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

***Temporary
assistance***

Trainings

(direct tax, indirect tax,
IFRS, accounting,
consolidation,...)

***Identification and
evaluation of
potential candidates
to fill your open
positions***

***Health checks
and Operational
diagnostics***

***Identification and
coordination***

- potential resident directors/managers
- domiciliation agents
- 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. Following the acquisition of a competitor, the management of our client 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 accounting treatments and on the preparation of the statutory accounts and tax returns (VAT and direct taxes). Our GCS experts then 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

The challenge

Our 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 standards.

Our approach

We suggested that our client rationalises the number of service providers involved in the reporting process our client opted for outsourcing its financial reporting process to GCS network. The change from existing local service providers to PwC teams was gradually implemented starting with the territories in which the main investments were realised. PwC Luxembourg was appointed 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 anticipate any potential tax issue. The quality of the overall process was also improved thanks to the continuous support from PwC technical teams (IFRS, ...) that is granted to our local GCS teams.

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 dedicate more time to the communication with the investors and to focus on other internal projects. Reduced time for the reporting process and better control on cost were also key benefits for the management of the fund.

Business case:

Implementation of Private Equity structures in Luxembourg

The challenge

Our 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 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 were detailed in an operating memorandum including a wide range of topics in which the client was involved. During the transition period, we 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 were successfully developed and implemented by the dedicated PwC team who provided our client with the required tools and an extensive level of coaching. Our GCS team 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.

Encompass

A Web tool designed to help you and support the compliance function

What is Encompass?

- A unique web-based solution providing you with full oversight of your regulatory compliance position on a global basis;
- An on-line monitoring tool to track and control any process;
- A workflow and document management system providing a single source of truth for documents and real time progress reports.

How does it work?

- The tool may be updated by you or by us;
- The PwC client compliance relationship manager is responsible for this database and ensures that all information is just a click away from you.

Key features

- Ease of use, designed around the needs of all users;
- Providing visibility and control across your entire organisation;
- Automated notifications and alerts, configured to your needs;
- Designed around your processes and what you want to track.

Why PwC Luxembourg?

PwC GCS Luxembourg comprises a team of more than 200 people with a strong international and multi-cultural focus and with deep knowledge of the Luxembourg environment.

PwC Luxembourg is a member of the PwC global network providing GCS services operating locally in countries around the world.

By working together, we form a robust & dynamic worldwide network to support & coordinate all the compliance services you need.

Who are our clients?

PwC Luxembourg offers Global Compliance Services to:

- Multinational groups
- Private equity houses
- Real estate companies
- Alternative assets management structures
- Operational and commercial companies
- Banks, insurance companies, professionals of the financial sector, ...

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Want to know more about our services?

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