

Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC (Text with EEA relevance)

CHAPTER 4

NOTES TO THE FINANCIAL STATEMENTS

Article 16

Content of the notes to the financial statements relating to all undertakings

1 In the notes to the financial statements all undertakings shall, in addition to the information required under other provisions of this Directive, disclose information in respect of the following:

- a accounting policies adopted;
- b where fixed assets are measured at revalued amounts, a table showing:
 - (i) movements in the revaluation reserve in the financial year, with an explanation of the tax treatment of items therein, and
 - (ii) the carrying amount in the balance sheet that would have been recognised had the fixed assets not been revalued;
- c where financial instruments and/or assets other than financial instruments are measured at fair value:
 - (i) the significant assumptions underlying the valuation models and techniques where fair values have been determined in accordance with point (b) of Article 8(7),
 - (ii) for each category of financial instrument or asset other than financial instruments, the fair value, the changes in value included directly in the profit and loss account and changes included in fair value reserves,
 - (iii) for each class of derivative financial instrument, information about the extent and the nature of the instruments, including significant terms and conditions that may affect the amount, timing and certainty of future cash flows, and
 - (iv) a table showing movements in fair value reserves during the financial year;
- d the total amount of any financial commitments, guarantees or contingencies that are not included in the balance sheet, and an indication of the nature and form of any valuable security which has been provided; any commitments concerning pensions and affiliated or associated undertakings shall be disclosed separately;
- e the amount of advances and credits granted to members of the administrative, managerial and supervisory bodies, with indications of the interest rates, main conditions and any amounts repaid or written off or waived, as well as commitments entered into on their behalf by way of guarantees of any kind, with an indication of the total for each category;

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- f the amount and nature of individual items of income or expenditure which are of exceptional size or incidence;
- g amounts owed by the undertaking becoming due and payable after more than five years, as well as the undertaking's entire debts covered by valuable security furnished by the undertaking, with an indication of the nature and form of the security; and
- h the average number of employees during the financial year.

2 Member States may require *mutatis mutandis* that small undertakings are to disclose information as required in points (a), (m), (p), (q) and (r) of Article 17(1).

For the purposes of applying the first subparagraph, the information required in point (p) of Article 17(1) shall be limited to the nature and business purpose of the arrangements referred to in that point.

For the purposes of applying the first subparagraph, the disclosure of the information required in point (r) of Article 17(1) shall be limited to transactions entered into with the parties listed in the fourth subparagraph of that point.

3 Member States shall not require disclosure for small undertakings beyond what is required or permitted by this Article.