

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 6

CONSOLIDATED FINANCIAL STATEMENTS AND REPORTS

Article 25

Business combinations within a group

- 1 A Member State may permit or require the book values of shares held in the capital of an undertaking included in the consolidation to be set off against the corresponding percentage of capital only, provided that the undertakings in the business combination are ultimately controlled by the same party both before and after the business combination, and that control is not transitory.
- 2 Any difference arising under paragraph 1 shall be added to or deducted from consolidated reserves, as appropriate.
- 3 The application of the method described in paragraph 1, the resulting movement in reserves and the names and registered offices of the undertakings concerned shall be disclosed in the notes to the consolidated financial statements.