

PRESS RELEASE 13/01

■ ENFORCEMENT OF THE 2012 FINANCIAL INFORMATION PREPARED BY ISSUERS OF SECURITIES SUBJECT TO THE TRANSPARENCY LAW

Pursuant to the law of 11 January 2008 on transparency requirements for issuers of securities (hereafter referred to as the "Transparency Law"), the CSSF ensures that the financial information published by issuers of securities, in particular their consolidated and non-consolidated financial statements, is drawn up in accordance with the relevant accounting standards.

As issuers are now preparing and finalising their financial information for the 2012 fiscal year, the CSSF wants to draw the attention of those issuers who prepare their financial statements in accordance with International Financial Reporting Standards (IFRS), to various topics and issues which will be specifically monitored during its 2013 enforcement review campaign.

Some of these topics have been identified by ESMA, the European Securities and Markets Authority, as priorities within the scope of the supervision exercised by the national competent authorities, and have been detailed in the publication dated 12 November 2012. In that respect, the CSSF will review among others, the following issues:

- financial instruments: in a 2012 complex market environment, the CSSF will continue to focus on the qualitative and quantitative information provided regarding the exposure to risks related to financial instruments as well as on valuation and impairment issues related to these instruments. The CSSF emphasizes the importance of a high level of transparency with regard to the information provided on financial instruments held, in particular for government debts, and regarding the underlying methods and assumptions made, as required by the applicable standards ;
- non-financial assets, with a specific focus on the accounting treatment of the impairment of tangible and intangible assets, including goodwill and other intangible assets with an indefinite useful life ;
- valuation of pension obligations related to defined benefit plans, in particular regarding the discount factors to be applied ;
- the information to be provided within the framework of the standard IAS 37 for each type of provision, contingent asset and contingent liability.

Furthermore, regarding the valuation of investment property, the CSSF will also review in detail the methods and assumptions made by the issuers when calculating the fair value of these assets. In that respect, the CSSF will also ensure that the issuers comply with the disclosure requirements of the standard IAS 40.

Regarding the newly issued or modified standards and interpretations that are not yet effective, the CSSF will verify that the entities have provided an assessment of the potential impact of their application on their financial statements for the first application period, as required by paragraphs 30 and 31 of the standard IAS 8.

Finally, within the framework of thematic reviews, the CSSF has decided to examine the cash flows statements provided by issuers in their financial statements and to continue to review, as during the year 2012, the compliance of the issued interim financial statements with the requirements of the standard IAS 34.

Further information relating to the reviews and findings of the CSSF, resulting from its mission under Article 22(2)(h) of the Transparency Law, can be found in its annual reports, which are available on its website under the heading [Publications > annual report](#).

Luxembourg, 9 January 2013

