

KPMG LUXEMBOURG FOUNDATION

**Annual accounts
for the year ended 30 September 2024**

R.C.S. Luxembourg G 204
39, Avenue John F. Kennedy
L-1855 Luxembourg

KPMG LUXEMBOURG FOUNDATION
Annual Accounts as at 30 September 2024

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Report of the Board of Directors for the year ended 30 September 2024

For many years now, KPMG has been active in creating a positive societal impact. Upon its creation in 2009, the KPMG Luxembourg Foundation represents a further step to increase its efforts.

The KPMG Luxembourg Foundation was created as an extension of our values, with our mission centered in unleashing the full potential of our people to enable change in our communities through volunteerism, education, and corporate giving.

KPMG S.à r.l. issued its impact report in June 2024 where we disclosed further our investments in our communities. The impact report is available on www.kpmg.lu.

Currently, each of our projects encourages progress towards the UN Sustainable Development Goals. While these goals cover a range of issues, our main focus is:

- Quality education and lifelong learning
- Climate Action
- Decent work and economic growth

With our mission centered in people rather than investments in “Brick and Mortar” , we focus our efforts in Luxembourg, the Grande Region and subsequently in developing areas such as Africa and Asia.

The Board of Directors acknowledges the importance of applying best practice in regard to the management and the operations of the Foundation and therefore has adopted adequate principles to ensure best governance practices and transparency.

The Board of Directors of the Foundation is advised by the Staff Selection Committee which is made up of approximately 10-15 staff members and one member of the Board. The Staff Selection Committee is responsible for reviewing projects and submitting a proposed shortlist to the Board of Directors for ratification.

Many KPMG Luxembourg staff are already engaged in the community giving their own free time and personal commitment to projects. The KPMG Luxembourg Foundation gives the opportunity to our staff to request a donation or sponsorship for their chosen charities through the Make-it-Happen Fund, where they are already committing time. In selecting projects, the same broad criteria as for external projects will be used by the Staff Selection Committee, as well as requiring a full application file.

During 2024, the composition of the Board of Directors of the Foundation was as follows:

- Françoise Renard as Chairperson
- David Capocci, Thierry Ravasio, Ravi Beegun, as Board Members
- Maria Palomares as Secretary to the Board



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The Foundation benefitted from donations through our payroll giving program for EUR 20 382.00 and by other donations from our people for a total of EUR 22 261.10.

In 2024, the Foundation made donations for a total of EUR 115 678.39.

The operating revenue and expenditure led to a profit of EUR 2 058.89.

A total amount of capital and reserves of EUR 118 136.21 is carried forward to the next financial year.

**To the board of directors of
KPMG LUXEMBOURG FOUNDATION**
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REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Opinion

We have audited the annual accounts of KPMG LUXEMBOURG FOUNDATION (the "Foundation"), which comprise the balance sheet as at 30 September 2024, and the profit and loss account for the year then ended and notes to the annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of the Foundation as at 30 September 2024, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "*Commission de Surveillance du Secteur Financier*" ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of "*réviseur d'entreprises agréé*" for the audit of the annual accounts » section of our report. We are also independent of the Foundation in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

AUDIT & ASSURANCE

Baker Tilly Audit & Assurance s.à r.l. trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

Other matters

The Foundation's annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts. Without prejudice to the opinion expressed in the "Opinion" paragraph, our audit report is intended solely for the attention of the board of directors of the Foundation and the Ministries of the Grand-Duché of Luxembourg and may not be distributed or used by third parties other than those mentioned above without our prior agreement.

The annual accounts of the Foundation for the year ended 30 September 2023 were audited by another auditor who expressed an unmodified opinion on those annual accounts on 5 August 2024.

Other information

The board of directors is responsible for the other information. The other information comprises the information stated in Report of the board of directors but does not include the annual accounts and our report of the "réviseur d'entreprises agréé" thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the board of directors for the annual accounts

The board of directors is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the board of directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the board of directors is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the “réviseur d’entreprises agréé” for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “réviseur d’entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Law dated 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with the Law dated 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.
- Conclude on the appropriateness of board of directors’ use of the going concern basis of accounting. When such use is inappropriate and the board of directors of the Foundation’s uses non-going concern basis of accounting, we conclude on the appropriateness of the board of directors of the Foundation’s use of the non-going concern basis of accounting. We also evaluate the adequacy of the disclosures describing the non-going basis of accounting and reasons for its use. Our conclusions are based on the audit evidence obtained up to the date of our report of the “réviseur d’entreprises agréé”.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Baker Tilly Audit & Assurance s.à r.l.
Cabinet de révision agréé

Xavier Galloro
Partner

Howald, 18 April 2025



KPMG LUXEMBOURG FOUNDATION

Balance sheet

		30.09.2024	30.09.2023
	Notes	EUR	EUR
<u>ASSETS</u>			
Current assets			
Other debtors	3	18,721.33	9,881.00
Cash at bank	4	151,569.71	228,612.10
TOTAL ASSETS		<u>170,291.04</u>	<u>238,493.10</u>
 <u>LIABILITIES</u>			
Capital and reserves			
Initial capital contribution	5	500,000.00	500,000.00
Profit or loss brought forward		(290,505.39)	(183,521.73)
Net project related revenue/(expenditure)		(93,417.29)	(103,110.48)
Net operating (loss)/profit for the financial year		<u>2,058.89</u>	<u>(3,873.18)</u>
		<u>118,136.21</u>	<u>209,494.61</u>
 Creditors			
Trade creditors		6,504.83	5,498.49
Donations payable within one year	6	45,650.00	23,500.00
		<u>52,154.83</u>	<u>28,998.49</u>
TOTAL LIABILITIES		<u>170,291.04</u>	<u>238,493.10</u>

The accompanying notes form an integral part of these annual accounts.



KPMG LUXEMBOURG FOUNDATION

Profit and loss account

		2024	2023
	Notes	EUR	EUR
PROJECT RELATED EXPENDITURE			
Donations received			
KPMG employee donations		<u>22,261.10</u>	<u>20,594.89</u>
		22,261.10	20,594.89
Donations made	7	(115,678.39)	(123,705.37)
Net project related (expenditure)/revenue		<u>(93,417.29)</u>	<u>(103,110.48)</u>
OPERATING REVENUE AND EXPENDITURE			
Interest receivable and similar income	4	4,540.59	187.84
Other operating income KPMG S.à r.l.		<u>1,687.20</u>	<u>-</u>
Operating income		6,227.79	187.84
Other operating charges	8	(3,974.40)	(3,899.02)
Interest payable and similar charges		<u>(194.50)</u>	<u>(162.00)</u>
Operating expenditure		(4,168.90)	(4,061.02)
Net operating (loss) / profit for the financial year		<u>2,058.89</u>	<u>(3,873.18)</u>

The accompanying notes form an integral part of these annual accounts.



KPMG LUXEMBOURG FOUNDATION

Notes to the annual accounts

1. General

The KPMG LUXEMBOURG FOUNDATION (the “Foundation”) was incorporated on 19 March 2009 in the form of a Foundation in accordance with the law of 21 April 1928, for an indefinite period. The registered office of the Foundation is established at 39 Avenue John F. Kennedy, L-1855 Luxembourg and is registered with the Luxembourg Trade and Companies Register under the number G 204. The incorporation and the statutes of the Foundation were approved by Grand Ducal decree on 27 April 2009.

The Foundation’s financial year starts on 1 October and ends on 30 September.

The object of the Foundation is to provide financial support either through donations or loans, to development projects benefiting groups of people in need, across the world, in particular, but not exclusively, in Africa and Asia. Projects supported by the Foundation may be from the social sector, education or health as well as agricultural, manual and income generating projects. Projects may be supported via direct financial assistance or through other associations, whether based in Luxembourg or elsewhere in the world.

2. Presentation of the annual accounts and significant accounting policies

a) Presentation of the annual accounts

The annual accounts as at 30 September 2024 have been established principally in accordance with the law of 19 December 2002, as amended, relating to the preparation of the annual accounts and the significant accounting policies outlined below. The presentation of the balance sheet and the profit and loss account have been adapted to reflect the specificities of the Foundation’s activity.

b) Significant accounting policies

General accounting principles:

The Company maintains its books in Euro (EUR) and the annual accounts of the Company are prepared in accordance with current legal requirements and generally accepted accounting principles in the Grand-Duchy of Luxembourg under the historical cost convention and prepared on a going concern basis.

Accounting policies and valuation rules are, besides the ones laid down by the Law of 19 December 2002 as subsequently amended, determined and applied by the Board of Directors.

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise their judgment in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. The Board of Directors believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.



KPMG LUXEMBOURG FOUNDATION

Notes to the annual accounts

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Other debtors:

Other debtors are recorded at nominal value. They are subject to value adjustments when their recovery is compromised. These value adjustments are not maintained if the reasons which motivated their creation have ceased to exist.

Creditors:

Creditors are recorded at reimbursement value.

Donations:

Donations received by the Foundation are accounted for on the date of receipt or when they have been confirmed.

Donations made to associations for which a formal decision has been taken by the Board of Directors but which have not been paid as at the year end, are included in Donations payable within one year in the balance sheet and Donations made in the profit and loss account.

Interests:

Interest income and expenses are recorded in the profit and loss account on an accrual basis.

3. Other debtors

The total amount to be received as at 30 September 2024 of EUR 18 721.33 is referred to employee donations EUR 15 029.00 (30 September 2023: EUR 9'881.00), income to be received by KPMG S.à r.l. EUR 1 687.20 (30 September 2023: 0.00 EUR) and interests to be received EUR 2 005.13 (30 September 2023: 0.00 EUR).

4. Cash at bank

The Foundation held EUR 151 569.71 in cash balances as at 30 September 2024 (30 September 2023: EUR 228 612.10). The Board of Directors of the Foundation has decided to hold part of its cash balances in a BCEE Etika savings account. Etika, a Luxembourg based non-profit organisation ("asbl"), in collaboration with BCEE, offers an ethical alternative savings account. The account is a capital savings account with a guaranteed interest return which is lower than a classic savings account, but investors choose to accept a lower rate of return, in the knowledge that they are enabling promoters of social and environmental projects to obtain credits and loans at a more advantageous rate, thus supporting the financing of projects which combine an economic rate of return



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Notes to the annual accounts

whilst respecting people and environmental projects.

5. Capital and reserves

The initial capital contribution received in March 2009 relates to the initial contribution made by the Founder (KPMG Luxembourg) of the Foundation, amounting to EUR 500 000.00.

The opening net reserves of the Foundation as at 1 October 2024 amounted to EUR 118 136.21 (1 October 2023: EUR 209 494.61).

The net project related revenue / (expenditure) and the net operating (loss) / profit for the financial year as at 30 September 2023 amounting respectively to (EUR 103 110.48) and (EUR 3 873.18) has been allocated in profit or loss brought forward as at 30 September 2024.

6. Creditors

The amount donations payable within one year as at 30 September 2024 of 45 650.00 EUR is referred to donations related to fiscal year 2024 paid out in fiscal year 2025 (30 September 2023: 23 500.00 EUR). The amount is composed as at 30 September 2024 : PSE 3 650.00 EUR (30 September 2023 : 0.00 EUR), Alupse-Bébé 22 000.00 EUR (30 September 2023 : 0.00 EUR), RYSE 10 000.00 EUR (30 September 2023 : 0.00 EUR), Centre Saint Aubain 10 000.00 EUR (30 September 2023 : 15 000.00 EUR), Miteinander Leben Lernen 0.00 EUR (30 September 2023 : 5 000.00 EUR) and Abri de nuit 0.00 EUR (30 September 2023 : 3 500.00 EUR).

7. Donations made

The following donations were made during the year or committed at the end of the year:

	2024 EUR	2023 EUR
Luxembourg + Great region		
RYSE	10,000.00	500.50
Miteinander Leben Lernen	6,000.00	5,000.00
Croix-Rouge Luxembourg	1,594.59	2,784.60
Abri de nuit	-3,500.00*	-
Fondation Cancer	-	3,000.00
Centre Saint Aubain	10,000.00	-941.42*
Alupsé-Bébé	26,933.80	21,361.69
CAP Esperance	8,000.00	-



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Notes to the annual accounts

International Projects

Life Project 4 Youth Lux	18,000.00	20,000.00
Friendship Luxembourg	25,000.00	51,500.00
What Water ASBL	10,000.00	20,000.00
PSE	3,650.00	-

Make it Happen Fund

Oxfam	-	500.00
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TOTAL DONATIONS MADE	<u>115,678.39</u>	<u>123,705.37</u>
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*Reversal of provision

8. Other operating charges

The general indirect operating costs such as accounting, operations management etc are partially borne by KPMG S.à.r.l. on behalf of the Foundation.

9. Staff costs

The Foundation did not employ any staff during the year.

10. Commitments

During 2013, the Board of Directors committed to make a total donation of EUR 50 000.00 to Ile aux Clowns. A payment of EUR 25 000.00 has been made in 2013. The remaining donation of EUR 25 000.00 will become payable should the Board of Ile aux Clowns consider it necessary and make a formal request for payment. Such a request has not yet been received by the Foundation. The Board of Directors of the Foundation considers that it is unlikely that such a donation will be required, based upon the successful financial fundraising of Ile aux Clowns.

As at 30 September 2024, the Foundation had a commitment toward KPMG S.à r.l. for a total amount of EUR 3 612.29. This commitment is related to Alupsé-bébé (refer to note 7).



KPMG LUXEMBOURG FOUNDATION

Notes to the annual accounts

11. Subsequent events

There has been no subsequent events requiring adjustments or disclosures.

In accordance with the law of 7 August 2023 on non-profit associations and foundations, the Board of Directors intends to update its Articles of Association during the transitional period of 24 months from the date of its entry into force, i.e. up to and including 23 September 2025.