

anti-avoidance provisions.

7. Impact of Corporate Events

7.1 Acquisitions During Look-Back Period

When an entity is acquired mid-year:

- Include its revenue **from the acquisition date only**
- Do not annualise or gross up partial-year revenue
- The acquiring group's look-back includes the target's post-acquisition revenue

Example: Stratos acquires TechStart on 1 July 2024. For the FY 2024 threshold assessment, include TechStart's revenue from 1 July to 31 December 2024 only (six months).

7.2 Disposals During Look-Back Period

When entities are disposed of:

- Include their revenue up to the disposal date
- The look-back reflects the group composition at each point in time

7.3 Mergers

When two groups merge:

- Assess combined revenues as if the merged group had existed throughout the look-back period
- Both predecessor groups' revenues are aggregated for each year

7.4 Demergers

When a group splits:

- Each resulting group is assessed based on its own post-demergers revenue
- The look-back for the first post-demergers year requires allocation of pre-demergers revenue to each resulting group on a reasonable basis

8. Documentation Requirements

Maintain a threshold assessment file containing:

Document	Purpose
Audited consolidated financial statements (4 years)	Source of revenue figures
Revenue extraction workings	Shows which line item was used
Exchange rate source documentation	ECB printout or equivalent
Conversion calculations	Audit trail for EUR figures
Assessment conclusion memo	Formal record of scope determination
Annual review record	Evidence of ongoing monitoring

Retention period: Retain documentation for at least 7 years from the end of the relevant fiscal year, or longer if required by local tax authority record-keeping rules.