A service fee, from source to review.

SERVICE PROVIDER

Linde Services B.V.
Netherlands

SERVICE RECIPIENT

Linde Operations GmbH
Germany

PERIOD AND CURRENCY

FY2025 · EUR

TRANSACTION

Administrative support services

> **Selected scenario: Initial records.**
>
> Every entity, document and amount is fictional. This is an illustrative dossier extract, not a completed tax opinion. The source fragments, historical versions and open questions form part of this file.

IN THIS DOSSIER

01 Local File extract
02 Financial reconciliation
03 Statements and exact source passages
04 Source fragments and versions
05 Open questions
06 Assumptions and review scope

01 Local File extract

Transaction and agreed pricing

Under the fictional FY2025 agreement, Linde Services B.V. in the Netherlands is to provide administrative support services to Linde Operations GmbH in Germany. The agreement sets the annual service fee at eligible service costs plus 5%. Third-party pass-through costs are handled separately and fall outside the service-fee charge described in this extract.

Sources: S-01

Functions and responsibility

The operating memorandum assigns customer onboarding administration, billing support and routine reporting to the Dutch team. The German team decides customer pricing and commercial terms. This describes the intended operating model; interviews and activity records remain necessary to establish how the arrangement operates in practice.

Sources: S-02

Financial record

The cost summary reports EUR 1,200,000 of total costs and EUR 100,000 of costs outside this service-fee charge, leaving EUR 1,100,000 of eligible costs. Applying the contractual markup gives EUR 55,000 and a service fee of EUR 1,155,000. The original ledger records EUR 1,130,000 provisionally. The year-end adjustment and revised ledger have not yet been supplied, so the final recorded fee remains unknown.

Sources: S-01 · S-03 · S-04-v1

Position for review

The records establish the terms and figures described above. Evidence of the services and recipient benefit, the underlying costs and allocation, and support for method selection and the markup remain outstanding. The contractual rate and the calculation do not establish an arm's-length outcome. The open questions below form part of the handover.

Sources: S-01 · S-02 · S-03

02 Financial reconciliation

Fictional FY2025 service-fee record, EUR. Unknown documented amounts remain unknown.

Reconciliation	Amount	Record
Total recorded costs	EUR 1,200,000	S-03
Costs handled separately	– EUR 100,000	S-01 · S-03
Eligible service cost base	EUR 1,100,000	S-03
Contractual markup (5%)	EUR 55,000	Calculated from S-01 · S-03
Contractual service fee	EUR 1,155,000	Eligible costs + contractual markup
Original recorded fee	EUR 1,130,000	S-04-v1 · provisional
Documented year-end adjustment	Not yet provided	Awaiting follow-up
Revised recorded fee	Not yet provided	Awaiting follow-up
Reconciliation difference	**Not yet provided**	Original + adjustment – revised

The separately handled EUR 100,000 costs fall outside this service-fee charge. The table does not represent total intercompany revenue. Reconciliation difference = original recorded fee + documented adjustment – revised recorded fee; missing values remain unknown.

The 5% rate is a contractual scenario assumption. Arithmetic agreement does not establish an arm's-length outcome.

03 Statements and exact source passages

C-01 · The contractual starting point

The agreement sets a fee equal to eligible service costs plus 5%.

> The agreed annual fee is eligible service costs plus a 5% markup.

S-01 · exact characters 115–179

Review implication. The document supports the agreed pricing formula. The method selection, benefit to the recipient and appropriateness of the rate remain review questions.

C-02 · The operating profile

The memorandum assigns administrative work to the Dutch team and commercial decisions to the German team.

> In FY2025, the Dutch team performs customer onboarding administration, billing support and routine reporting. The German team decides customer pricing and commercial terms.

S-02 · exact characters 1–172

Review implication. This is a description of the intended model. Interviews and activity records are still needed to substantiate what the people actually do.

C-03 · The cost base

The summary reports EUR 1,100,000 of eligible service costs after an exclusion of EUR 100,000.

> Third-party pass-through costs excluded from the service charge: EUR 100,000. Eligible service costs: EUR 1,100,000.

S-03 · exact characters 68–183

Review implication. The summary reconciles arithmetically. The composition of the cost pool, exclusion and allocation still need supporting records.

C-04 · The original recorded amount

The original ledger records a provisional service fee of EUR 1,130,000.

> Recorded service fee: EUR 1,130,000. Status: provisional.

S-04-v1 · exact characters 73–129

Review implication. The original statement remains linked to version 1, including after revised records arrive. It is a historical amount, not the revised balance.

04 Source fragments and versions

S-01 · Fictional services agreement

SERVICES-2025 · revision 1
Clauses 2 and 4 · current version

> For FY2025, Linde Services B.V. (Netherlands) provides administrative support to Linde Operations GmbH (Germany). The agreed annual fee is eligible service costs plus a 5% markup. Third-party pass-through costs are excluded from this service-fee charge and are handled separately outside this example.

Back to statement C-01

S-02 · Fictional operating memorandum

OPERATING-MEMO-2025 · revision 1
Activity and responsibility table · current version

> In FY2025, the Dutch team performs customer onboarding administration, billing support and routine reporting. The German team decides customer pricing and commercial terms. This memorandum describes the intended operating model; staff interviews and activity records have not been supplied.

Back to statement C-02

S-03 · Fictional cost ledger summary

COST-LEDGER-2025 · revision 1
Rows 10–12 · EUR · current version

> Linde Services B.V. — FY2025. Total recorded costs: EUR 1,200,000. Third-party pass-through costs excluded from the service charge: EUR 100,000. Eligible service costs: EUR 1,100,000. Supporting invoices and allocation records are outstanding.

Back to statement C-03

S-04-v1 · Fictional intercompany ledger · initial

REVENUE-LEDGER-2025 · revision 1
Account IC-410 · provisional balance · current version

> Linde Services B.V. — service fees to Linde Operations GmbH for FY2025. Recorded service fee: EUR 1,130,000. Status: provisional. The year-end adjustment and final recorded fee have not yet been provided.

Back to statement C-04

05 Open questions

OP-01 · Support for the pricing position

Review the service benefit, method selection and contractual markup before reaching a tax conclusion.

Status: partial · Reviewer and due date unassigned.

Available

- S-01: contractual pricing formula
- S-02: intended operating profile

Still needed

- Evidence of services performed and recipient benefit
- Method selection and support for the markup

OP-02 · Evidence behind the cost base

Trace the summary to underlying costs and substantiate the exclusion and allocation.

Status: partial · Reviewer and due date unassigned.

Available

- S-03: cost ledger summary

Still needed

- Detailed cost ledger and supporting records for the eligible and excluded costs
- Allocation records and activity evidence

OP-03 · Complete the year-end evidence

Connect the calculation and revised ledger to the corresponding intercompany invoice.

Status: partial · Reviewer and due date unassigned.

Available

- S-04-v1: provisional ledger

Still needed

- Year-end reconciliation
- Revised ledger
- Corresponding intercompany invoice

06 Assumptions and review scope

- The two named entities, all documents and all amounts are created solely for this worked example.
- The case covers one Dutch service provider, one German recipient and FY2025; it does not represent a real group or engagement.
- The 5% rate is a contractual scenario assumption, not a benchmark, safe-harbour assessment or arm's-length conclusion.
- The EUR 100,000 pass-through costs are outside this service-fee charge and handled separately; the exclusion still requires underlying evidence and review.
- This is an inspectable dossier extract illustrating a handover. A complete Local File requires the agreed assignment scope and professional review.

> Every entity, document and amount in this worked example is fictional. Contractual pricing and an arithmetical reconciliation do not establish an arm's-length outcome. Professional review remains pending. No external assessment has been performed for this example.

Packet EXAMPLE-NL-DE-SERVICES-FY2025 · dublon-illustrative-local-file-v1 · initial_records.

This file is self-contained and makes no network requests.