

an unconditional right to defer the liquidation of the liability for at least 12 months after the consolidated statement of financial position date.

2.14. Deferred taxes

Deferred taxes are recognised overall, using the liability method and calculated based on the temporary differences arising from the difference between the taxable base of assets and liabilities and their values in the consolidated financial statements. However, if the deferred cost arises from the initial recognition of an asset or liability in a transaction that is not a corporate concentration or that, on the transaction date, does not affect the accounting result or the tax result, this amount is not accounted. Deferred taxes are determined by the tax (and legal) rates decreed or substantially decreed on the date of the consolidated statement of financial position and that can be expected to be applicable in the period of the deferred tax asset or in the liquidation of the deferred tax liability.

Deferred tax assets are recognised insofar as it will be probable that future taxable income will be available for using the respective temporary difference.

2.15. Provisions

Provisions for costs of restructuring activities, paid contracts and legal claims are recognised when the

group has a legal or constructive obligation due to past events and when it is probable that a outflow of resources will be necessary to liquidate the obligation, and when the obligation amount may be reliably estimated. Provisions for restructuring operations include penalties for terminating leasing contracts and indemnity payments for terminating employee work contracts. Provisions are not recognised for future operating losses.

When there are a similar number of obligations, the probability of generating an outflow is determined by combining these obligations.

2.16. Recognising revenue

Revenue comprises the fair value of the sale of goods and rendering of services, net of taxes and discounts and after eliminating internal sales. Revenue is recognised as follows:

a) Sale of goods – retail

The sale of goods is recognised when the product is sold to the customer. Retail sales are normally made in cash or through debit/credit cards. The revenue to be recognised is the gross sale amount, including debit/credit card transaction fees. Sales of goods to customers, associated to events or congresses, are recognised when they occur.