

Swiss GAAP FER

Accounting and Reporting Recommendations

Disclosure Checklist for consolidated
and stand-alone financial statements

Version 2019



Introduction

Swiss GAAP FER is a recognised financial reporting standard in Switzerland according to art. 962 Swiss Code of Obligation. This checklist allows users to review the completeness of the disclosures in the financial statements prepared according to Swiss GAAP FER. It covers all requirements of the currently applicable Swiss GAAP FER standards (status 10 December 2014).

This checklist does not cover other requirements, such as the valuation rules, the description of the approach or the clarification of terminology. In some places, the indications in italics serve to provide a better understanding. With regard to the disclosures for insurance companies, we refer to the description under Swiss GAAP FER 14 (Swiss GAAP FER 40 applicable from 1 January 2021 respectively). For property and health insurers, Section F has been prepared (see also the corresponding PwC example financial statements).

The checklist follows the modular structure of Swiss GAAP FER. It is structured in relation to the items in the financial statements and differentiates between the core FER and the other standards of the FER as well as the special requirements for consolidated financial statements and for listed companies.

Further information on the background and projects relating to Swiss GAAP FER can be found in the publication of the recommendations, which may be ordered online at www.fer.ch or from the publisher, Verlag SKV.

Application

The first column contains the references to the corresponding positions in Swiss GAAP FER. The first column contains the references to the corresponding sections of the Swiss GAAP FER. The references are designated as follows: 5/3 designates paragraph 3 in Swiss GAAP FER 5; FW designates the Swiss GAAP FER framework. In the columns labelled Y-NA-NM, the following indications may be entered for all of the points in the checklist:

Y (Yes)	The disclosure has been made in accordance with Swiss GAAP FER.
NA (not applicable)	The paragraph does not apply to the present stand-alone/consolidated FS.
NM (not material)	The corresponding disclosure is not material and therefore has not been disclosed.

The REF column on the right-hand side may be used for references to the corresponding part of the consolidated or individual financial statements.

Consulting

This document is also available in German and French. If you require any further advice regarding Swiss GAAP FER, please contact Patrick Balkanyi, PwC Zurich, patrick.balkanyi@ch.pwc.com, +41 58 792 26 76.

Completeness and accuracy of this checklist

We have made every effort to ensure the correct and complete inclusion of all of the disclosure requirements in this checklist. Nevertheless, we cannot exclude the possibility that it contains errors. Only the recommendations of the official Swiss GAAP FER issued by the Foundation for Accounting and Reporting Recommendations are valid. We recommend therefore that you consult the Swiss GAAP FER publication and seek professional advice before making any critical decisions.

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A Framework

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
FW/4, 1/7 1/2	1	<p>The organisation clearly discloses whether it has complied with only core FER or with the entire Swiss GAAP FER requirements.</p> <p>Note: <i>Smaller organisations which do not exceed two of the following criteria in two consecutive years may apply core FER in addition to Swiss GAAP FER 30.</i></p> <p>(a) <i>Balance sheet total of CHF 10 million</i> (b) <i>Annual net sales from goods and services of CHF 20 million</i> (c) <i>50 full-time employees on average per year</i></p> <p><i>Besides the framework, core FER comprises:</i></p> <ul style="list-style-type: none"> – Swiss GAAP FER 1 Basics – Swiss GAAP FER 2 Valuation – Swiss GAAP FER 3 Presentation and format – Swiss GAAP FER 4 Cash flow statement – Swiss GAAP FER 5 Off-balance-sheet transactions – Swiss GAAP FER 6 Notes <p><i>The application of only core FER is not permitted for listed public companies (equity and/or debt instruments).</i></p>		
FW/7	2	<p>The individual and consolidated financial statements comprise at least:</p> <p>(a) Balance sheet (b) Income statement (c) Cash-flow statement (d) Statement of changes in equity (e) Notes</p>		
FW/8, 31/2	3	<p>An organisation adopting core FER or Swiss GAAP FER as a whole for the first time, or converting from core FER to Swiss GAAP FER as a whole is required to present the prior-year balance sheet in compliance with the new regulations.</p> <p>For listed public companies (listed equity and/or debt instruments), the following applies: At the time of the conversion to Swiss GAAP FER, the prior year period has to be presented in accordance with SWISS GAAP FER beside the current period in the annual as well as in the interim financial statements. A reconciliation of the equity as per the opening and end date of the prior period as well as of the profit/loss for the prior period according to the previously used accounting standard with Swiss GAAP FER has to be presented and explained.</p>		
FW/9	4	<p>If there are significant doubts related to the going concern status of an organisation, this fact is disclosed.</p> <p>If there is an intention or necessity to liquidate the organisation, the financial statements must be prepared on the basis of liquidation values. The valuation at liquidation values is disclosed and explained in the notes.</p>		
FW/20, 5/3	5	<p>Contingent assets and contingent liabilities are disclosed in the notes.</p>		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
FW/28, 6/3	6	<p>Events occurring after the balance sheet date – the date on which the financial statements are approved by the responsible body – are disclosed in the notes.</p> <p>Events are to be recognised in the financial statements, if the trigger of the event was or the respective conditions were already known at the balance sheet date. New developments after the balance sheet date are also included in the notes.</p> <p>For events not recognised in the financial statements, as the trigger of the event was known only after the balance sheet date, the nature of the event as well as an estimate of its financial impact is disclosed in the notes, if these are essential to the user of the financial statements to form an opinion. If such an estimate is not possible, the notes refer to this fact.</p>		
FW/30	7	<p>Note: <i>The prior-year financial statements are adjusted if there are changes in the accounting principle or error corrections (restatements). Changes in estimates do not require a restatement of the prior-year financial statements.</i></p> <p>The notes disclose why the accounting principle has been changed, the nature of the change and its financial impact.</p> <p>The effects of errors are explained and disclosed quantitatively in the notes.</p> <p>Changes in accounting estimates are disclosed in the notes.</p>		
FW/31	8	<p>Unless a Swiss GAAP FER recommendation does not allow for or require a different treatment, the financial statements contain all quantitative information for the prior year-s period.</p>		
FW/32	9	<p>Facts that cannot be recognised in the balance sheet due to the unreliability of the information must be disclosed in the notes (description of the fact and disclosure of the amount).</p>		
FW/34	10	<p>The management report contains statements concerning at least the following aspects:</p> <ul style="list-style-type: none"> (a) Environment – Outline of the economic environment (e.g. market developments, industry trends, competition, decisive conditions like economic situation, changes in laws) of the past year and expectations of the future regarding the economic environment (b) Financial year – Comments on the components of the financial statements based on the key business ratios of the balance sheet and the income statement and their development (c) Outlook – Comments on the further development of the organisation with a focus on the subsequent financial year, mainly in regard to risks and benefits <p>Note: <i>The management report is not part of the financial statements and is not subject to the audit.</i></p>		

B Financial statements (individual and consolidated)

B1 Income statement (incl. explanations in the notes)

I Core FER

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
3/6	1	The income statement is presented according to the period-based costing method or the activity-based costing method.		
3/7	2	<p>The income statement according to the period-based costing method is presented as follows:</p> <ul style="list-style-type: none"> • Net sales from goods and services • Other operating income • Change in inventory of finished and unfinished goods as well as unbilled goods and services • Raw material expense • Personnel expense • Depreciation of fixed assets • Depreciation of intangible assets • Other operating expense = Operating result • Financial result = Ordinary result • Non-operating result • Extraordinary result = Profit/loss before income taxes • Income taxes¹ = Profit/loss 		
3/8	3	<p>The income statement according to the activity-based costing method is presented as follows:</p> <ul style="list-style-type: none"> • Net sales from goods and services • Cost of goods or services sold • Administrative expense • Selling expense • Other operating income • Other operating expense = Operating result • Financial result = Ordinary result • Non-operating result • Extraordinary result = Profit/loss before income taxes • Income taxes¹ = Profit/loss <p>¹ Current tax expense (11/3) and deferred tax expense (11/10) must be disclosed.</p>		
3/9	4	<p>The following items are disclosed separately in the income statement or in the notes and explained in the notes:</p> <ol style="list-style-type: none"> (a) Financial expense and income (b) Non-operating expense and income (c) Extraordinary income and income 		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
3/10	5	The following items are disclosed in the notes if the activity-based income statement presentation method is selected: (a) Personnel expense (b) Depreciation of tangible fixed assets (c) Amortisation of intangible assets		
II Other standards concerning specific topics				
(1) Impairment				
20/20	1	The amounts of significant impairment losses and partial or full reversals of impairments are disclosed on a one-to-one basis in the income statement or in the notes. Events and circumstances leading to the impairment and partial or full reversal of the impairment are explained.		
(2) Income taxes				
11/3, 11/12, 11/14	1	The current tax expense is recognised in the financial statements. Note: <i>Current income taxes are, in general, annually recurring taxes on profits. Other public duties and charges do not constitute income taxes.</i>		
11/10	2	The deferred tax expense (income) is recognised in the financial statements.		
11/11	3	The entitlement for deferred income taxes on tax losses carried forward and not yet used is disclosed in the notes.		
11/17	4	If temporary differences arise in connection with a revaluation, which results in deferred income taxes, these are disclosed separately in the notes.		
III Consolidated financial statements				
30/11	1	In the income statement, the share of the minority interest in the profit/loss is disclosed separately.		
30/13	2	The result of the associated organisations is disclosed separately in the income statement.		
30/42	3	The details of the income statement in the notes contain the breakdown of the net sales from goods and services according to: (a) geographical markets, and (b) business areas		
30/71		Note: <i>The breakdown of net sales from goods and services by segments is only necessary when business sectors differ significantly. Geographical markets may comprise more than one country.</i>		
IV Individual/consolidated financial statements of publicly listed companies				
31/5	1	The non-diluted and the diluted earnings per ownership right are presented below the income statement.		

B2 Balance sheet (incl. explanations in the notes)

I Core FER

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
(1) General disclosure				
3/12	1	The presentation format is the account form or the report form.		
3/2	2	The following items at least are separately disclosed in the balance sheet: Assets (a) Current assets <ul style="list-style-type: none"> • Cash • Securities • Receivables from goods and services • Other short-term receivables • Inventories • Prepayments and deferred income (b) Non-current assets <ul style="list-style-type: none"> • Tangible fixed assets • Financial assets • Intangible assets Liabilities (c) Current liabilities <ul style="list-style-type: none"> • Short-term financial liabilities • Payables from goods and services • Other short-term liabilities • Short-term provisions (d) Non-current (long-term) liabilities <ul style="list-style-type: none"> • Long-term financial liabilities • Other long-term liabilities • Long-term provisions (e) Equity <ul style="list-style-type: none"> • Capital of the organisation • Capital of the organisation not paid in (negative amount) • Capital reserves (only reserves paid in, especially agio) • Own shares/own units of the capital of the organisation (negative amount) • Retained earnings (retained profit and revaluation reserves) or accumulated losses 		
23/12				
23/12				
3/13				
24/2				
3/13				

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
3/3	3	The following items are separately disclosed in the balance sheet or in the notes:		
3/14		(a) In receivables <ul style="list-style-type: none"> • Amounts due from related parties 		
3/15		(b) In tangible fixed assets <ul style="list-style-type: none"> • Undeveloped property • Land and buildings • Equipment and facilities • Tangible fixed assets under construction • Other tangible fixed assets (incl. vehicles and furniture) 		
		(c) In financial assets <ul style="list-style-type: none"> • Securities • Deferred tax assets • Participating interests • Amounts due from related parties • Other financial assets 		
		(d) In intangible assets <ul style="list-style-type: none"> • Acquired intangible assets • Intangible assets generated internally (specifically, capitalised development expenses) 		
		(e) In liabilities <ul style="list-style-type: none"> • Amounts due from related parties 		
		(f) In provisions <ul style="list-style-type: none"> • Tax provisions (for deferred taxes) • Provisions for employee benefit obligations • Provisions for restructuring • Other provisions 		
3/16		(g) In equity <ul style="list-style-type: none"> • Amounts of each equity category (for example, registered and bearer shares, preferred and common shares or participation certificates) of the capital of the organisation <p>Other material positions are disclosed separately.</p>		
3/5	4	Value adjustments of items in <p>(a) the current assets, and</p> <p>(b) the financial assets</p> are disclosed separately in the notes.		
	5	If the indirect method is applied, the cumulated depreciation of positions of the tangible fixed assets is reported separately, either under the corresponding assets or in the notes.		
(2) Receivables				
2/23	1	The assumptions for the calculation of the flat rate impairment are disclosed in the notes.		
(3) Tangible fixed assets				
2/27	1	The method of depreciation and the duration of the depreciation are disclosed.		
(4) Intangible assets				
2/32	1	The estimated useful life and the method of the amortisation of the intangible assets are disclosed in the notes.		

II Other standards concerning specific topics

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
(1) Inventories				
17/2 17/11	1	<p>Note: Prepayments received from clients for inventories may be deducted from the carrying amount of the inventories if no ‘right of clawback’ exists.</p> <p>The amount of any prepayment from customers netted with the inventories is disclosed in the balance sheet (using a separate column for the appropriate position) or in the notes.</p>		
17/2	2	Prepayments effected for the delivery of assets belonging to the inventories are recognised as inventories. Alternatively, a separate classification in the current assets is possible.		
17/18	3	Any discounts taken into account when determining the acquisition or production cost of inventories can be treated as a purchase price reduction or as financial income. The chosen option is disclosed in the notes.		
17/6	4	With regard to inventories, the balance sheet or the notes disclose the: <ol style="list-style-type: none"> Breakdown of the carrying amount in further positions that are material to the business activities Valuation methods and principles 		
17/28	5	<p>The classification in the balance sheet or in the notes reflects the most important inventory positions for the business activities of the organisation, e.g:</p> <ul style="list-style-type: none"> Raw material Supplies Work in progress Finished goods Sales goods <p>Note: The terms used reflect the practice of the industry sector.</p>		
17/29	6	Prepayments to suppliers are either allocated to the different categories of inventories or disclosed as one amount.		
17/8	7	Supplies are disclosed separately in the balance sheet or in the notes if the respective carrying amount is significant.		
17/9	8	Spare parts for durable goods may be classified as tangible fixed assets in some cases.		
(2) Long-term contracts				
22/6	1	<p>Prepayments received are disclosed either as a separate line item in the balance sheet or in the notes.</p> <p>Note: Prepayments received are offset against the corresponding long-term contracts for which the prepayment has been made, if there is no “right of clawback”.</p>		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
22/8	2	The following information and amounts are disclosed in the notes if they are not disclosed in the balance sheet or in the income statement:		
22/28		(a) Accounting principles applied to long-term contracts (percentage-of-completion method or completed-contract method)		
		(b) Method used to determine the degree of completion of long-term contracts accounted for under the percentage-of-completion method		
		(c) Amount of revenue recognised in the period from long-term contracts accounted for under the percentage-of-completion method		
22/29		(d) Capitalised borrowing costs, if any, and how they were determined		
		(e) Specific balance sheet positions related to long-term contracts (e.g. liabilities, inventories, work in progress, prepayments received from clients)		
		(f) Prepayments received for long-term contracts		

(3) Tangible fixed assets

18/2	1	At least the following categories of tangible fixed assets are recognised in the balance sheet or in the notes: (a) Undeveloped property (b) Land and buildings (c) Machines and equipment (d) Tangible fixed assets under construction (e) Other tangible fixed assets Machines and equipment as well as other tangible fixed assets are broken down further if the additional asset categories are significant.		
18/22	2	Tangible fixed assets under a finance lease should be classified as tangible fixed assets in the balance sheet of the lessee.		
18/2	3	Prepayments on tangible fixed assets under construction should be disclosed separately, if significant.		
18/15	4	The statement of changes in tangible fixed assets is presented in the form of a table in the notes.		
18/16	5	In the case of valuation at acquisition or production cost, the statement of changes in tangible fixed assets shows at least the following details for each category: (a) Acquisition cost <ul style="list-style-type: none"> • Gross value at the beginning of the period • Additions of tangible fixed assets • Disposals of tangible fixed assets • Reclassifications • Gross value at the end of the period (b) Accumulated depreciation <ul style="list-style-type: none"> • Accumulated depreciation at the beginning of the period • Systematic depreciation • Impairments • Disposals • Reclassifications • Accumulated depreciation at the end of the period (c) Net carrying amounts <ul style="list-style-type: none"> • Net carrying amounts at the beginning and at the end of the period <p>Note: The statement of changes in tangible fixed assets is to be disclosed in full for two years according to FW/31 and the appendix to Swiss GAAP FER 18.</p>		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
18/17	6	Tangible fixed assets held exclusively for investment purposes (and not for use) are disclosed separately in the notes. They may be classified as financial assets and disclosed separately.		
18/18	7	If using actual values as the basis for the valuation of tangible fixed assets, the statement of changes in tangible fixed assets additionally shows for each of the categories: (a) the value increase and value decrease of the period, and (b) the total difference between actual values and original production or acquisition cost at the balance sheet date		
18/19	8	If using actual values as the basis for the valuation of tangible fixed assets, the valuation basis and principles used for each category are disclosed in the notes.		
18/20	9	The depreciation methods and the ranges used for the expected useful lives for each category are disclosed in the notes. If the ranges are relatively wide, they are explained for each category in the notes. If a previously used depreciation method has been replaced by another method, this is disclosed in the notes. The impact of the change in the depreciation method on the result of the period is quantified and disclosed for each category.		
18/21	10	The total capitalised borrowing cost of a period as well as the basis and principles for capitalisation is disclosed in the notes.		

(4) Intangible assets

10/2	1	Intangible assets – if significant – are broken down in the balance sheet or in the notes using the following categories: (a) Licences/franchising (b) Patents and technical know-how (c) Trademarks and publishing rights (d) Software (e) Development cost (f) Other intangible assets. The other intangible assets are broken down further if additional material categories exist.		
10/9	2	The estimated useful life and the method of the amortisation of the intangible assets are disclosed in the notes.		
10/10	3	Subsequent changes in the determined useful life are (a) disclosed in the notes, and (b) the impact on the balance sheet and on the income statement is quantified.		
10/12	4	The information in the statement of changes in intangible assets is disclosed in a table format in the notes.		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
10/13	5	<p>The statement of changes in intangible assets contains the following content for each category:</p> <p>(a) Acquisition cost</p> <ul style="list-style-type: none"> • Gross values at the beginning of the period • Additions of intangible assets • Disposals of intangible assets • Reclassifications • Gross values at the end of the period <p>(b) Accumulated amortisation</p> <ul style="list-style-type: none"> • Accumulated amortisation at the beginning of the period • Systematic amortisation • Impairments • Disposals • Reclassifications • Accumulated amortisation at the end of the period <p>(c) Net carrying amount</p> <ul style="list-style-type: none"> • Net carrying amount at the beginning and at the end of the period <p>Note: The statement of changes in tangible fixed assets is disclosed for two years according to FW/31.</p>		
(5) Income taxes				
11/4	1	Liabilities from current income taxes are classified as accrued liabilities or other short-term liabilities.		
11/9	2	Deferred tax liabilities are classified as tax provisions while deferred tax assets are classified as financial assets, each separately.		
(6) Leasing				
13/4	1	<p>Finance leases are capitalised and disclosed separately.</p> <p>The carrying amount of the assets under finance leases and the total amount of the related liabilities are disclosed in the balance sheet or in the notes.</p>		
13/5	2	Operating lease commitments which cannot be cancelled within a year, are disclosed in the notes:		
13/11		<p>(a) Total amount of future lease payments</p> <p>(b) Maturity pattern of future lease payments</p>		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
(7) Pension benefit obligations				
		Note: <i>Instructions in italics.</i>		
16/3	1	<i>There is an annual assessment of whether, from the point of view of the organisation, an economic benefit or economic obligation from a pension obligation (and from a patronage fund) exists.</i>		
	2	<i>The basis for the assessment are the contracts and financial statements (which are prepared under Swiss GAAP FER 26 in Switzerland) of the pension institutions as well as other calculations presenting the financial situation, the existing surplus and the deficit for each pension institution according to the effective circumstances.</i>		
	3	<i>Based on these, the economic benefit or the economic obligation is determined and recognised for each pension institution.</i>		
16/7	4	<i>In the case of a deficit, an economic obligation exists if the conditions for establishing a provision are met.</i>		
	5	<i>In the case of a surplus, an economic benefit exists if it is permitted and intended to use the surplus to decrease the employer contributions; to reimburse the employer based on local law; or to use it for another economic benefit of the employer besides the statutory benefits.</i>		
16/11	6	<i>The specificities apply to pension institutions in Switzerland for determining the surplus or deficit according to Swiss GAAP FER 26: The basis for determining the economic benefits or economic obligations is the recognised non-committed funds of the pension institution or the recognised underfunding.</i>		
	7	<i>The reserve for fluctuations in asset value as recognised and based on the pension institution's consistent practice may not be considered part of the economic benefits of the organisation.</i>		
16/3	8	The difference compared with the respective value of the prior year is recognised (together with the expenses concerning the business period) as personnel expense in the result of the period.		
	9	Economic benefits are recognised as long-term financial assets under the term "assets from pension institutions".		
	10	Economic obligations are recognised as long-term liabilities.		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
16/4	11	Employer contribution reserves (ECR) or similar items are recognised as assets.		
	12	If the organisation has granted a conditional waiver of use to a pension institution or thinks it will do so shortly after the balance sheet date, the assets from the ECR are revalued.		
	13	The revalued part of the ECR deficit that is considered in the balance sheet of the organisation no longer has to be counted as an economic obligation arising from a deficit.		
	14	Recognition in the long-term financial assets under the term “assets from the employer’s contribution reserves”.		
	15	The difference from the respective value of the prior year is recognised as personnel expense in the result of the period.		
	16	With regard to the ECR and – where necessary – specifically for <ul style="list-style-type: none"> – Patronage funds/patronage pension institutions – Pension institutions the following is disclosed in a table in the notes: <ul style="list-style-type: none"> – Nominal value of the ECR at the balance sheet date – Amount of any waiver of use at the balance sheet date – Accumulation of employer’s contribution reserve – Amount of the asset at the current year and the prior year balance sheet date – The result from the ECR and the key parameters – as part of personnel expense – for the actual and the prior year. The result from the ECR of the actual year is the difference between the value of the asset at the actual balance sheet date and at the prior year’s balance sheet date. If the result from the employer’s contribution reserve comprises interest income or expense, these can be disclosed separately in the financial result. 		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
16/5	17	<p>In the notes and separately for</p> <ul style="list-style-type: none"> – Patronage funds/patronage pension institutions – Pension institutions without surplus/deficit – Pension institutions with surplus – Pension institutions with deficit – Pension funds without own assets <p>the following information is disclosed in a table:</p> <ul style="list-style-type: none"> – Amount of the surplus or deficit at the balance sheet date – Economic benefit or economic obligation at the actual and at the prior-year balance sheet date – Change in the economic benefit and economic obligations as the difference between the two disclosed balance sheet dates – The contributions relating to the period (including the result from the ECR) indicating the extraordinary contributions in case of temporary measures taken to resolve coverage deficits – The pension benefit expense and the key parameters – as part of personnel expense – for the actual and the prior year. The pension benefit expense of the actual period results from the sum of the changes in economic benefits or economic obligations and the contributions relating to the period (including the result from the ECR). 		
	18	The recognition of economic benefits or economic obligations in the balance sheet is explained in the notes.		
16/7	19	The determination of the economic impact is based on the financial situation of each pension institution according to its latest financial statements, the balance sheet date which may not be more than 12 months in the past. If there are indications that significant developments (e.g. fluctuations in values, partial liquidations, etc.) have taken place since the last annual closing, their impact has to be considered and disclosed in the notes.		
16/8	20	If a pension institution does not bear the risk (e.g. in cases of full coverage as part of a group life insurance contract), this is to be disclosed in the notes.		
	21	If participation in a collective plan means that, due to its joint and several nature, the information to be disclosed cannot be determined on the basis of the individual participation agreement, this has to be disclosed in the notes together with the level of coverage of the collective plan taken as a whole.		
(8) Provisions				
23/10	1	<p>In the balance sheet or in the notes, the following details are disclosed:</p> <ul style="list-style-type: none"> (a) Provisions for taxes (b) Provisions for benefit obligations (Note: Swiss GAAP FER 16 takes precedence over the disclosure requirements of Swiss GAAP FER 23) (c) Provisions for restructuring (d) Other provisions <p>Other provisions are broken down further if additional material categories exist.</p>		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
23/11	2	<p>The statement of changes in provisions contains at least the following information:</p> <ul style="list-style-type: none"> (a) Carrying amount at the beginning of the period (b) Creation of provisions (c) Utilisation of provisions (d) Release of provisions recognised in the income statement (e) Carrying amount at the end of the period <p>These details are disclosed in the statement of changes in provisions, whereby the prior year's information has the same scope as the information for the actual year.</p> <p>These figures are completed by a short explanation for significant provisions disclosing the nature of the liability as well as its degree of uncertainty.</p> <p>If a provision is discounted, the discount rate used is disclosed.</p>		
23/12	3	The amount of short-term provisions is disclosed for each category in the notes ("total provisions, of which short-term").		
23/13	4	If provisions stipulated by specific legal requirements do not have the economic character as foreseen by this recommendation, an explanation is added to the notes.		

(9) Shareholders' equity

24/7	1	Equity, where applicable, is presented at least according to the following categories:		
24/23		(a) Capital of the organisation		
24/2		(b) Capital of the organisation not paid in (negative amount)		
		(c) Capital reserves (including share premium [agio])		
		(d) Own shares (negative amount)		
		(e) Retained earnings or accumulated losses		
		(f) Total equity		
24/9	2	<p>The following information about the shares of the company is disclosed in the notes:</p> <ul style="list-style-type: none"> (a) The number and nature of recognised own shares at the beginning and at the end of the reporting period (b) The number, nature, average transaction price and average net selling price (if different from the transaction price) of own shares acquired and disposed of during the reporting period, whereby own shares issued in connection with share-based compensation are disclosed separately (c) Any contingent liabilities in connection with the disposal or acquisition of own shares (e.g., obligations to repurchase or resell own shares) 		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
24/30	2	<p>Note: An obligation to repurchase own shares following their disposal is to be disclosed if such a transaction leads to the derecognition of own shares from the balance sheet Debt financing by pledging own shares which does not expose the counterparty in any way to the risk of changes in net selling prices, do not lead to the derecognition of own shares from the balance sheet; in such cases, the restricted availability of these shares is to be disclosed.</p> <p>(d) The number and nature of equity instruments of the company that are held by subsidiaries, joint ventures, associated companies, pension funds and foundations related to the organisation</p>		
24/29		<p>Note: If the number of shares held by subsidiaries, joint ventures, associated companies, pension funds and other foundations related to the company is not known, this fact is disclosed.</p> <p>e) The number, nature and conditions of own shares, and equity instruments of the company held by related parties at the beginning and the end of the reporting period which are reserved for a specific purpose (e.g., for employee stock compensation plans or convertible and option bonds)</p>		
24/9		The same information is separately disclosed for each of any derivatives based on own shares.		
24/10	3	<p>The following information regarding transactions with shareholders in their capacity as shareholders is disclosed:</p> <p>(a) Description and amount of transactions with shareholders not settled in cash or offset against other transactions</p> <p>(b) Reasons for applying a different valuation basis and details of the basis used for transactions with shareholders that could not be recognised at net selling price</p> <p>(c) Description of transactions with shareholders not conducted at arm's length, including the difference between the net selling price and the contractually agreed price of the transaction as recognised in the capital reserves</p>		
24/4, 24/20				
24/11	4	<p>The following information about the components of equity is disclosed in the notes:</p> <p>(a) Details about the individual categories of the organisation's capital:</p> <ul style="list-style-type: none"> • Number and nature of shares issued and paid in • Par values • Rights and restrictions attached to the shares • The number of any bonus shares and their related rights and restrictions <p>(b) The amount of any conditional and any authorised capital</p> <p>(c) The amount of statutory or legal reserves that may not be distributed</p>		
24/32				

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
III Consolidated financial statements				
30/40	1	The following is disclosed in the balance sheet or in the notes: (a) Receivables due from and liabilities due to associated organisations (b) Concerning financial assets: non-consolidated participations in organisations and receivables due from non-consolidated participations		
(1) Tangible fixed assets				
30/32	1	With regard to valuations at acquisition cost and production cost, changes in the consolidation scope and the impact of foreign currency variations are disclosed separately under acquisition values and accumulated depreciation in the statement of changes in assets.		
(2) Goodwill				
30/14	1	Goodwill is disclosed separately in the balance sheet or in the notes.		
30/16, 30/17, 30/36	2	With regard to offsets of acquired goodwill with equity at the date of the acquisition, the following is presented in the notes: (a) the impact of a theoretical capitalisation (historical cost, theoretical carrying amount, useful life, depreciation), and (b) the impact of any impairment on the balance sheet and on the income statement during the assumed useful life for the current year and prior year Note: <i>In cases of disposal, acquired goodwill offset with equity at an earlier date is to be considered at original cost to determine the profit or loss recognised in the income statement.</i>		
(3) Provisions				
30/33	1	Changes in provisions due to the effects of (a) changes in foreign currencies, and (b) changes in the consolidation scope are separately disclosed in the statement of changes in provisions.		
(4) Shareholders' equity				
30/10	1	The minority interest in equity is disclosed separately under equity.		
IV Individual/consolidated financial statements of publicly listed companies				
(1) Share-based payments				
31/3, 31/13	1	Share-based payments are valued at current cost as of the date of grant and recognised over the vesting period (under personnel expense) (a) as equity (b) as a liability from cash-settled instruments Note: <i>If no cash settlement is present, there is no subsequent re-valuation of equity-based remuneration, except if the exercise or acquisition terms (e.g. vesting period) change. Share-based payments are remunerations with equity instruments, including derivatives based on equity instruments, or cash-settled instruments.</i>		

B3 Cash flow statement

I Core FER

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
4/1	1	The cash flow statement reflects the changes in cash of the organisation during the reporting period as a result of inflows and outflows from: <ul style="list-style-type: none"> (a) operating activities (using the direct or the indirect method) (b) investing activities, and (c) financing activities 		
4/9	2	The cash flow from operating activities determined using the direct method comprises inflows and outflows. It is to be classified as follows: <ul style="list-style-type: none"> + Inflows from clients for the sale of products, goods and services (deliveries and services) – Outflows to providers (deliveries and services) – Outflows to staff + Other inflows – Other outflows = Cash inflow/cash outflow from operating activities (operating cash flow) 		
4/10	3	The cash flow from operating activities determined using the indirect method is based on the result of the period and adjusted for expense and income not affecting the fund or the cash. It is to be classified as follows: <ul style="list-style-type: none"> Profit/loss ± Depreciation/write-up (revaluations resulting in profit) of tangible fixed assets ± Loss from impairment/(partial or full) reversal of impairment ± Increase/decrease of provisions (including deferred income taxes) that do not affect the fund ± Other expense/income that does not affect the fund ± Loss/profit from the disposal of tangible fixed assets ± Decrease/increase of receivables from goods and services ± Decrease/increase of inventories ± Decrease/increase of other receivables and prepayments and accrued income ± Increase/decrease of payables from goods and services ± Increase/decrease of other short-term liabilities and accrued liabilities and deferred income = Cash inflow/cash outflow from operating activities (operating cash flow) 		
4/11	4	The classification for the investing activities is comprised of at least the following: <ul style="list-style-type: none"> – Outflows for investment in (purchase of) tangible fixed assets + Inflows from the disposal (sale) of tangible fixed assets – Outflows for investment in (purchase of) financial assets (including loans, participations, securities, etc.) + Inflows from the disposal (sale) of financial assets (including loans, participations, securities, etc.) – Outflows for investment in (purchase of) intangible assets + Inflows from the disposal (sale) of intangible assets = Cash inflow/cash outflow from investing activities 		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
4/12	5	<p>The classification for the financing activities is comprised of at least the following:</p> <ul style="list-style-type: none"> + Inflows from capital increase (including agio) – Outflows for capital reductions with release of resources – Distribution of profits to holders of units of the capital ± Purchase/disposal of own shares/own units of the capital of the organisation + Inflows from bond issuance – Outflows for bond repayments ± Issuance/repayment of short-term financial liabilities ± Issuance/repayment of long-term financial liabilities = Cash inflow/cash outflow from financing activities 		
4/2	6	If the direct method is used, a reconciliation of the result for the period (or, possibly, the operating result) with the cash flow from operating activities is presented in the notes.		
4/3	7	<p>The composition of the funds is shown.</p> <p>Note: “Cash” or “net cash” funds are allowed.</p>		
4/6	8	<p>Non-liquidity-related investing and financing activities are explained in the notes.</p> <p>Note: Examples of non-liquidity-related investment and financing activities are:</p> <ul style="list-style-type: none"> – purchase of assets against the issuance of own shares/own units of the capital of the organisation or through an increase of capital (e.g. investment in kind) – purchase of an organisation through the issuance of own shares/own units of the capital of the organisation (e.g. merger) – the issuance of bonus shares – conversion of financial liabilities into equity (e.g. convertible bonds or debt waivers) – purchase of assets through finance leases 		
II Consolidated financial statements				
30/29	1	<p>The following additional items are disclosed in the investing activities:</p> <ul style="list-style-type: none"> – Payment for the acquisition of consolidated organisations (less cash taken over) + Receipts from the disposal of consolidated organisation (less cash provided) 		
30/30	2	<p>The following additional items are disclosed in the financing activities:</p> <ul style="list-style-type: none"> – Dividend payments to minority shareholders (of subsidiaries) ± Payment or repayment of the capital of minority shareholders (of subsidiaries) 		
30/31	3	<p>In the cash flow statement using the indirect method, the following additional items are disclosed:</p> <ul style="list-style-type: none"> ± Share of loss (profits) from the application of the equity method 		

B4 Statement of changes in equity

I Core FER

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
3/4	1	The changes in the individual items of equity between the beginning and the end of a reporting period are reported separately in the statement of changes in equity.		

II Other standards concerning specific topics

24/8	1	The statement of changes in equity is presented as a separate component of the financial statements equivalent to the balance sheet, the income statement and the cash flow statement. It presents in table format each significant category of equity and for the current and the prior reporting period including: (a) the opening balance (b) the closing balance, and (c) a reconciliation of the opening and the closing balances whereby, each movement that is relevant for the assessment of the financial statements is presented separately.		
24/26	2	The statement of changes in equity is classified in table form: (a) According to the significant components of equity (b) According to the significant changes in equity		
24/27	3	The following components of equity are separately presented: (a) Capital of the organisation (b) Capital of the organisation not paid in (negative amount) (c) Capital reserves (d) Own shares (negative amount) (e) Retained profits (part of retained earnings) (f) Revaluation reserves (part of retained earnings) (g) Any other significant components (h) Total equity		
24/28	4	The following changes in equity are separately presented for the components of equity listed as per 24/27: (a) Capital increases and decreases (b) Equity transactions (c) Acquisition of own shares (d) Disposal of own shares (e) Net profit/loss (f) Profit distribution/dividends (g) Changes in revaluation reserves (h) Effects of changes in accounting policies (i) Effects of errors (j) Any other significant items of profit or loss, insofar as another recommendation allows or requires their recognition in equity		

III Consolidated financial statements

30/18	1	If the acquired goodwill was offset directly with equity, it is recognised separately in the statement of changes in equity.		
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B5 Other disclosures in the notes

I Core FER

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
(1) General disclosure				
6/2 6/6 2/6, 6/6	1	<p>The notes disclose:</p> <ul style="list-style-type: none"> • The applied accounting principles <ul style="list-style-type: none"> (a) Valuation basis (b) Valuation principles for the individual balance sheet positions: <ul style="list-style-type: none"> • Securities (as part of current assets) • Receivables • Inventories • Tangible fixed assets • Financial assets • Intangible assets • Liabilities • Provisions • Other positions that are material for the financial statements (c) Methods to determine depreciation and impairment (d) Objective reasons for deviations from the selected valuation basis (e) Explanation, type and financial consequences of changes to a principle (f) Explanation and quantification of errors in prior year financial statements (g) Changes in accounting estimates • Explanations for other components of the financial statements • Further disclosures not yet considered in other parts of the financial statements include <ul style="list-style-type: none"> (a) Extraordinary pending deals and risks (e.g. legal cases) (b) Events occurring after the balance sheet date • Other facts whose disclosure is required by other applicable recommendations 		
6/7	2	<p>The disclosures relating to the balance sheet comprise:</p> <ul style="list-style-type: none"> (a) Assets charged and type of charge (b) Disclosure of the long-term liabilities, including type and form of the securities provided 		
6/8	3	<p>The disclosures relating to the income statement are comprised of:</p> <ul style="list-style-type: none"> • Explanations of the most important sources of revenue and their recognition 		
(2) Off-balance-sheet transactions				
5/3	1	Contingent liabilities and other non-recognised commitments and their valuation principles are disclosed in the notes.		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
5/3	2	<p>The reported amounts are broken down into:</p> <p>(a) Debt guarantees, guarantee obligations and liens in favour of third parties</p> <p>(b) Other quantifiable commitments with a contingent character</p> <p>(c) Other non-recognised commitments</p> <p>Note: Short-term non-recognisable obligations with a duration of up to one year or obligations which can be cancelled within 12 months, assumed in the normal course of business, are exempted from being disclosed.</p>		
5/7	3	Organisations whose business purpose is to grant credit have to disclose credit and loan commitments only if the commitment period exceeds the legal notice period.		
II Other standards concerning specific topics				
(1) Transactions with related parties				
15/3	1	All significant transactions and the resulting receivables from or payables to related parties are disclosed in the financial statements:		
15/11		<p>(a) Description of the transaction</p> <p>(b) Volume of the transaction (normally an amount or a relative number)</p> <p>(c) Other significant conditions</p> <p>(d) The identity of the related party, if this is necessary in order to understand the transaction</p> <p>Note: Similar transactions and receivables/payables (also with different related parties) can be summarised in categories, as long as their separate disclosure is not necessary in order to understand the financial statements, and applying the gross principle.</p>		
15/9		Note: Transactions outside of the normal course of business of the organisation or transactions that are unusual in form or in substance, are particularly significant within the meaning of Swiss GAAP FER 15/3.		
15/11	2	If transactions and receivables/payables with a single related party are material, they are disclosed separately.		
15/10		<p>Note: Not to be disclosed as related party transactions are:</p> <p>(a) Ordinary compensation of related parties for their activities as employees or as specifically appointed bodies</p> <p>(b) Ordinary contributions to pension funds</p>		
15/7		(c) Transactions between two organisations controlled by public institutions		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
(2) Derivative financial instruments				
27/8	1	The amount of open derivatives is disclosed in the notes. The disclosure is structured according to the underlying basic values as follows: <ul style="list-style-type: none"> • Interest rates • Currencies • Equity instruments and corresponding indices • Other basic values For the individual categories		
27/14		(a) the total of the values recognised as assets and liabilities, as well as (b) the purpose of holding the derivatives (trade, hedging, other purpose)		
27/18	2	Derivatives used to hedge future cash flows that are not yet recognised and any changes in their value are either recognised with no effect on the income statement in equity or disclosed in the notes.		
27/20	3	Derivatives which are, as an exception, recognised at actual values are disclosed separately. An explanation is provided as to why the actual value cannot be determined.		
27/21	4	The total of the actual values from derivatives disclosed in the notes is reconciled with the carrying amounts as per the balance sheet by noting the impact of the netting.		
III Consolidated financial statements				
30/34	1	The information to be disclosed in the notes comprises: <ol style="list-style-type: none"> (a) Details of the scope of consolidation (b) Consolidation principles (c) Valuation basis and principles (d) Other facts whose disclosure is required by this or any other applicable recommendation 		
30/68	2	The valuation basis generally applied in the consolidated financial statements, such as valuation at historical cost or at actual values is disclosed. If necessary, the valuation principles for individual items are disclosed.		
30/35	3	The details of the scope of consolidation include: <ol style="list-style-type: none"> (a) The treatment of the organisations in the consolidated financial statements (method applied) (b) Name and domicile of the included organisations (subsidiaries, joint ventures and associated organisations) (c) Share of capital of these organisations; if the proportion of voting rights differs from the share of capital, the proportion of voting rights is also to be disclosed (d) Changes in the scope of consolidation compared with the previous year as well as the date from which this change is considered (e) Deviations from the balance sheet date of the group 		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
30/35	4	The details of the consolidation principles include: (a) The consolidation method, especially capital consolidation (b) The method used for the conversion of foreign currencies as well as the treatment of the exchange rate differences (c) The treatment of associated organisations and joint ventures (d) The treatment of inter-company profits		
30/69	5	The disclosures regarding the consolidated balance sheet include important balance sheet information for non-consolidated participations if the value of the participation exceeds 20% of the group's equity.		
30/70	6	Any recognised goodwill of an associated organisations is disclosed separately in the notes.		
30/37	7	Deviations from the chosen valuation basis are disclosed in the notes.		
30/38	8	The valuation method of participations in organisations with a proportion of voting rights of less than 20 percent is disclosed in the notes.		
30/39	9	The tax rate applied for the calculation of deferred income taxes is disclosed in the notes. Note: A group average tax rate can be disclosed if applying the actually expected tax rates per tax subject.		
30/41, 30/20	10	The treatment of differences in foreign currencies and the effects on the consolidated financial statements are disclosed in the notes. Note: Foreign currency effects on long-term intergroup loans with an equity character are to be recognised in the equity with no effect on the income statement.		
30/43	11	For acquisitions and disposals of consolidated organisations, the most important components of the balance sheets of the organisations acquired and disposed of are disclosed in the notes according to the date of acquisition or disposal.		
IV Individual/consolidated financial statements of publicly listed companies (1) Segment reporting				
31/8	1	The segment reporting used at the top management level to steer the business is presented for <ul style="list-style-type: none"> • segment revenues, and • segment results, and • reconciled with the income statement. • Economically similar divisions (e.g. similar average margins, comparable products and services) may be presented together as one segment, if the significance of the segment reporting is not impacted. 		
31/8, 31/14	2	The segment reporting used to steer the business can be classified in geographical markets or business segments.		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
31/8, 31/14	3	The segment result used by the top management level to steer the business has be disclosed. It can be classified in a less detailed manner than the operating result. Note: <i>If the segment reporting used internally does not sum to the operating result (e.g. due to allocation issues), it does not have to be complemented for disclosure purposes.</i>		
31/8	4	In well-founded cases, the disclosure of segment results can be dispensed with. The justification (e.g. competitive disadvantage compared with non-listed or larger listed competitors, clients or suppliers) is disclosed.		
(2) Earnings per ownership right				
31/5	1	The calculation method for the non-diluted earnings per ownership right is disclosed, including the time-weighted average number of outstanding ownership rights.		
	2	A reconciliation of the non-diluted to the diluted earnings per ownership right is disclosed. In doing so, the potentially diluting effects (e.g. future exercise of options, conversion of convertible bonds) are explained.		
(3) Financial liabilities				
31/7	1	The valuation principles and the conditions (e.g. interest rate, duration, currency) of financial liabilities are disclosed in the notes separately or in groups of similar instruments.		
	2	The recognition method regarding financial liabilities, comprising elements of both equity and liabilities, is disclosed.		
(4) Income taxes				
31/6	1	The average applied tax rate calculated on the basis of the operating profit is disclosed in the notes.		
	2	The impact of changes in tax loss carry forwards on income taxes (e.g. origination, utilisation, reassessment, expiry) is quantified and explained.		
(5) Share-based payments				
31/3	1	Disclosed are: <ul style="list-style-type: none"> • The general conditions of the contract (e.g. conditions regarding exercise, number of equity instruments granted, form of settlement) • The basis of the calculation of the current cost • The expense recognised in the result of the period 		
(6) Discontinued operations (business areas)				
31/4	1	After the announcement, the net sales from goods and services and the operating result of discontinued business areas (operations) are separately disclosed in the notes.		
	2	In addition, it is explained which geographical markets, business areas or subsidiaries are concerned affected by the decision		

C Interim reporting

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
31/9	1	<p>The interim reporting contains numerical data as well as explanations concerning the activities and the course of business of the organisation during the reporting period. Companies whose equity rights are listed have to issue an interim report.</p> <p>Note: All other organisations may voluntarily apply the requirements for the preparation of interim reporting.</p>		
31/10	2	<p>At a minimum, for the reporting period as well as for the corresponding prior period, a condensed income statement (including earnings per share), a condensed cash flow statement and a condensed statement of changes in equity is presented. In addition, a condensed balance sheet as per opening and end of the reporting period is presented. At a minimum, the headings and subtotals used in the most recent annual financial statements have been used.</p>		
31/11	3	<p>Financial information contained in the interim reporting is prepared on the basis of the same principles as the annual financial statements. Simplifications are accepted as long as they have no adverse effects on the presentation of the course of the business.</p>		
31/12	4	<p>The corresponding notes must enable the reader to form a well-founded opinion on the development of the activities and the course of the business of the organisation; in particular, the notes must:</p> <ul style="list-style-type: none"> (a) State that this is an interim report according to Swiss GAAP FER 31 which permits the presentation and the disclosures to be condensed compared with annual financial statements (b) Disclose and explain changes in the accounting principles used and any corrections of errors and the resulting effects (c) Indicate the factors that have had a significant impact on the financial positions, the cash flows and the results of operations of the organisation during the reporting period and in comparison to the prior period (e.g. consolidation scope, liquidity, impairments) (d) Disclose the segment revenues and segment results according to the segment reporting used at the top management level. In well-founded cases, segment results do not need to be disclosed. The justification (e.g. competitive disadvantage compared with non-listed or larger listed competitors, clients or suppliers) is disclosed in the notes. (e) Disclose extraordinary income and expense (f) Explain any seasonality of income and expense and, if possible, quantify its impact (g) Disclose significant events occurring after the interim reporting date 		

D Accounting for charitable, non-profit organisations

D1 Principles and objectives

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
		<p>Definition: Small non-profit organisations in accordance with Swiss GAAP FER 21 are organisations that do not exceed two of the following thresholds on two consecutive balance sheet dates:</p> <ul style="list-style-type: none"> • Total assets of CHF 2 million • Proceeds from public fund raising (e.g. donations, legacies), contributions from public authorities (e.g. service charges) and revenue from sales of goods and services; in total CHF 1 million • Ten full-time equivalent salaried employees on average in a financial year <p>Note: Non-profit organisations that adopt Swiss GAAP FER 21 should mention this in the financial statements.</p> <p>The provisions of Swiss GAAP FER 21 are embedded in the FER standards as follows:</p> <ul style="list-style-type: none"> • Charitable non-profit organisations that do not exceed two of the thresholds of Swiss GAAP FER 1 paragraph 2 (balance sheet total of CHF 10 million, annual net sales from goods and services of CHF 20 million, 50 full-time employees on average per year) on two consecutive balance sheet dates must apply at least the framework, Swiss GAAP FER 21 and the core FER (Swiss GAAP FER 1 up to Swiss GAAP FER 6) • Charitable non-profit organisations that exceed two of the thresholds of Swiss GAAP FER 1 paragraph 2 (balance sheet total of CHF 10 million, annual net sales from goods and services of CHF 20 million, 50 full-time employees on average per year) on two consecutive balance sheet dates must apply the framework, Swiss GAAP FER 21, the core FER (Swiss GAAP FER 1 up to Swiss GAAP FER 6) and the further Swiss GAAP FER (Swiss GAAP FER 10 up to 27) <p>If the organisation is subject to consolidation, Swiss GAAP FER 30 must also be applied.</p>		
21/2, 21/29, 21/30	1	<p>A charitable non-profit organisation must consolidate the other organisations that it controls pursuant to Swiss GAAP FER 30</p> <p>A charitable non-profit organisation controls another organisation, in particular, if it:</p> <ul style="list-style-type: none"> • can appoint a majority of the members of the top management or has a de facto majority • has a significant right to issue directives based on the contractual or statutory provisions 		

D2 Components of financial statements

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
21/3	1	The financial statements contain five components: (a) Balance sheet (b) Statement of operations (c) Cash-flow statement (d) Statement of changes in capital (including funds) (e) Notes		
21/4	2	The performance report is part of the annual report and can be integrated into the management report.		
I Balance sheet				
21/5, 21/31	1	Assets from donations must be recognised at fair value or value in use at the time of receipt. Note: Swiss GAAP FER 2 (Valuation) and Swiss GAAP FER 3 (Presentation and format) apply in particular.		
21/16	2	Assets that are subject to restrictions in use or ownership restraints must be recognised separately in the balance sheet or in the notes.		
21/7, 21/10, 21/32	3	Liabilities are divided into: <ul style="list-style-type: none"> • Short-term liabilities • Long-term liabilities • Funds • Capital of the organisation consists of <ol style="list-style-type: none"> (a) Initial capital (b) Tied capital (c) Free capital 		
21/8, 21/33, 21/34	4	Assets that are subject to a restriction in purpose determined by third parties must be reported as restricted funds in the fund capital. Restricted funds for which the capital must be maintained over the long term, can be reported separately within the fund capital.		
21/9, 21/35	5	Assets that are not subject to a restriction in purpose determined by third parties or by the organisation itself must be reported in the organisation capital.		
21/32	6	Note: The structure of the financial statements may be either in this or another appropriate form based on the special features of the activities of charitable non-profit organisations.		

II Statement of operations

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
21/11, 21/36, 21/38	1	<p>The statement of operations is structured as follows in accordance with the period-based costing method:</p> <ul style="list-style-type: none"> + Donations received + Contributions from public authorities + Net sales from goods and services – Contributions and donations paid – Personnel expenses – Operating expenses – Depreciation and amortisation <hr/> <p>= Operating result</p> <ul style="list-style-type: none"> ± Financial result ± Non-operating result ± Extraordinary result <hr/> <p>= Result before change in fund capital</p> <ul style="list-style-type: none"> ± Change in fund capital <hr/> <p>= Annual result (before allocation to organisational capital)</p> <p>Note: Swiss GAAP FER 3 (presentation and structure) recommendation applies, in particular with regard to the definition of the non-operating and extraordinary results.</p>		
21/12, 21/36, 21/37, 21/38	2	<p>The statement of operations is structured as follows in accordance with the activity-based costing method:</p> <ul style="list-style-type: none"> + Donations received + Contributions from public authorities + Net sales from goods and services – Project or service expenditure – Fund-raising and general advertising expenses – Administrative expenses <hr/> <p>= Operating result</p> <ul style="list-style-type: none"> ± Financial result ± Non-operating result ± Extraordinary result <hr/> <p>= Result before change in fund capital</p> <ul style="list-style-type: none"> ± Change in fund capital <hr/> <p>= Annual result (before allocation to organisational capital)</p> <p>Contributions and donations, personnel expenses and depreciation and amortisation must each be listed separately in the notes.</p> <p>Note: Swiss GAAP FER 3 (presentation and structure) recommendation applies, in particular with regard to the definition of the non-operating and extraordinary results.</p>		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
21/13	3	Donations received, restricted donations and free donations must be distinguished in the statement of operations or separately disclosed in the notes.		
21/14	4	The gross principle applies also for expenses and income from activities for fund raising of every kind.		
III Cash flow statement				
21/16	1	Small charitable non-profit organisations can abstain from the preparation of a cash flow statement.		
21/15	2	A cash flow statement presents: (a) Cash flow from operating activities (b) Cash flow from investment activities (c) Cash flow from investment activities		
IV Statement of changes in equity				
21/17	1	The statement of changes in equity presents the balance and changes in the fund capital positions and in the gross organisation capital.		
21/18, 21/40	2	The purpose of the items in the fund capital and the tied organisation capital must be clearly stated and, if necessary, explained in the notes. Individual items may be grouped together provided the principles of materiality and clarity (pursuant to Swiss GAAP FER framework) are observed.		
21/19	3	Transfers between restricted funds must be listed and justified individually.		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
V	Notes			
21/20	1	<p>The notes contain the following:</p> <ul style="list-style-type: none"> (a) The applied accounting principles (b) Explanations of the items in the: <ul style="list-style-type: none"> a. Balance sheet b. Statement of operations c. Cash-flow statement d. Statement of changes in capital e. Further information to be disclosed in accordance with the accounting and reporting recommendations 		
21/21	2	The market value of assets presented as financial assets has been separately disclosed in the balance sheet or in the notes.		
21/22	3	<p>The following information must be disclosed in the notes if it is not already disclosed in the statement of operations:</p> <ul style="list-style-type: none"> (a) Administrative expenses (incl. personnel expenses) (b) Fund-raising and general advertising expenses (incl. personnel expenses) (c) The method applied to calculate the administrative expenses as well as the fund-raising and general advertising expenses 		
21/23, 21/43	4	<p>Non-cash donations received in the form of goods, services and voluntary work must be disclosed in the notes:</p> <ul style="list-style-type: none"> (a) Type (b) Scope <p>The disclosure is done at least statistically (number, hours, etc.).</p>		
21/44	5	<p>For non-cash donations reported in the income statement in the form of goods or services, the following must be indicated in the notes:</p> <ul style="list-style-type: none"> (a) Amount (b) Valuation principle 		
21/24, 21/45	6	<p>The following must be disclosed in the notes concerning paid remuneration:</p> <ul style="list-style-type: none"> (a) The total amount of remuneration paid to the members of Senior management (e.g. directors/trustees) (b) The total amount of remuneration paid to those persons entrusted with management (executive management) <p>If only one person is entrusted with management, the disclosure of their compensation can be waived. This has been stated in the notes.</p>		
21/25, 21/46	7	<p>Transactions and the resulting receivables from or payables to related legally independent organisations and persons have been disclosed.</p> <p>Note: <i>The recommendations of Swiss GAAP FER 15 (Related party transactions) applies. In addition to this, organisations that follow a coordinated purpose with the charitable non-profit organisation are deemed to be related parties of the charitable non-profit organisations.</i></p>		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
VI		Performance report		
21/26, 21/27, 21/48, 21/49	1	<p>The performance report contains at least information on the following:</p> <ul style="list-style-type: none"> (a) The purpose and aims of the organisation (b) The services of the organisation performed during the reporting period (c) Information on members of Senior management (d) Information on members of the members of the executive management (e) Number of Full Time Employees (f) Links with related parties <p>Note: <i>The qualitative requirements comprised in the framework, such as materiality, consistency, comparability, reliability or clarity, also apply to the information contained in the performance report.</i></p>		
21/43	2	<p>It is recommended to include information on the following topics in the performance report:</p> <ul style="list-style-type: none"> (a) Mandates and relationships of members of the top management and of the executive management (b) Information on how the targets are achieved and how the attainment of this target is assessed (c) Meaningful key figures and comparisons (d) Risks and challenges that the organisation faces and any respective measures taken 		
	3	<p>Note: <i>The disclosures in the performance report are not subject to the audit.</i></p>		

E Accounting of pension plans

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
26/1		Note: This recommendation applies to the financial statements of Swiss pension plans drawn up in accordance with Swiss legislation on occupational pensions.		
26/12		In the absence of any specific rule, special law takes precedence over other Swiss GAAP FER recommendations. Swiss GAAP FER 26 is applied by decision of the supreme body.		
26/2	1	Financial statements drawn up by pension plans in accordance with Swiss GAAP FER 26 comprise the (a) balance sheet (b) operating accounts, and (c) notes		
	2	The balance sheet, operating accounts and notes include the comparative figures for the prior year.		
	3	The financial statements shall present 'a true & fair view of the financial situation' within the meaning of the law on occupational pensions. They contain all information necessary for their appraisal.		
	4	In particular, the financial statements quantify the reserve for fluctuations in asset value, the non-committed funds or underfunding and the excess of income over expense (income surplus) or of expense over income (expense surplus) for the period.		
	5	An income surplus cannot be recognised unless the reserve for fluctuations in asset value has reached the target value. An underfunding cannot be recognised unless the reserve for fluctuations in asset value has been released in full		
26/12	6	The non-committed funds or underfunding are the aggregate of the balance sheet positions valued in accordance with Swiss GAAP FER 26, the amounts carried forward from the prior year and the income surplus or expense surplus in the operating accounts.		
	7	Given the prescribed order for adding to and releasing from the reserve for fluctuations in asset value, the recognised amount of non-committed funds for pension funds with full capitalisation can only be negative when the reserve for fluctuations in asset value has been released in full. It follows that a negative balance is equivalent to an underfunding within the meaning of article 44 OPO 2.		
	8	As a basic rule, any change in non-committed funds or underfunding is driven by the income surplus or expense surplus (position Z).		
	9	Under the prescribed concept, pension plans from public entities in the system of partial capitalisation are permitted to reserve for fluctuations in asset value on their balance sheet in case of a deficit (underfunding) only to the extent to which the target coverage of the liabilities as stipulated in the financing plan is exceeded at the balance sheet date. In the interests of a comprehensive 'true & fair' view of the financial situation, however, such pension plans are also required to determine and disclose a target value for the reserve for fluctuations in asset value in each case (paragraphs 4 and 14).		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
26/3, 26/13	10	<p>Assets are valued at actual values on the balance sheet date without incorporating any smoothing factors.</p> <p>Note: <i>The use of different valuation principles from one balance sheet date to another for the same balance sheet position has a smoothing effect on income surplus/expense surplus. Smoothing factors may not be used in evaluating assets (e.g. for the valuation of bonds, real estate and participations). As a basic rule, actual values mean that all assets are stated at market values on the balance sheet date.</i></p> <p><i>The actual value of real estate and other assets not regularly traded in the market is determined by capitalising expected profits or cash flows by applying a risk-sensitive capitalisation rate, by comparison with similar objects or by any other generally accepted method.</i></p>		
	11	<p>Where the actual value of any given asset is unknown or cannot be determined, the acquisition cost (net of any identifiable losses in value) is applied by way of an exception.</p>		
26/4	12	<p>Liabilities are valued at the balance sheet date. Pension liabilities and actuarial reserves are determined annually on the basis of generally accepted principles and generally available actuarial standards.</p> <p>Note: <i>The value of any individual element of the pension liabilities or actuarial reserves may be projected, provided this produces a reasonably accurate result. A projection is not allowed in cases of significant changes or underfunding.</i></p>		
	13	<p>Due to the long-term nature of pension plans' objectives, a reserve for fluctuations in asset values may be created, which is the only balance sheet item that can have a smoothing effect on the operating result of the period by being increased and decreased.</p> <p>Note: <i>Reserves for fluctuations in asset value are created with the objective of sustainably achieving the purposes of the pension fund. The necessary reserve for fluctuations in asset value (target value) is determined especially by an appraisal of all assets and liabilities as well as of the structure and the expected development of the number of participants. The calculation is based on actuarial considerations and the current circumstances. The principle of consistency applies.</i></p> <p><i>Pension plans without binding benefit promises (no pension liabilities or actuarial reserves) may dispense with reserves for fluctuations in asset value.</i></p>		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
26/6		<p>Note: Pension plan's financial statements drawn up in compliance with Swiss GAAP FER contain the following main positions, if the corresponding content is applicable, in the balance sheet, the operating accounts and the notes (A to Z and I to X). The main positions are further subdivided into sub-positions, which are also mandatory. Positions may not be renamed or added unless the existing positions are inadequate or misleading in presenting the facts of the matter.</p>		
26/15		<ul style="list-style-type: none"> – References to the positions: The letters A to Z and Roman numerals I to X for the main positions are for reference purposes and are not included in the financial statements. – Combining sub-classifications into one main position: An individual position need not be sub-divided if the aggregate value of its sub-positions is not significant or if there is little explanatory content. In such a case, the information can be presented entirely under the main position. Nevertheless, the main positions A to Z and Roman numerals I to X must be indicated even if they only contain small amounts and brief explanations. – Protection of personal rights: If the requirements for the classification of financial statements allow conclusions to be drawn on benefits or beneficiaries, the information may be grouped under the next most comparable position by way of exception. 		
26/7, 26/16	14	<p>Balance sheet structure</p> <p>Assets</p> <p>A Investments</p> <p>Individual classification criteria, classifications and terms must be defined and consistently applied.</p> <p>Note: In the case of simple investment concepts with few individual investments, a list of actual investments (e.g. apartment building, Y Street, city) may be presented instead of the breakdown by category of investment (assets, real estate, etc.). For complex asset allocations, disclosure in the notes may provide more transparency than having too many sub-positions on the balance sheet and the operating accounts. When preparing the financial statements, the materiality principle must be taken into consideration. Examples of such positions are shares/liquid funds/accounts receivable/real estate.</p> <p>Investments in the employer's enterprise must always be separately disclosed, listing all components (receivables, participations, etc.).</p> <p>Note: This item includes all investments in legal or natural persons that are economically or financially linked to the employer (substance over form).</p> <p>B Prepayments and accrued income</p> <p>C Assets from insurance contracts¹</p> <p>Note: This heading relates to information on insurance contracts with a redemption value, policy loans and other contractual relationships with insurance companies to the extent that such information can be recognised on the balance sheet.</p> <p>¹ Recognising redemption values of collective insurance contracts in the balance sheet is optional, but they must otherwise be reported in the notes.</p>		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
		<p>Liabilities</p> <p>D Liabilities</p> <ul style="list-style-type: none"> • Termination benefits and pensions • Banks/insurers • Other liabilities <p>E Accrued liabilities and deferred income</p> <p>F Employer-paid contribution reserve</p> <ul style="list-style-type: none"> • Contribution reserves without a waiver of use² • Contribution reserves with a waiver of use² <p>Note: Additions and withdrawals must be stated in gross amounts in the operating accounts and explained in the notes with indications of the interest rate. If an employer has signed a commitment not to use the contribution reserve (waiver of use), a separate disclosure must be made for the corresponding amount.</p> <p>² Sub-positions must only be indicated in the case of contribution reserves with a waiver of use.</p> <p>G Non-actuarial provisions</p> <p>Note: Provisions that are not directly related to the fulfilment of benefit obligations, such as provisions for litigation risks, should be recognised in this item. Provisions for deferred taxes on profits from the sale of real estate and other costs of sale have to be created if there is a decision to dispose of the real estate (in whole or in part) or if the business activity is essentially based on actively managing the real estate (e.g. pension funds investing in real estate). This item cannot be used to achieve or accept arbitrary effects or smoothing effects.</p> <p>H Pension liabilities and actuarial reserves</p> <ul style="list-style-type: none"> • Active participants' liabilities • Pensioners' liabilities • Liabilities under insurance contracts • Actuarial reserves <p>Note: Information disclosed under this heading is made in accordance with the pension actuary's valuations.</p> <p>I Reserve for fluctuations in asset value</p> <p>Note: This is an independent liability, not a value adjustment for investments. This liability is special in that it may be released in the event of a loss and, thereafter, the target value is reported in the notes only.</p> <p>I Reserve for fluctuations in the structure of the participants</p> <p>Note: Pension plans of public entities in the system of partial capitalisation can create provisions for foreseeable changes in the structure of participants. Additions and removals have to be presented as gross amounts in the operating accounts (analogous to non-actuarial provisions) and explained in the notes (position V).</p>		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
		<p>J Endowments, non-committed funds or underfunding</p> <p>Balance at the beginning of the period</p> <p>± Increase/decrease from partial liquidation (unless recognised under P/Q)</p> <p>+ Transfers following take-over of participants (unless recognised in the operating accounts)</p> <p>Z ± Income surplus/expense surplus</p> <p>= Balance at the end of the period</p>		
26/8	15	<p>Presentation of the operating accounts</p> <p>The operating accounts is presented in the report form as follows:</p> <p>K + Ordinary and other contributions and transfers-in</p> <ul style="list-style-type: none"> + Employee contributions + Employer contributions – Withdrawal from employer-paid contribution reserve to finance contributions + Contributions from third parties + Additional employee contributions + Additional employer contributions + One-time payments and purchase amounts + Employees' solvency contributions + Employers' solvency contributions + Pensioners' solvency contributions + Transfers to employer-paid contribution reserve + Payments from Security Fund <p>L + Entry lump-sum transfers</p> <ul style="list-style-type: none"> + Termination benefit transfers + Transfers following take-over of participants in <ul style="list-style-type: none"> – Actuarial reserves – Reserve for fluctuation in asset value – Non-committed funds + Reimbursements of withdrawals for home ownership/divorce <p>K to L = Inflow from contributions and entry lump sum transfers</p> <p>M – Regulatory benefits</p> <ul style="list-style-type: none"> – Retirement pensions – Survivors' pensions – Disability pensions – Other regulatory benefits – Lump-sum payments on retirement – Lump-sum payments on death of disability <p>N – Non-regulatory benefits</p> <p>O – Termination benefits</p> <ul style="list-style-type: none"> – Termination benefits for leavers – Transfer of additional funds in case of collective exit – Withdrawals for home ownership/divorce 		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
26/8, 26/17		<p>M to O = Outflow for benefits and withdrawals</p> <p>P/Q ± Decreases/increases in pension liability, actuarial reserves and contribution reserves</p> <p>± Decrease/increase in active participants' liabilities</p> <p>± Costs/income from partial liquidation (share of non-committed funds/underfunding only)</p> <p>± Decrease/increase in pensioners' liabilities</p> <p>± Decrease/increase in actuarial liabilities</p> <p>– Interest on retirement savings capital</p> <p>± Decrease/increase in contribution reserves</p> <p>R + Income from insurance benefits</p> <p>+ Insurance benefits</p> <p>+ Share of insurance surpluses</p> <p>S – Insurance cost</p> <p>– Insurance premiums</p> <p>– Savings premium</p> <p>– Risk premium</p> <p>– Cost premium</p> <p>– One-time contributions to insurance</p> <p>– Allocation of insurance surpluses</p> <p>– Contributions to Security Fund</p> <p>K to S = Net result of insurance activities</p> <p>T ± Net return on investments</p> <p>Note: Individual classification criteria, classifications and designations must be defined and consistently applied. The objective is to ensure that the contents of the main positions are consistently presented in accordance with the balance sheet structure. The administrative costs of investments must always be disclosed in this position.</p> <p>In the case of complex investment concepts, it is not always possible to achieve the desired substantive conformity between the classifications in the balance sheet and in the operating accounts. In such cases, an appropriately detailed gross breakdown of investment income and expense should be presented in the notes.</p> <p>The asset management costs consist of:</p> <ul style="list-style-type: none"> – paid and deferred expenses for the period that have been billed to the pension fund for services and transactions – internally generated expenses allocable to the administration of investments (e.g. for internally administered securities or real estate) – costs of collective investment schemes that are charged directly against performance or assets, which can be determined based on the TER (total expense ratio), i.e. so-called cost-transparent collective investment schemes. The results of the respective investment categories have to be increased accordingly 		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
26/17		<p>Additionally, investments for which the costs are not known and which are therefore not recognised in the operating accounts have to be disclosed in the notes (position VI) according to Article 48a paragraph 3 OPO 2. Example: breakdown of position T in the operating accounts (provided such detail is justified by the complexity of investments and the balance sheet structure):</p> <ul style="list-style-type: none"> ± Result of each investment presented in position A + Income from securities lending ± Result from transactions with derivatives (as far as not allocated to the underlying investment) + Received kickbacks (commissions, retrocessions, etc.) not offset with the asset management expenses – Default interest on termination benefits – Interest expense for employer-paid contribution reserve – Other interest expense – Asset management expense = Net return on investments (Position T) U ± Decrease/increase in non-actuarial provisions V + Other income <ul style="list-style-type: none"> + Income from services rendered + Other income W – Other expenses X – Administrative expenses <ul style="list-style-type: none"> – General administration – Marketing and advertising – Agent and broker activity – Auditor and actuary – Supervisory authorities <p>K to X = Income surplus/expense surplus before adding to or releasing from reserves for fluctuations in asset value</p> Y ± Decrease/increase in reserves for fluctuations in asset value <p>Z = Income surplus/expense surplus (total from K to Y)</p>		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
26/9	16	<p>Notes</p> <p>Note: <i>Supplementing the balance sheet and operating accounts, the explanatory notes shall contain all necessary information to achieve the defined objectives (“a true & fair view of the financial situation”, valuation at actual values, consistently applied valuation basis). Depending on its nature, the additional information will be presented in the form of listings or descriptions, figures (with comparative figures for the prior year) and explanations.</i></p>		
26/18		<p><i>The purpose of the notes is to ensure transparent reporting for the benefit of insured participants and other stakeholders in the pension field. Whether or not any given information is necessary or meaningful depends on the following criteria:</i></p> <ol style="list-style-type: none"> <i>(1) the information contributes to a better view of the actual financial situation and its development</i> <i>(2) the information is useful in clarifying complex facts and presenting them in the general context</i> <i>(3) the information makes the financial statements more comprehensible</i> <i>(4) a detailed (gross) presentation in the notes is designed to free the operating accounts from excessive detail. Speculation concerning future developments or measures which are conditional upon future events may not be included in the notes</i> 		
26/9		<p>The explanatory notes are structured as follows:</p> <p>I General information and organisation</p> <ul style="list-style-type: none"> • Legal form and objectives • OPA registration and registration with the Security Fund • Plan statutes and regulations • Supreme body, management and authorised signatories • Actuaries, auditors, advisors, supervisory authority • Affiliated employers³ <p>II Active participants and pensioners</p> <ul style="list-style-type: none"> • Active participants³ • Pensioners³ <p>Note: <i>Number of and changes in the active participants and pensioners are to be presented as gross amounts.</i></p> <p>III Implementation of objectives</p> <ul style="list-style-type: none"> • Characteristics of the pension plan(s) • Financing, financing method • Further information on pension plan activities. This includes, for example, decided or vested increases in benefits and distributions of surpluses as well as the decision of the supreme body regarding pension revisions in line with price inflation. 		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
26/18		<p>IV Significant accounting policies and valuation methods, consistency</p> <ul style="list-style-type: none"> • Statements of compliance with Swiss GAAP FER 26 • Accounting and valuation principles • Changes in valuation, accounting and financial reporting principles <p>V Actuarial risks/risk benefit coverage/coverage rate</p> <p><i>Note: In the case of special pension plan concepts (e.g. several schemes with different risk benefit coverage rates), the sub-classification set out below may be replaced with different classification criteria, which shall then be consistently applied. The information content must be equivalent.</i></p> <ul style="list-style-type: none"> • Type of risk benefit coverage, reinsurance • Comments on assets and liabilities from insurance contracts³ • Development and return on savings capital in defined contribution plans³ • Development of pension liabilities for active participants in defined benefits plans³ • Total retirement savings capital in accordance with OPA³ • Development of actuarial reserves for pensioners³ • Composition of, development of and explanation of actuarial reserves • Conclusions of the last actuarial report 		
26/9		<ul style="list-style-type: none"> • Actuarial principles and other significant actuarial assumptions • Changes in actuarial principles and assumptions • Employer's contribution reserve with waiver of use³ • Coverage ratio according to art. 44 OPO 2 • Pension plans from public entities also have to indicate their choice of the system of full or partial capitalisation and, if applicable, the initial coverage rate, the guarantee of the community as well as the finance plan <p>VI Explanatory notes on investments and net return on investments</p> <ul style="list-style-type: none"> • Organisation of investment activities, investment advisor, investment manager and investment rules and regulations <p><i>Note: The disclosure also comprises mandates, asset managers including their respective accreditation and depositaries. Disclosures on investments must be structured so as to provide the informed reader with an adequate view of the asset allocation and significant changes from the prior year, of the actual risk diversification, of compliance with statutory and legal investment requirements, and of the return on investments.</i></p> <ul style="list-style-type: none"> • Where the right to expanded investment possibilities is used in accordance with article 50 para. 4 OPO 2, the compliance of risk diversification with the investment strategy as set out in article 50 para. 1-3 OPO 2 is to be explained • Target reserve for fluctuations in asset value and calculation of the reserve³ 		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
		<ul style="list-style-type: none"> • Breakdown of investments into investment categories <i>Note: The disclosure must report total assets in conformity with the balance sheet after offsetting all obligations for financial derivative instruments. The aim is to present all significant investment risks and to compare the distribution of these risks based on the actual asset allocation with that based on a different potential investment strategy.</i> • Current (open) financial derivative instruments • Open commitments (e.g. for private equity investments) • Market value and contractual partner of securities under securities lending • Notes on the net return on investments <i>Note: The performance achieved in the reporting period is to be explained in connection with the selected investment strategy, both in the context of the individual pension fund activity and in the context of the plan as a whole. Comments on the performance relate discernibly to the investments as a whole or to clearly designated parts. Comparisons with the prior year may be restricted to the main aspects.</i> • Notes on the asset management costs <ul style="list-style-type: none"> – Sum of all recognized cost indicators of collective investment schemes in CHF as per operating accounts – Total of all asset management costs as reported in the operating accounts as a percentage of cost-transparent investment schemes – Cost transparency ratio (quantitative part of cost-transparent investments in relation to the total investments) – Breakdown of investments for which asset management costs are not known and therefore cannot be reported in the operating accounts (article 48a para. 3 OPO 2) • Notes on investments in an employer's enterprise³ and on the employer-paid contribution reserves³ <i>Note: The purpose of these notes is to provide comprehensive information on the financial relationship with the employer (nature of any claims, obligations and contractual relations and related income and expense).</i> <p>VII Explanatory notes on other balance sheet and operating accounts positions</p> <p>VIII Supervisory authority requirements</p>		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
		<p>IX Further information regarding financial situation</p> <ul style="list-style-type: none"> • Underfunding/measures taken (article 44 OPO 2) • Waiver of use by the employer of the employer-paid contribution • Partial liquidations • Separate accounts³ • Pledge of assets³ • Joint and several liabilities and guarantees³ • Legal proceedings in course • Special business and asset transactions <p>X Events subsequent to the balance sheet date</p> <p>³ These positions and any changes from the prior year should be disclosed with any explanations necessary.</p>		
26/10	17	<p>Collective and group pension plans</p> <p>Collective and group pension plans establish their financial statements so as to ensure that the appropriate information is disclosed for each individual plan as well as for the pension fund as a whole.</p>		
	18	<p>In consolidating pension plan financial statements, it is not permitted to offset assets and liabilities or offset income and expense. Underfunding in one pension plan, in particular, may not be offset against the non-committed funds of another.</p>		
26/20	19	<p>Following the Swiss GAAP FER 26 concept, the annual financial statements (balance sheet, operating accounts and notes) for collective and group pension plans must be drawn up primarily at the level of the legal entity that is required to prepare the balance sheet. Accordingly, for any given pension plan, the true and fair view of the financial situation is evident based on the financial statements taken as a whole in conjunction with the additional individual reports.</p>		

F Accounting for real-estate insurers and for health insurers

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
		Note: The following special recommendations apply to financial statements of real-estate insurers and of health insurers according to article 12 of the Federal Health Insurance Act. In addition to this recommendation, the Framework and all other recommendations are to be applied. The regulations of this recommendation override those of the other recommendations. Small real-estate insurers and small health insurers may apply core FER and Swiss GAAP FER 41 in accordance with Swiss GAAP FER 1 as well as, where applicable, Swiss GAAP FER 30.		
41/1	1	The financial statements of the single entity comprise: (a) Balance sheet (b) Income statement (c) Cash-flow statement (d) Statement of changes in equity (e) Segment reporting (f) Notes		
	I	Balance sheet		
41/2	2	The following items are separately disclosed in the balance sheet: Assets <ul style="list-style-type: none"> • Investment schemes • Intangible assets • Tangible fixed assets • Prepayments and accrued income • Receivables • Cash 		
41/26		Note: Interest paid at the acquisition date of a fixed interest investment is recognised either as accrued income or as an investment. In valuing such investments at actual values, the interest paid at the acquisition date is recognised only if it is not included in the market value.		
41/2	3	Liabilities Equity <ul style="list-style-type: none"> • Capital of the organisation • Capital of the organisation not paid in (negative amount) • Capital reserves • Own units of the capital of the organisation (negative amount) • Retained earnings or accumulated losses 		
41/27	4	Health insurers present in their single financial statements the equity in the balance sheet or in the notes separately according to the Federal Health Insurance Act and the Insurance Policies Act.		
41/2	5	Liabilities <ul style="list-style-type: none"> • Technical provisions for own account • Technical provisions for variations and for reliability • Non-technical provisions • Provisions for risks in the investments • Accrued liabilities and deferred income • Liabilities 		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
41/28	6	Health insurers present in their single financial statements the provisions for variations and for reliability in the balance sheet or in the notes separately according to the Federal Health Insurance Act and the Insurance Policies Act.		
II Income statement				
41/3	7	<p>The income statement is classified in the report form as follows:</p> <p>Operating result</p> <ul style="list-style-type: none"> • Premiums earned for own account • Indemnity and benefit expenses for own account • Change in technical provisions for variations and for reliability • Balance of risks between insurers (income and expenses) (health insurers) • Surplus sharing with insured persons • Operating expenses for own account • Other operating income • Other operating expense • Result from investments <ul style="list-style-type: none"> • Income from investments • Expense for investments • Changes of provision for risks in the investments <p>Non-operating result</p> <p>Extraordinary result</p> <p>Profit/loss before income taxes</p> <p>Income taxes</p> <p>Profit/loss</p>		
41/29		Note: The other operating income and other expense contain, among other items, interest income and expense from receivables and liabilities, expense from long-term financial liabilities (e.g. bonds) as well as the income and expense (including differences from foreign currency transactions) from liquid assets.		

III Cash flow statement

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
41/4	8	<p>Direct method</p> <p>The minimal disclosure for the presentation of the cash flow from operating activities (paid amounts) of the cash flow statement according to the direct method is based on the classification of the income statement.</p>		
41/5	9	<p>Indirect method</p> <p>The minimal disclosure for the presentation of the cash flow from operating activities of the cash flow statement according to the indirect method consists of following items:</p> <p>Profit/loss</p> <p>Depreciation/write-up of</p> <ul style="list-style-type: none"> • Investments (including realised and non-realised profits and losses) • Intangible assets • Tangible fixed assets • Receivables <p>Increase/decrease of the</p> <ul style="list-style-type: none"> • Technical provisions for own account • Technical provisions for variations and for reliability • Non-technical provisions • Provisions for risks in the investments <p>Profit/loss from the disposal of</p> <ul style="list-style-type: none"> • Intangible assets • Tangible fixed assets <p>Increase/decrease of</p> <ul style="list-style-type: none"> • Prepayments and accrued income • Receivables • Accrued liabilities and deferred income • Liabilities 		
41/6	10	<p>Outflows for purchases and inflows from disposals of investments are to be presented either in the cash flow from operating activities or from investing activities.</p>		

IV Notes

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
41/7	11	The notes consist of (a) segment reporting, (b) commentary on the valuation basis and valuation principles, and (c) additions to the balance sheet, income statement, cash flow statement and statement of changes in equity.		
41/8	12	The segment reporting is based on the classification of the income statement. The segment reporting consists of following items: <ul style="list-style-type: none"> Real-estate insurers: Real-estate insurance <ul style="list-style-type: none"> Primary cover Other insurance Other services Eliminations Prevention/intervention Health insurers: <ul style="list-style-type: none"> Insurance according to the Federal Health Insurance Act Insurance according to the Federal Insurance Policies Act Insurance according to the Federal Accident Insurance Act Other Eliminations 		
41/30	13	A transfer from the income from investments to the expense for indemnities and benefits for own account in order to balance the rate of interest for technical provisions is acceptable for segment reporting and is presented separately.		
41/9	14	Investments: The composition of the investments is disclosed in the balance sheet or in the notes.		
41/32		Note: <i>Own-use property can be presented either as an investment or as a tangible fixed asset. In so far as indirect investments are only invested in one category, they can be allocated to this category (e.g. real-estate funds as part of the category “real-estate and properties”).</i>		
41/10	15	Receivables and liabilities have to be classified in the notes at least as follows (amounts due from/to): <ul style="list-style-type: none"> Policy holders Insurance organisations Reinsurers Agents and intermediaries Related organisations and persons 		
	16	The long-term financial liabilities (e.g. bonds) are disclosed separately in the notes.		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
41/11	17	The technical provisions for own account have to be disclosed in the balance sheet or in the notes as follows: <ul style="list-style-type: none"> • Provisions for unearned premiums • Provisions for indemnities and benefits • Coverage capital • Provision for sharing future surpluses with insured persons • Other technical provisions 		
	18	If a reinsurance contract exists, the technical provisions are disclosed in the notes for each position into the gross amount, the share of the reinsurer and, as the result, the amount for own account.		
	19	In cases of discounting of the provision for indemnities and benefits, the discount rate and the average duration or the difference between the discounted and the non-discounted amount of the provision are disclosed in the notes.		
	20	Other technical provisions and their purposes are described.		
41/12	21	The valuation principles for the technical provisions for variations and for reliability are disclosed and explained in the notes.		
41/13	22	The valuation principles for the provision for risks in the investments are disclosed and explained in the notes.		
41/14	23	Earned premiums for own account are composed of premiums, the share of the reinsurer, contributions of the public sector and changes in unearned premiums for own account. These details are disclosed in the income statement or in the notes.		
41/15	24	The expense for indemnities and benefits for own account is classified in the income statement or in the notes as follows: <ul style="list-style-type: none"> • Indemnity and benefit expenses for own account • Paid indemnities and benefits for own account • Paid indemnities and benefits • Share of the reinsurer • Plus/minus changes in the technical provision for own account 		
41/36	25	Costs shared with insured persons (franchise, deductible, daily allowance in hospitals) are offset in “paid indemnities and benefits” and are disclosed separately in the notes.		
41/16	26	If a reinsurance contract exists, the changes in the technical provisions are disclosed in the notes for each position as the gross amount, plus/minus the share of the reinsurer and, as the result, the amount for own account.		

Swiss GAAP FER	Para	Requirement	Y – NA – NM	REF
41/17	27	<p>The operating expenses are classified in the notes (e.g. according to where they arose, functions or cost types) and – in the case of a reinsurance contract – disclosed as:</p> <p>(a) gross amount</p> <p>(b) the share of the reinsurer and, as the result</p> <p>(c) amount for own account</p>		
41/18	28	The other operating revenue and other operating expense are explained in the notes.		
41/19	29	The income from and the directly attributable expense for investments are broken down in the notes into the respective categories. In the income from investments, realised and non-realised gains are disclosed; in the expense for investments, realised and non-realised losses as well as expenses for the custody of the investments are disclosed.		
41/20, 41/21	30	<p>The investments are valued at their actual values.</p> <p>If the actual values of investments are calculated according to the expected income or cash flow, taking into consideration the risk-adjusted capitalisation rate estimated by comparison with similar objects or calculated according to another generally accepted method, the amount of the assets valued by one of the methods is disclosed in the notes.</p> <p>As an exception, if the actual value of an investment is not known or cannot be assessed, the historic cost less any impairment can be used. The amount of the assets valued using this valuation approach is disclosed in the notes.</p>		
41/22	31	For investments at fixed interest rates, the amortised cost method may be used. The actual values are also disclosed in the notes.		

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