

16 July 2014

International Accounting Standards Board
30 Cannon Street
London EC4M 6XH
United Kingdom

Comment Letter on Exposure Draft on the Disclosure Initiative

Dear Madam, dear Sir

SwissHoldings, the Swiss Federation of Industrial and Service Groups in Switzerland, represents 58 Swiss groups, including most of the country's major industrial and commercial enterprises. We very much welcome the opportunity to provide comments to the ED on the Disclosure Initiative and related proposed amendments to IAS 1. Our response (in the appendix) has been prepared in conjunction with our member companies.

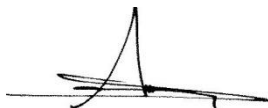
The Disclosure Initiative is an important project with potential to improve financial reporting for both preparers and users by eliminating unnecessary detail and concentrating on the quality of disclosures. Similar supportive initiatives by other organizations, such as the U.S. Securities and Exchange Commission's Disclosure Effectiveness project and ESMA's 2012/13 consultation on materiality in financial reporting, show there is an opportunity to make concrete progress on improving disclosures. The IASB's Work Plan includes target dates for Board discussion on Materiality and publication of an Exposure Draft covering a Financing Liabilities reconciliation. However, the timing of work on the General Disclosure Review is still undefined. It would be unfortunate if the significant momentum behind this project is lost because of delay. We urge the Board to set and publish a target date for the general disclosure review work as soon as possible.

We thank you for the opportunity to submit our comments on your proposal.

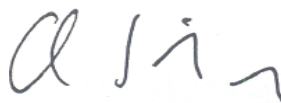
Yours sincerely

SwissHoldings

Federation of Industrial and Service Groups in Switzerland

A handwritten signature in black ink, appearing to read "Michel Demaré".

Michel Demaré
Chair

A handwritten signature in blue ink, appearing to read "Christian Stiefel".

Christian Stiefel
Director

cc SH Board

APPENDIX

ANSWERS TO SPECIFIC QUESTIONS IN INVITATION TO COMMENT

Question 1 – Disclosure Initiative amendments

The amendments to IAS 1 arising from the Disclosure Initiative aim to make narrow-focus amendments that will clarify some of its presentation and disclosure requirements to ensure entities are able to use judgment when applying that Standard. The amendments respond to concerns that the wording of some of the requirements in IAS 1 may have prevented the use of such judgment. The proposed amendments relate to:

- (a) materiality and aggregation*
- (b) statement of financial position and statement of profit or loss and other comprehensive income*
- (c) notes structure and*
- (d) disclosure of accounting policies*

Do you agree with each of the amendments? Do you have any concerns about, or alternative suggestions for, any of the proposed amendments?

We welcome the proposals made by the Board.

Amongst the many suggestions to reduce immaterial disclosures we especially support the elimination of terms such as “minimum” and “normally” in many of the disclosure requirements as this has led to insignificant items being disclosed and a “tick-the-box” approach from external auditors and regulators. We consider that the suggested introduction of an element of judgment in determining what is immaterial or not for the purpose of disclosure in the financial statements will contribute to achieve the objective of eliminating the “disclosure overload”.

We also support the proposal that entities will be encouraged to order their notes to the consolidated financial statements in a way that prominence is given to notes which are more relevant in order to increase understandability and to eliminate notes which are not relevant.

Last but not least, we support the Board’s view that not all accounting policies need to be disclosed but only those that are relevant to the entity.

Question 2 – Presentation of items of other comprehensive income arising from equity-accounted investments

Do you agree with the IASB’s proposal to amend IAS 1 for the presentation of items of other comprehensive income arising from equity-accounted investments amendments?

We support the proposed amendments as they will bring further clarification on how the various elements of income arising from equity-method accounted investments should be disclosed.

Question 3 – Transition provisions and effective date

Do you agree with the proposed transition provisions for the amendments to IAS 1 as described in this Exposure Draft?

We agree with the proposed transition provisions.