Comparison of Swiss GAAP FER 30:

Existing version (2012) vs. revised version (2022)

Existing Recommendation (2012)		Modification		Revised Recommendation (2022)	Reason for Modification
Para-graph	Recommendation		Para-graph	Recommendation	
Introduction					
Intro-duc-tion	Basically all requirements for the accounts of individual entities also apply for the consolidated financial statements. The requirements contained in this Recommendation comprise additional specifications for the consolidated financial statements. Small entities which – on a consolidated basis – do not exceed two of the following criteria in two consecutive years can restrict themselves to the application of the core FER and Swiss GAAP FER 30: a) balance sheet total of CHF 10 million b) annual net sales from goods and services of CHF 20 million c) 50 full-time employees on average per year.	2nd paragraph was deleted	Intro-duc-tion	Basically all requirements regarding the financial statements of individual entities also apply to the consolidated financial statements. The requirements contained in this Recommendation comprise additional specifications for the consolidated financial statements.	Provisions for small entities have been deleted as they are already included in FER 1/2. (For groups, the size criteria for the application of the core FER according to FER 1/2 apply on a consolidated basis.)
Scope of consolidation					
1	Consolidated financial statements are the financial statements of a group of entities as described by the scope of consolidation. The consolidated financial statements comprise the annual accounts of the holding entity and its subsidiaries including joint ventures and associated entities.	"including" replaced with "as well as"	1	Consolidated financial statements are the financial statements of a group of entities as described by the scope of consolidation. The consolidated financial statements comprise the financial statements of the parent entity and its subsidiaries, as well as joint ventures and associated entities.	Only textual adjustment
2	Subsidiaries are fully consolidated.	No changes	2	Subsidiaries are fully consolidated.	No changes
3	Joint ventures are proportionally consolidated or recognised using the equity method.	No changes	3	Joint ventures are proportionally consolidated or recognised using the equity method.	No changes
4	Associated entities are recognised using the equity method.	No changes	4	Associated entities are recognised using the equity method.	No changes
5	The ownership of shares in entities with a proportion of voting rights of less than 20 percent does not belong to the scope of consolidation. They are recognised at acquisition cost or at actual values.	1. "in principle" inserted 2. "less any impairment" inserted 3. wording according to FER 2/12	5	Equity interests in entities with a proportion of voting rights of less than 20 percent do, in principle, not belong to the scope of consolidation. They are recognised at acquisition cost less any impairment or at their fair value.	Only textual clarifications and adjustment of the wording; the basic assumption is that an entity with at least 20% of the voting rights belongs to the scope of consolidation. However, there may be contractual agreements that can lead to a significant influence even below 20% of the voting rights. Rewording to maintain consistency with the wording in FER 3/15.

Consolidation method					
6	Financial statements of the entities included in the consolidation (full and proportional consolidation) have to comply with uniform group accounting directives that conform with Swiss GAAP FER.	1. "full and proportional consolidation" replaced with forms of entities 2. brackets moved	6	Financial statements included in the consolidation (parent entity, subsidiaries and joint ventures) have to comply with uniform group accounting directives that conform with Swiss GAAP FER.	Requirements for joint ventures are now identical to those for subsidiaries, regardless of the method chosen for inclusion (proportional consolidation or equity method). In addition, textual clarifications.
7	Inter-company assets and liabilities in the individual financial statements, and expense and income from inter-company transactions have to be eliminated.	No changes	7	Inter-company assets and liabilities in the individual financial statements, and expenses and income from inter-company transactions have to be eliminated.	No changes
8	Inter-company profits resulting from inter-company transactions have to be eliminated.	No changes	8	Inter-company profits resulting from inter-company transactions have to be eliminated.	No changes
9	The share of equity of consolidated entities is to be recognised using the purchase method of consolidation.	Addition of the reference to paragraph 14 on the purchase method of consolidation	9	The share of equity of consolidated entities is recognised using the purchase method of consolidation (see paragraph 14).	Definition of "purchase method" added directly to paragraph 9, making paragraph 60 (old) redundant (provision already in paragraph 14).
10	The minority interest in equity is to be disclosed separately under the equity.	No changes	10	The minority interest in equity is to be disclosed separately under equity.	No changes
11	In the income statement, the share of the minority interest-holders in profit/ loss is to be disclosed separately.	Inserted “(of which attributable to minority shareholders)”	11	In the income statement, the share of the minority interest-holders in profit/loss is to be disclosed separately (“of which attributable to minority shareholders”).	Only textual adjustment (specification)
12	Equity and net result of associated entities are to be recognised proportionally using the equity method.	1. paragraphs merged 2. associated entities and equity method deleted	12	Equity and net result are to be recognised proportionally when using the equity method. The result is to be disclosed separately in the income statement.	Textual adjustment because the equity method can be applied not only to associated entities but also to joint ventures. Summary of paragraphs 12 and 13 (old).
13	The result of the associated entities is to be disclosed separately in the income statement.				
		New paragraph	13	Accounting-policy choices in this Recommendation are to be applied consistently.	Clarification (question is regularly asked in practice)
Goodwill					
14	Net assets taken over in an acquisition are to be valued at actual values; any surplus of acquisition cost over the newly valued net assets is to be designated as goodwill and to be capitalised as an intangible asset. Goodwill is to be disclosed separately in the balance sheet or the notes.	1. Using "to be recognised" in combination with “measured” instead of only “to be valued” 2. part moved to new FER 30/15	14	In the event of an acquisition, assets acquired and liabilities assumed are to be recognised as of the date when control is obtained and measured at their acquisition-date fair values. Intangible assets which have not been recognised previously by the acquiree and are relevant to the decision to obtain control are also to be identified and recognised.	Textual adjustments and moves; further development of goodwill option: intangible assets that have decisively motivated the decision to acquire a controlling interest are to be identified and recognised (emphasis of Management Approach).

		3. 2nd sentence moved to section "disclosure" 4. previously unrecognised intangible assets relevant to the acquisition of control and their treatment mentioned			
		1st part: previously in FER 30/14 2nd part: regulation for badwill Textual adjustments	15	Any positive difference between the acquisition cost and the revalued net assets acquired is to be designated as goodwill and recognised under intangible assets. If the acquisition cost is lower than the revalued net assets acquired, this will result in negative goodwill ("badwill"). Negative goodwill is to be recorded as a liability and disclosed separately either in the balance sheet or the notes.	The treatment of negative goodwill ("badwill") is now explicitly addressed.
15	The amortisation period of acquired goodwill is normally 5 years; in justified cases, at most 20 years.	1. clarification on amortisation over useful life 2. If the useful life cannot be determined, amortisation takes place over 5 years.	16	Goodwill is to be amortised on a pro rata basis (normally linearly) over its useful life. The estimated useful life may not exceed 20 years. If the useful life cannot be determined, amortisation shall take place over 5 years.	Clarification and addition regarding the estimation of the useful life. If it cannot be estimated, the goodwill must be amortised over 5 years.
		New paragraph	17	If goodwill is accounted for as an intangible asset and amortised, negative goodwill is to be accounted for as a liability and recognised in profit or loss within a maximum of 5 years.	The treatment of negative goodwill is newly regulated. A maximum of 5 years was deliberately chosen. Negative goodwill is often related to expected future expenses such as restructuring. It is assumed that such measures will usually be carried out within 5 years after the purchase. In the case of a lucky buy, the option to recognise this negative goodwill in the income statement immediately after the acquisition date has been deliberately granted.
		New paragraph	18	Entities that account for goodwill as an intangible asset and amortise it and, respectively, recognise negative goodwill as a liability and release it to profit or loss, may decide not to identify intangible assets that have not been recognised previously and are relevant to the decision to obtain control, as set out under paragraph 0.	Simplification for companies that capitalise and amortise goodwill. Revaluation of previously unrecognised intangible assets can be skipped in this case.

16	An offset of acquired goodwill with equity is allowed at the date of the acquisition. In this case, the effects of a theoretical capitalisation (historic cost, theoretical carrying amount, useful life, amortisation) as well as of any impairment are to be presented in the notes.	1. extension to include negative goodwill 2. deferral of the 2nd sentence on disclosure in the notes to paragraph 43 (new)	19	If goodwill is offset against equity, negative goodwill must also be offset against equity.	Negative goodwill is explicitly addressed for the first time. To ensure consistency, it was additionally introduced that the accounting treatment for negative goodwill follows the selected goodwill option. This avoids a situation where positive goodwill is offset against equity and has no effect on profit or loss, but negative goodwill is recognised as a gain in profit or loss if the goodwill method "capitalisation and amortisation" has been selected.
17	In case 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.	Mention in another paragraph			Newly included in FER 30/20
18	If the acquired goodwill was offset directly with equity it is to be recognised separately in the statement of changes in equity.	Mention in another paragraph			Newly included in FER 30/37
		FER 30/17 (old), textual adjustments and additional extension (negative goodwill)	20	An offset of goodwill/negative goodwill against equity is only allowed at the acquisition date. In case of disposal, goodwill/negative goodwill offset against equity at the acquisition date is to be considered at original acquisition cost when determining the profit or loss related to the disposal.	Ensure consistent determination of the gain on disposal, regardless of how goodwill is treated (capitalised or offset)
		New paragraph	21	If equity interests are acquired in stages, the positive or negative goodwill is to be determined as the difference between the acquisition cost and the pro rata net assets separately for each acquisition step. The net assets acquired are to be measured at their fair value at the date when control is obtained. Any resulting valuation differences (difference between the fair values and carrying amounts) on previously held equity interests are recognised in equity. Assets acquired and liabilities assumed are therefore included in the consolidated financial statements at their full fair value at the date when control is obtained.	Stepwise acquisitions are now explicitly regulated.
		New paragraph	22	For each disposal of an equity interest, the profit/loss is calculated on the basis of the disposal and recognised in profit or loss. If the stepwise disposal of an equity interest results in an associated entity or a financial asset (loss of control or loss of significant influence), the remaining equity interest is measured on the basis of the pro rata net assets taking into account the pro rata goodwill or negative goodwill.	The treatment of disposals and stepwise disposals are now explicitly regulated.
		New paragraph	23	Purchase price components contingent on future events are part of the acquisition costs at the acquisition date	The treatment of contingent considerations ("earn-outs") is now explicitly regulated.

				provided that cash outflows are likely. Conditional purchase price components are subsequently measured at each balance sheet date, with changes resulting in the adjustment of goodwill/negative goodwill recognised as an intangible asset or offset against equity. Purchase price components – both those recognised in the balance sheet and those not recognised – are to be disclosed in the notes.	
Foreign currencies					
19	Financial statements in a foreign currency that are consolidated must be converted to the currency of the consolidated financial statements. This conversion has to be according to the current rate method (balance sheet items at exchange rates at the balance sheet date, items of the income statement at average rates or at rates at the balance sheet date).	Wording changes only (translation instead of conversion)	24	Financial statements in a foreign currency that are consolidated must be translated into the currency of the consolidated financial statements. This translation has to take place according to the current rate method.	Improvement of the translation
		New paragraph	25	The loss of control of a subsidiary or the loss of significant influence over an associated entity whose financial statements are in a foreign currency requires the reclassification to profit or loss of the accumulated foreign currency differences recognised in equity. In case of a stepwise disposal of a subsidiary which does not result in a loss of control, the accumulated foreign currency differences are to be proportionally allocated to minority interests (with no effect on the income statement). In case of other stepwise disposals, accumulated foreign currency differences are to be taken into account in profit or loss on a pro rata basis.	The treatment of accumulated foreign currency differences on disposal is now regulated.
20	Foreign currency effects on long-term intergroup loans with equity character are to be recognised in the equity (with no effect on the income statement).	Wording changes only	26	Foreign currency effects on long-term intragroup loans with equity character are to be recognised in equity (with no effect on the income statement).	Improvement of the translation. Note: Paragraph 82 has been newly added on this subject.
Valuation					
21	The valuation of the same financial statement position in the different financial statements of the group entities included in the consolidation must normally take place according to the same principles.	Conversion of the sentence structure	27	The same financial statement positions in the individual financial statements of the entities included in the consolidation are normally measured according to the same principles.	Only textual adjustment. In addition, a clarification is made in paragraph 84.
22	Because of factual reasons, it might be necessary to deviate from the chosen valuation basis or to combine valuation bases for the valuation of financial statement positions.	deleted			Deletion, since a similar provision already exists in FER 2/3.

23	If impairments concerning a group of assets are to be recognised, these are first charged to any related goodwill; the remaining part is to be charged proportionally to the other assets on the basis of their carrying amounts.	Wording adjustment	28	If an impairment loss concerning a group of assets needs to be recognised, it is first charged to any related goodwill.	Text has been adjusted as a reference to FER 20/14 (see paragraph 85) has been introduced.
24	In case of a partial or full reversal of impairments, the reversal to the assets concerned – with the exception of goodwill – happens in proportion to the respective carrying amounts. As a result, the lower of the recoverable amount (if ascertainable) and the carrying amount after systematical depreciation may not be exceeded. A remaining balance must be allocated to the other assets. It is not allowed to be allocated to goodwill.	Last sentence "It is not allowed to be allocated to goodwill " was incorporated into the previous sentence.	29	In case of a partial or full reversal of an impairment loss, the reversal is allocated to the concerned assets – with the exception of goodwill – in proportion to their respective carrying amounts. However, the increased carrying amount of an asset must not exceed the lower of the recoverable amount (if ascertainable) and the carrying amount after ordinary depreciation. Any remaining reversal balance is to be allocated to the other assets – with the exception of goodwill.	Only textual adjustment
Income taxes					
25	Deferred income taxes arise because of different circumstances and on different group or consolidation levels (group, sub-group, group organisation). Deferred income taxes are to be considered in the consolidated financial statements if – on a single entity level, other fiscally relevant values are applied than in the consolidated financial statements – consolidation measures to be recognised in the income statement (e.g. elimination of inter-company profit) lead to a different result than the fiscally relevant result in the individual entity's accounts – as a result of the retention of profits in subsidiaries, joint ventures and associated entities valued using the equity method, the distribution of profits is postponed but planned in the foreseeable future.	1st sentence deleted 2nd paragraph added.	30	Deferred income taxes are to be considered in the consolidated financial statements if – on the level of an individual entity, other fiscally relevant values are applied than in the consolidated financial statements – in the event of acquisitions, during the purchase price allocation, assets and liabilities are recognised at fair values which differ from the fiscally relevant values – consolidation measures with impact on profit or loss (e.g. elimination of inter-company profits) lead, in the individual entity's financial statements, to a different result than the fiscally relevant result – as a result of the retention of profits in subsidiaries, joint ventures and associated entities valued using the equity method, the distribution of profits is postponed but planned in the foreseeable future.	First sentence deleted without replacement as it is regulated by Swiss GAAP FER 11. Additional bullet point added to correctly consider the issue of tax value versus revaluation in the opening balance sheet.
26	For differences between values of balance sheet positions according to Swiss GAAP FER principles and according to tax law principles that do not lead to taxable or tax deductible amounts at the time of their future reversal, a tax rate of zero is to be applied. Examples thereof are revaluations of tangible fixed and intangible assets (e.g. goodwill), as long as the depreciation and amortisation of such values is not fiscally accepted, or the profits of subsidiaries or associated entities, as long as these are not distributed.	Textual clarifications tailored to use cases in the area of consolidated financial statements.	31	In the case of an acquisition, net assets acquired are recognised at their acquisition-date fair values. This generally results in valuation differences if the fiscally relevant values of the assets acquired and liabilities assumed are not or are only partially adjusted. Deferred income tax assets, where the recognition criteria are met, or deferred income tax liabilities are to be recognised for such valuation differences. Deferred income tax liabilities are not taken into account when goodwill is recognised for the first time as part of an acquisition.	Repetitions of Swiss GAAP FER 11 deleted and more specific use cases relating to the consolidated financial statements incorporated.

27	For not yet distributed profits in group or associated entities whose distribution is planned, non recoverable withholding taxes and profit taxes to be incurred by the holding entity are to be considered.	"profit taxes" replaced with "income taxes"	32	For not yet distributed profits in group or associated entities whose distribution is planned, non-recoverable withholding taxes and income taxes to be incurred by the parent entity are to be considered.	Improvement of the translation
28	For the calculation of the deferred income taxes on the level of the consolidated balance sheet, the effectively expected tax rate per tax subject is to be applied in principle. The application of an adequate and consistently used group average or an average expected tax rate is allowed.	No changes	33	For the calculation of the deferred income taxes on the level of the consolidated balance sheet, the effectively expected tax rate per tax subject is to be applied in principle. The application of an adequate and consistently used group average or an average expected tax rate is allowed.	No changes

Cash flow statement					
29	In the cash flow statement, the following additional positions are to be disclosed in the investing activities: – payment for the acquisition of consolidated entities (less cash taken over) – receipt from the disposal of consolidated entity (less cash given)	Expansion of disclosure to include "sale and purchase of minority interests"	34	In the cash flow statement, the following additional positions are to be disclosed under investing activities: – outflows for the acquisition of consolidated entities (less cash taken over) + inflows from the disposal of consolidated entities (less cash given) +/– inflows from the sale/outflows for the acquisition of minority interests	Expansion of the disclosures in the cash flow statement to include minority interests. Adjustment of the presentation to Swiss GAAP FER 4 and ensuring logical consistency.
30	In the cash flow statement, the following additional positions are to be dis- closed in the financing activities: – dividend payments to minority shareholders (of subsidiaries) +/– payment or repayment of capital of minority shareholders (of subsidiaries)	No changes	35	In the cash flow statement, the following additional positions are to be disclosed under financing activities: – dividend payments to minority shareholders (of subsidiaries) +/– payment or repayment of capital from/to minority shareholders (of subsidiaries)	No changes
31	In the cash flow statement, the following additional positions are to be dis- closed if the indirect method is being used: +/– share of loss (profits) from the application of the equity method.	No changes	36	In the cash flow statement, the following additional positions are to be disclosed if the indirect method is being used: +/– share of loss (profits) from the application of the equity method.	No changes
Statement of changes in equity					
		Content of FER 30/18 (old) with textual additions	37	The goodwill or negative goodwill items offset against equity and the accumulated foreign currency differences are to be shown as separate components (column) in the statement of changes in equity.	Existing provision of paragraph 18 (old), supplemented by clarification (separate component for foreign currency translation differences - was not previously required); designation of the component is in accordance with Swiss GAAP FER 24.
Disclosure					
32	Changes in the scope of consolidation and effects from changes in foreign currencies are to be separately disclosed in the statements of change of (tangible fixed and	Moved to another paragraph			Newly included under paragraph 41.

	intangible) assets for accumulated cost and accumulated depreciation/amortisation in the case of valuation at acquisition or production cost.				
33	Effects from changes in foreign currencies as well as effects from changes in the scope of consolidation are to be separately disclosed in the statement of changes in provisions.	Moved to another paragraph			Newly included under paragraph 41.
34	The information to be disclosed in the notes comprises: – details of the scope of consolidation – consolidation principles – valuation bases and principles – other facts whose disclosure is required by this or another applicable Recommendation.	Revision of the fourth bullet point to include circumstances whose disclosure is relevant to an understanding of the consolidated financial statements.	38	The information to be disclosed in the notes comprises: – details of the scope of consolidation – consolidation principles – valuation bases and principles – other circumstances relevant to understanding the consolidated financial statements	Fourth bullet point (old version) already covered by FER 6/2 and FER 6/4. Extension of the disclosure to include circumstances that are relevant for the understanding of the consolidated financial statements.
35	The details of the scope of consolidation contain: – treatment of the entities in the consolidated financial statements (applied – method) – name and domicile of the included entities (subsidiaries, joint ventures – and associated entities) – share of capital of these entities; if the proportion of voting rights differs – from the share of capital, the proportion of voting rights is also to be – disclosed – changes in the scope of consolidation compared with the previous year as – well as the date from which this change is considered – variances from the balance sheet date of the group. The details of the consolidation principles contain: – consolidation method, especially capital consolidation – method used for the conversion of foreign currencies as well as treatment – of the exchange differences – treatment of associated entities and joint ventures – treatment of inter-company profits.	Splitting into two single paragraphs (2nd part now under paragraph 40).	39	The details of the scope of consolidation contain: treatment of the entities in the consolidated financial statements (applied method) name and domicile of the included entities (subsidiaries, joint ventures and associated entities) share of capital of these entities; if the proportion of voting rights differs from the share of capital, the proportion of voting rights is also to be disclosed changes in the scope of consolidation compared with the previous year as well as the date from which these changes are considered deviations from the balance sheet date of the group.	This paragraph has been split as it covered two disclosure items (scope of consolidation and consolidation principles). Two separate paragraphs are more user-friendly.

		2nd part of FER 30/35 (old)	40	The details of the consolidation principles contain: – consolidation method, especially capital consolidation – method used for the translation of foreign currencies as well as treatment of the foreign currency differences – treatment of associated entities and joint ventures – treatment of inter-company profits.	2nd part of FER 30/35 (old), see above.
		Unification of FER 30/32 (old) and FER 30/33 (old)	41	Changes owing to foreign currency differences or changes in the scope of consolidation are to be separately disclosed in the statements of changes (e.g. statements of changes in assets or provisions).	Standardisation of disclosure in the schedules.
		Reclassification: 2nd sentence FER 30/14 (old)	42	Goodwill is to be disclosed separately in the balance sheet or the notes.	Moved to the "disclosure" section.
36	If the acquired goodwill is offset against equity, all effects on the balance sheet and income statement of a theoretical capitalisation and systematic amortisation as well as any impairment have to be disclosed in the notes throughout the estimated useful life for both the current year and prior year.	Wording adjustment and extension to include negative goodwill	43	If goodwill or negative goodwill is offset against equity, the impact on the balance sheet and income statement of a theoretical recognition of the goodwill as asset or liability, with scheduled amortisation or release over the expected useful life, are to be presented in the notes for the current and previous reporting periods (acquisition cost, accumulated amortisation, theoretical carrying amount, amortisation or release, impairment losses, additions, disposals, foreign currency differences).	Supplemented with the treatment of negative goodwill and disclosure clarified.
37	Differences from the chosen valuation basis are to be disclosed in the notes.	Deleted			Deleted without replacement; valuation principles are governed by the conceptual framework (consistency) and by Swiss GAAP FER 2 (valuation principles & disclosure).
38	The valuation method of investments in entities with a proportion of voting rights of less than 20 percent is to be disclosed in the notes.	"investments" replaced with "interests"	44	The valuation method of interests in entities with a proportion of voting rights of less than 20 percent is to be disclosed in the notes.	Rewording to maintain consistency with the wording in FER 3/15.
39	The tax rate applied for the calculation of the deferred income taxes is to be disclosed in the notes. While applying the actually expected tax rates per tax subject a group average tax rate can be disclosed.	Deleted			Deleted without replacement; disclosure on tax rates only required for listed companies under Swiss GAAP FER 31.
40	The following is to be disclosed in the balance sheet or in the notes: – receivables due from and liabilities due to associated entities. – concerning financial assets: non-consolidated investments in entities and receivables due from non-consolidated investments.	No changes	45	The following is to be disclosed in the balance sheet or in the notes: – receivables due from and liabilities due to associated entities – concerning financial assets: non-consolidated investments in entities and receivables due from non-consolidated investments.	No changes

41	The treatment of differences in foreign currencies and its effects on the consolidated financial statements are to be disclosed in the notes.	Deleted			Disclosure is already covered in paragraph 40.
42	The details of the income statement in the notes contain the breakdown of the net sales from goods and services according to geographic markets and business areas.	Clarification of content and addition of references to Swiss GAAP FER 31 and Swiss GAAP FER 40	46	Where there is no segment reporting pursuant to Swiss GAAP FER 31 or Swiss GAAP FER 40, the details of the income statement in the notes contain a breakdown of the net sales from goods and services according to geographic markets and business areas.	Refinement of the requirement. This paragraph only applies if the preparer establishes no segment reporting according to Swiss GAAP FER 31 or Swiss GAAP FER 40.
43	For acquisitions and disposals of consolidated entities, the most important parts of the balance sheets of the entities acquired and disposed of are to be disclosed in the notes as per acquisition date or disposal date.	Extension of the disclosure requirements	47	For acquisitions and disposals of fully and proportionally consolidated entities, the most important positions of the balance sheets of the entities acquired and disposed of are to be disclosed in the notes as per the date of the first consolidation or deconsolidation. In addition, the impact of the first consolidation or deconsolidation on the net sales is to be disclosed. The disclosures include the net sales since the acquisition date which are included in the consolidated income statement as well as the net sales until the acquisition date in the corresponding financial year. If the net sales until the acquisition date cannot be determined, the net sales according to the last available financial statements are to be disclosed. In the case of a disposal the disclosures encompass the net sales until the date of the deconsolidation included in the consolidated income statement as well as the net sales from the previous financial year.	Previously, only material balance sheet items were disclosed in the notes; henceforth, information on net proceeds is also required so that the reader of the financial statements can assess the significance of the acquisition or sale in the context of the consolidated income statement.

Explanations						
Existing recommendation (2012)		**Modification**		**Revised Recommendation (2022)**	**Reason for Modification**	
ad paragraph 1				**ad paragraph 1**		
44	With the scope of consolidation, the criteria are defined according to which organisations are recognised in the consolidated financial statements. Entities with a differing business activity are to be considered in the scope of consolidation. This also applies, as a matter of principle, for special purpose entities.	Deletion of 1st sentence and focus on special purpose entities	48	Special purpose entities are to be consolidated. A special purpose entity is an entity that is not controlled legally, but whose economic contribution directly benefits the group (e.g. outsourced research activities, foundations for share-based remuneration).	Clarification of content regarding special purpose entities (definition including examples)	
ad paragraph 2				**ad paragraph 2**		
45	A subsidiary is an entity which is controlled by its holding entity.	"holding" replaced with "parent"	49	A subsidiary is an entity which is controlled by its parent entity.	Only textual adjustment	
46	Control is assumed if a holding entity holds directly or indirectly more than half of the voting rights of a subsidiary.	"holding" replaced with "parent"	50	Control is assumed if a parent entity directly or indirectly holds more than half of the voting rights of a subsidiary.	Only textual adjustment	
47	If a holding entity holds less than half of the voting rights, control can also occur (for example through shareholder commitment contract, majority in the supervisory board/management body).	"holding" replaced with "parent" and addition of majority of option rights	51	Even if a parent entity holds less than half of the voting rights, control can be obtained (for example through shareholder agreements, a majority in the supervisory board/management body or option rights).	Only textual adjustments extension by one example	
48	Insignificant subsidiaries can be excluded from the full consolidation if their total sum is also insignificant.	Wording adjustment	52	Subsidiaries can be excluded from the full consolidation if they are also immaterial in the aggregate.	Only textual adjustment	
ad paragraph 3				**ad paragraph 3**		
49	A joint venture is a contractual agreement in which two or more parties accomplish an economic activity under a joint lead. Thereby neither party disposes of the possibility to control the joint venture.	Wording adjustment	53	A joint venture is a contractual agreement in which two or more parties accomplish an economic activity under a joint lead. Neither party disposes of the possibility to control the joint venture.	Only textual adjustment	
		Moved from FER 30/54 (old)	54	Under proportional consolidation, all positions of the balance sheet and the income statement of the joint venture are recognised to the extent of the share of capital.	Moved from FER 30/54 (old)	
ad paragraph 4				**ad paragraph 4**		
50	Associated entities are investments in which a significant influence can be realised. A significant influence can be assumed if the share of the voting rights is at least 20 percent but less than 50 percent and control cannot be exercised.	Extension of the paragraph and deletion of "investments»	55	An associated entity is an entity over which an investor has significant influence. Significant influence is the possibility to participate in financial and operating policy decisions, but not to control or jointly manage an entity. Significant influence can be assumed if the share of the voting rights is at least 20 percent, unless it can be demonstrated that this is not the case. If the share of the voting rights is less than 20 percent, it can be assumed that there is no significant influence, unless this can be demonstrated to be the case.	Definition has been clarified.	

		New paragraph	56	When using the equity method, financial statements prepared in accordance with Swiss GAAP FER form the basis for the inclusion of the associated entity. If said entity does not prepare financial statements in accordance with Swiss GAP FER, at least the financial statement items considered material from a group perspective must comply with group accounting directives that conform with Swiss GAAP FER.	The requirements for financial statements of associated entities are now clearly defined.
		New paragraph	57	When significant influence is achieved, the assets and liabilities of the associated entity that are taken over must be measured in accordance with the provisions under paragraph 0. Such revaluation is only required for assets and liabilities whose fair value deviates significantly from the value that would have resulted had Swiss GAAP FER always been applied. Intangible assets which have not been recognised previously and are relevant to the decision to acquire the corresponding equity interest are also to be identified and recognised, with the exception set out in paragraph 0 to be applied mutatis mutandis.	Clarification and further development of the requirements regarding revaluation. If (additional) shares are purchased in order to achieve significant influence with regard to specific intangible assets, these must be identified and recognised. Wording in line with paragraph 14. Reference to simplification (paragraph 18) for SMEs, which usually capitalise and amortise goodwill.
		New paragraph	58	Goodwill of associated entities is to be treated in the same way as that of entities which are fully or proportionally consolidated. If goodwill is recognised as an asset, it is to be reported under the balance sheet item “Investments in associated entities”. The amortisation of goodwill is part of the result from associated entities.	Consistent treatment of goodwill is ensured.
		New paragraph	59	The foreign currency differences arising from the translation of the balance sheet item “Investments in associated entities” have no effect on the income statement and are offset against equity. If significant influence is lost, the corresponding accumulated foreign currency differences recognised in equity are to be reclassified to profit or loss.	The treatment of foreign currency differences (including sales) for associated entities is now explicitly regulated.
ad paragraph 6 and 7				**ad paragraphs 6 and 7**	
51	The financial statements of individual entities included in the consolidation are to be adjusted for consolidation purposes to the uniform directives of the group. These adjustments can lead to changes to those financial statements that are presented for approval to the unit-holders of the respective entity. The variance between the balance sheet dates of the financial statements of the entities included in the consolidation and the balance sheet date of the consolidated financial statements itself may not be more than three months.	Conversion of the sentence structure	60	For the purposes of consolidation, the financial statements of individual entities included in the consolidation are to be brought in line with the uniform directives of the group. These adjustments can lead to changes to those financial statements that are presented for approval to the unit-holders of the respective entity. The balance sheet date of the financial statements of the entities included in the consolidation and the balance sheet date of the group may not be more than three months apart.	Only textual adjustments
52	In particular, the following eliminations are required: – Receivables and payables between consolidated entities	1. "fully and proportionally consolidated entities" inserted	61	In particular, the following eliminations are required in the case of fully and proportionally consolidated entities: – receivables and payables between consolidated entities – investments and corresponding equity	Only textual adjustment

	– Investments and the corresponding equity of the consolidated subsidiaries – Inter-company expense and income, such as those from sales of goods and services, interest, or royalties between consolidated entities – Dividends from consolidated entities.	2. "consolidated entities" deleted		– inter-company expenses and income, such as those from sales of goods and services, interest, or royalties – dividends.	
53	Under full consolidation, all assets and liabilities and all expense and income of the consolidated entities in which there is a third-party minority interest have to be fully included in the consolidated financial statements.	No changes	62	Under full consolidation, all assets and liabilities and all expenses and income of the consolidated entities have to be fully included in the consolidated financial statements, also of those entities with a third-party minority interest.	No changes
54	Under proportional consolidation, all positions of the balance sheet and the income statement of the joint ventures are recognised to the extent of the share of capital.	Deleted			New under paragraph 54
ad paragraph 8				**ad paragraph 8**	
55	Assets of the group, such as inventory or non-current assets, may, based on internal transactions between the holding entity and subsidiaries (inter-company transactions), contain profits not yet realised from the point of view of the group (intercompany profits).	"internal transactions between the holding entity and subsidiaries" replaced with "group internal transactions (subsidiaries, joint ventures)"	63	Due to group internal transactions (subsidiaries, joint ventures), assets such as inventory or non-current assets may contain profits not yet realised from the point of view of the group (inter-company profits) at year-end.	Clarification regarding the group entities to which this requirement relates (joint ventures explicitly mentioned).
56	Concerning the calculation of inter-company profits, the use of an approximation is allowed.	No changes	64	When calculating inter-company profits, the use of approximative techniques is allowed.	No changes
57	Concerning the application of the percentage-of-completion-method (POCM), it has to be ensured that the inter-company profits are eliminated, also in the case of complex supply and performance conditions.	No changes	65	When applying the percentage-of-completion method (POCM), it has to be ensured that the inter-company profits are eliminated, also in the case of complex supply and performance conditions.	No changes
ad paragraph 9				**ad paragraph 9**	
58	The equity of consolidated entities at the date of acquisition respectively at the date of formation is to be eliminated against the carrying amount at the holding entity.	Made instructions more specific (acquisition cost)	66	The equity of consolidated entities is to be offset against the acquisition cost as per the acquisition date, or against the carrying amount of the investment at the parent entity as per the date of incorporation.	Improvement of the translation
59	After the first consolidation, changes resulting from operations that are included in the net result of the period of the consolidated financial statements have to be recognised in retained earnings	"from operations" deleted	67	After the first consolidation, changes that are included in the net result of the period of the consolidated financial statements shall be recognised in retained earnings.	Only textual adjustments
60	At the time of acquisition, assets and liabilities taken over have to be revalued at actual values (purchase method).	Deleted			Definition of "purchase method" added directly to paragraph 9, making paragraph 69 redundant (provision already exists in paragraph 14)

ad paragraph 13				**ad paragraph 13**	
		New paragraph	68	This Recommendation requires accounting-policy choices to be exercised uniformly (for example, goodwill is either to be recognised as an asset and amortised over its useful life or offset against equity for all forms of acquisitions). Should there be any changes to the accounting principles, the corresponding provisions of the Framework are to be applied.	
ad paragraph 17				**ad paragraph 20**	
61	At the disposal of a part of the business, the resulting profit or loss is to be determined considering goodwill that has been directly offset with equity at an earlier date. Such goodwill offset with equity at an earlier date needs to be fully charged to the result of the period in order to achieve the same effects as for entities that capitalise goodwill and amortise it (partially or fully) through the income statement.	1. "resulting profit or loss" replaced with "profit or loss from the disposal" 2. addition of badwill 3. closure and/or liquidation added	69	Upon disposal of a part of the business, the profit or loss from the disposal is to be determined considering goodwill or negative goodwill that has been directly offset against equity at the acquisition date. In the event of a disposal, positive or negative goodwill offset against equity at the acquisition date shall be fully charged to profit or loss in order to achieve the same effect as for entities which recognised goodwill as an asset and amortised it (partially or fully) or recognised negative goodwill as a liability and released it (partially or fully) to profit or loss. The closure or liquidation of a part of the business is equivalent to a disposal.	Adaptation of the wording on badwill liquidation in line with paragraph 17. Clarification that closures and liquidation of a part of a business are equivalent to a disposal.
				ad paragraph 21	
		New paragraph	70	The acquisition of financial assets does not result in any goodwill. If the acquisition of an equity interest results in significant influence, such an acquisition is to be recognised in accordance with paragraph 0.	Explanation of the treatment of stepwise acquisitions of equity interests (newly regulated in paragraph 21).
		New paragraph	71	If equity interests are acquired in stages within the category of associated entities, goodwill is determined each time an equity interest is acquired without revaluing the underlying net assets.	Explanation of the treatment of stepwise acquisitions of equity interests (newly regulated in paragraph 21).
		New paragraph	72	For purchases of minority interests, goodwill or negative goodwill is calculated as the difference between the acquisition cost and the proportional carrying amount of the minority interest	Explanation of the treatment of stepwise acquisitions of equity interests (newly regulated in paragraph 21).
		New paragraph	73	The useful life of the goodwill or negative goodwill is determined separately for each acquisition of an equity interest.	Explanation of the treatment of stepwise acquisitions of equity interests (newly regulated in paragraph 21).
				ad paragraph 22	
		New paragraph	74	The pro rata goodwill or negative goodwill being disposed of is calculated and recognised in profit or loss for each disposal of an equity interest. This principle is applied analogously to positive and negative goodwill recognised in the balance sheet or offset against equity. The pro rata goodwill or negative goodwill is calculated in proportion to the equity interest disposed of.	Explanation of the treatment of disposals and stepwise disposals of equity interests (newly regulated in paragraph 22).

				ad paragraph 23	
		New paragraph	75	Compensation for future employment of the seller does not count as a component of the purchase price.	Addition made based on feedback from the consultation
		New paragraph	76	Adjusted goodwill/negative goodwill is amortised over the remaining useful life.	Addition made based on feedback from the consultation
ad paragraph 19				**ad paragraph 24**	
62	This Recommendation applies exclusively to the conversion of financial statements of a group entity in a local currency to the currency of group accounts and does not contain any guidance for the transactions in a foreign currency within the financial statements.	No changes	77	This provision applies exclusively to the translation of the financial statements of a group entity in a local currency into the currency of the consolidated financial statements and does not relate to the translation of transactions in a foreign currency within the financial statements of an individual entity.	No changes
63	All balance sheet items (with the exception of equity) are to be converted into the currency of the group accounts at the exchange rates at the balance sheet date.	No changes	78	All balance sheet items (with the exception of equity) are to be translated into the currency of the consolidated financial statements at the spot exchange rate at the balance sheet date.	No changes
64	The individual items in the income statement as well as the cash flow statement are converted to the currency of the group accounts at the average exchange rate for the period.	1. addition of "individual transactions" 2. translation of transactions also possible at the spot exchange rate	79	The items of the income statement, cash flow statement and individual transactions are translated into the currency of the consolidated financial statements at the average exchange rate for the period or, respectively, at the spot exchange rate at the date of the transaction.	Clarification made based on feedback from the consultation (it is allowed to convert specific transactions at the spot exchange rate on the transaction date). Improvement of the translation.
65	The conversion differences arising from the translation of the balance sheet items have no effect on the income statement and are recognised in the equity.	"conversion differences" replaced with "foreign currency differences"	80	Foreign currency differences arising from the translation of the balance sheet items have no impact on the income statement and are recognised in equity.	Consistency in wording
66	The difference between the conversion of the result according to the income statement and the result according to the balance sheet is recognised in the equity.	"conversion differences" replaced with "foreign currency differences"	81	The difference between the translation of the result of the period according to the income statement and the result according to the balance sheet is recognised in equity.	Consistency in wording
				ad paragraph 26	
		New paragraph	82	In case control of a subsidiary or significant influence over an associated entity are lost, the corresponding accumulated foreign currency differences recognised in equity arising from loans with equity character are to be reclassified to profit or loss.	The treatment of accumulated foreign currency translation differences in the event of disposals is now explicitly addressed.
		New paragraph	83	In the event of any repayment of intragroup loans with equity character, the accumulated foreign currency differences can either be reclassified to profit or loss on a pro rata basis or be left in equity.	Provision added as part of the feedback received during the consultation: explicit option for the recognition of accumulated foreign currency differences on the repayment of intragroup loans with equity character.

ad paragraph 21				**ad paragraph 27**	
67	As an example, differing business activities of the various group entities to be consolidated could give rise to objectively substantiated deviations from the uniformity principle. For example, work in progress of an engineering entity should be valued using different principles from that of a manufacturer engaged in mass production even if both use historical cost as a valuation basis.	1. "engineering entity" replaced with "construction company"	84	As an example, differing business activities of the various group entities to be consolidated could give rise to objectively substantiated deviations from the principle of uniformity. For example, work in progress at a construction company should be measured using different principles from that of a manufacturer engaged in mass production even if both use historical cost as a valuation basis.	Only textual adjustments
				ad paragraphs 28 and 29	
		New paragraph	85	The provisions of Swiss GAAP FER 20 – or if the core FER are applied, Swiss GAAP FER 2, paragraph 16 – are to be applied in conjunction with the impairment test.	Reference to applicable standard or relevant regulation for core FER users, respectively.
ad paragraph 34				**ad paragraph 38**	
68	The valuation bases generally applied in the consolidated financial statement, such as valuation at historical cost (acquisition cost or production cost) or at actual values must be disclosed. If necessary, the valuation principles for individual items have to be disclosed.	Textual adjustments	86	The valuation bases generally applied in the consolidated financial statements, such as valuation at historical cost (cost of acquisition or production) or at fair value must be disclosed. If necessary, the valuation principles for individual items shall be disclosed.	Only textual adjustment
ad paragraph 35				**ad paragraph 41**	
69	The disclosure regarding the consolidated balance sheet has to include significant balance sheet information for non-consolidated investments if the value of investments exceeds 20% of the group's equity.	Deleted			Deleted without replacement as of little relevance in practice.
70	Concerning associated entities, any goodwill recognised needs to be disclosed separately in the notes.	Deleted			Deleted without replacement as this provision is already covered by new FER 30/42.
ad paragraph 42				**ad paragraph 46**	
71	Net sales from goods and services by segments is only necessary when business sectors differ significantly. Geographical markets may comprise more than one country.	Conversion of the sentence structure	87	A breakdown of net sales from goods and services by segments is only necessary when business areas differ significantly. Geographical markets may comprise more than one country.	Only textual adjustments

First application of revised standard and transitional provisions				
		Regulation Transitional Provisions	This standard is to be applied for the first time to reporting periods starting on or after 1 January 2024. In accordance with the Swiss GAAP FER Framework, paragraph 30, in the event that accounting principles are changed previous-year figures are also to be adjusted. The previous-year statement is therefore to be adapted (restatement) as if the new principles had always been applied (retrospective method). I. For simplification purposes, paragraphs 0 to 0 (goodwill), paragraphs 0 and 0 (reclassification to profit or loss of accumulated foreign currency differences) and paragraph 31 (deferred taxes) do not have to be implemented retrospectively. The paragraphs listed are to be applied to acquisitions and disposals in reporting periods starting on or after 1 January 2024. II. When it is impracticable to determine the existing accumulated foreign currency differences as per the start of the reporting period starting on or after 1 January 2024 for each subsidiary, associated entity and intragroup loan with equity character, the user may apply a one-off exemption. If the exemption is used: a) it is assumed that the accumulated foreign currency differences are zero for all subsidiaries, associated entities and intragroup loans with equity character at the time this revised Recommendation is first applied and b) the profit or loss from the disposal of a subsidiary or associated entity and the repayment of an intragroup loan with equity character may not contain any foreign currency differences prior to the first application of this revised Recommendation and must take into account any currency differences that have arisen after this date and c) it must be disclosed in the notes that this exemption has been used. Early application of this Recommendation is permitted.	Guidelines for users regarding the transition from the existing Swiss GAAP FER 30 (2012) to the revised Swiss GAAP FER 30 (2022); selected were items that may lead to a significant additional effort for users and/or will lead to a restatement.