



JURISDICTIONAL PROFILE: **Switzerland**

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This Profile provides information about the application of IFRS® Accounting Standards (Standards) in Switzerland. The Standards are developed and issued in the public interest by the International Accounting Standards Board (IASB). The IASB is the standard-setting body of the IFRS Foundation (Foundation), an independent, private sector, not-for-profit organisation.

The Foundation has prepared this Profile based on information from various sources. The starting point was the answers provided by standard-setting and other bodies in response to surveys the Foundation conducted on the application of the Standards around the world. The Foundation drafted the profile and invited the respondents to the survey. The Foundation also invited others (including regulators and international audit firms) to review the drafts. Their comments are reflected in this Profile.

The purpose of the Foundation’s Jurisdictional Profiles is to illustrate only the extent of implementation of the Standards across the globe. The Profiles do not reflect the intellectual property licensing status of the Standards within any given jurisdiction. The Standards are protected by copyright and are subject to licensing arrangements agreed upon within their jurisdiction. For further information, please contact [permissions@ifrs.org](mailto:permissions@ifrs.org).

Profile last updated: 14 August 2019

**RELEVANT JURISDICTIONAL AUTHORITY**

Organisation	Swiss GAAP FER Foundation
Role of the organisation	Swiss GAAP FER Foundation is the standard-setting body for financial reporting standards providing a true and fair view.
Website	<a href="http://www.fer.ch">www.fer.ch</a>
Email contact	<a href="mailto:philipp.leu@fer.ch">philipp.leu@fer.ch</a>

**COMMITMENT TO GLOBAL FINANCIAL REPORTING STANDARDS**

Has the jurisdiction made a public commitment in support of moving towards a  Yes  No.

single set of high quality global accounting standards?

Has the jurisdiction made a public commitment towards IFRS Accounting Standards as that single set of high quality global accounting standards?

No.

What is the jurisdiction's status of adoption?

Switzerland has adopted IFRS for some companies.

Additional comments provided on the adoption status?

IFRS Standards as issued by the Board are accepted as a reporting standard for listed and unlisted companies.

The following table shows the financial reporting framework used by the 239 companies whose primary securities listings were on the SIX Swiss Exchange in August 2019:

Which GAAP?	Total companies	
<b>IFRS Standards</b>	133	56%
<b>Swiss GAAP FER</b>	78	33%
<b>US GAAP</b>	10	4%
<b>Bank law</b>	18	8%
<b>Total</b>	239	100%

If the jurisdiction has NOT made a public statement supporting the move towards a single set of accounting standards and/or towards IFRS Accounting Standards as that set of standards, explain the jurisdiction's general position towards the adoption of IFRS Accounting Standards in the jurisdiction.

Although a formal public statement has not been made, the Swiss Government accepts IFRS Standards as issued by the Board (in addition to the *IFRS for SMEs* Standard, US GAAP, IPSASs, and Swiss GAAP FER) as an acknowledged accounting framework in accordance with the Swiss Code of Obligations.

## EXTENT OF IFRS APPLICATION

*For DOMESTIC companies whose debt or equity securities trade in a public market in the jurisdiction:*

Are all or some domestic companies whose securities trade in a public market either required or permitted to use IFRS Accounting Standards in their consolidated financial statements?

Listed companies are permitted to use IFRS Standards.

If YES, are IFRS Accounting Standards REQUIRED or PERMITTED?

Permitted.

Does that apply to ALL domestic companies whose securities trade in a public market, or only SOME? If some, which ones?

All.

Are IFRS Accounting Standards also required or permitted for more than the consolidated financial statements of companies whose securities trade in a public market?

Yes, permitted. However, entities are still required to prepare separate financial statements under the Swiss Code of Obligations.

For instance, are IFRS Accounting Standards required or permitted in separate company financial statements of companies whose securities trade in a public market?

Listed companies that do not have to prepare consolidated financial statements because they do not have subsidiaries must prepare an additional set of separate company financial statements according to IFRS Standards, US GAAP or Swiss GAAP FER. Statutory separate company financial statements must also be prepared in accordance with the rules prescribed by the Swiss Code of Obligations; those statements are the authoritative basis for the distribution of dividends, for tax purposes, and for determining insolvency.

For instance, are IFRS Accounting Standards required or permitted for companies whose securities do not trade in a public market?

Companies whose securities do not trade in a public market are permitted to use IFRS Standards for their consolidated financial statements and (if they have no subsidiaries) for their separate company financial statements. Statutory separate company financial statements must be prepared according to the rules prescribed by the Swiss Code of Obligations; those statements are the authoritative basis for the distribution of dividends, for tax purposes, and for determining insolvency.

If the jurisdiction currently does NOT require or permit the use of IFRS Accounting Standards for domestic companies whose securities trade in a public market, are there any plans to permit or require IFRS Accounting Standards for such companies in the future?

Not applicable.

*For FOREIGN companies whose debt or equity securities trade in a public market in the jurisdiction:*

Are all or some foreign companies whose securities trade in a public market either REQUIRED or PERMITTED to use IFRS Accounting Standards in their consolidated financial statements?

Foreign companies whose securities trade in a public market in Switzerland are permitted to use IFRS Standards, US GAAP, IFRS Standards as adopted by the European Union, or Japanese GAAP. Foreign companies that issue only debt securities may use another GAAP if specified conditions are met; if the other GAAP is not the GAAP of an EU or EEA country, then a reconciliation of profit or loss and shareholders' equity to either IFRS Standards or US GAAP might be required.

If YES, are IFRS Accounting Standards REQUIRED or PERMITTED in such cases?

Permitted.

Does that apply to ALL foreign companies whose securities trade in a public market, or only SOME? If some, which ones?

All.

## IFRS ENDORSEMENT

Which IFRS Accounting Standards are required or permitted for domestic companies?

IFRS Standards as issued by the Board, ie standards and amendments are adopted as and when issued by the Board.

The auditor's report and/or the basis of presentation footnote states that financial statements have been prepared in conformity with:

IFRS Standards.

Does the auditor's report and/or the basis of preparation footnote allow for 'dual reporting' (conformity with both IFRS Accounting Standards and the jurisdiction's GAAP)?

Yes.

Are IFRS Accounting Standards incorporated into law or regulations?

According to the Regulation on Recognised Accounting Standards, listed companies are permitted to use IFRS Standards as issued by the IASB Board.

More information about the Regulation on Recognised Accounting Standards as it applies to public companies may be found on this FAQ from the SIX Swiss Exchange.

If yes, how does that process work? Standards and amendments are automatically adopted as and when issued by the Board.

If no, how do IFRS Accounting Standards become a requirement in the jurisdiction? Not applicable.

Does the jurisdiction have a formal process for the 'endorsement' or 'adoption' of new or amended IFRS Accounting Standards (including Interpretations) in place? No.

If yes, what is the process? Not applicable.

If no, how do new or amended IFRS Accounting Standards become a requirement in the jurisdiction? Standards and amendments are automatically adopted as and when issued by the Board.

Has the jurisdiction eliminated any accounting policy options permitted by IFRS Accounting Standards and/or made any modifications to any IFRS Accounting Standards? No.

If yes, what are the changes? Not applicable.

Other comments regarding the use of IFRS Accounting Standards in the jurisdiction? No.

## TRANSLATION OF IFRS ACCOUNTING STANDARDS

Are IFRS Accounting Standards translated into the local language? The IFRS Foundation makes available translations into French, German, and Italian, which can be used in Switzerland.

If they are translated, what is the translation process? In particular, does this process ensure an ongoing translation of the latest updates to IFRS Accounting Standards? Not applicable.

## APPLICATION OF THE IFRS FOR SMEs ACCOUNTING STANDARD

Has the jurisdiction adopted the *IFRS for SMEs* Accounting Standard for at least some SMEs? Yes. Where an SME is required by the Swiss Code of Obligations to prepare financial statements in addition to the statutory financial statements or chooses to do so, SMEs may use the *IFRS for SMEs* Standard. In addition, statutory financial statements must be prepared in accordance with the rules prescribed by the Swiss Code of Obligations; those statements are the authoritative basis for the distribution of dividends, for tax purposes, and for determining insolvency.

If no, is the adoption of the *IFRS for SMEs* Accounting Standard under consideration? Not applicable.

Did the jurisdiction make any modifications to the *IFRS for SMEs* Accounting Standard? No.

If the jurisdiction has made any modifications, what are those modifications?

Not applicable.

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Which SMEs use the *IFRS for SMEs* Accounting Standard in the jurisdiction, and are they required or permitted to do so?

Any SME is permitted to use the *IFRS for SMEs* Standard.

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For those SMEs that are not required to use the *IFRS for SMEs* Accounting Standard, what other accounting framework do they use?

Where an SME prepares consolidated financial statements or chooses to prepare financial statements in addition to the statutory financial statements, the SME may also use full IFRS Standards, US GAAP, Swiss GAAP FER, or any other GAAP.

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Other comments regarding use of the *IFRS for SMEs* Accounting Standard?

None.