

Swiss Comments to

CP Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities: Presentation in General Purpose Financial Reports

| Table of Content | Page |
|--|------|
| 1. Introduction | 1 |
| 2. Comments to Consultation Paper..... | 1 |
| 2.1. General Remarks | 1 |
| 2.2. Specific Matter for Comment 1 | 1 |
| 2.3. Specific Matter for Comment 2 | 1 |
| 2.4. Specific Matter for Comment 3 | 2 |
| 2.5. Specific Matter for Comment 4 | 2 |
| 2.6. Specific Matter for Comment 5 | 2 |
| 2.7. Specific Matter for Comment 6 | 3 |

1. Introduction

The Swiss Public Sector Financial Reporting Advisory Committee (SRS-CSPCP) was established in 2008 by the Swiss Federal Ministry of Finance together with the intercantonal Conference of Cantonal Finance Directors (Finance Ministers at the States level). One of its aims is to provide the IPSAS Board with a consolidated statement for all the three Swiss levels of government (municipalities, cantons and Confederation).

The SRS-CSPSP has discussed CP Conceptual Framework *for General Purpose Financial Reporting by Public Sector Entities: Presentation in General Purpose Financial Reports* and comments as follows.

2. Comments to Consultation Paper

2.1. General Remarks

The SRS-CSPCP supports the principle of this CP. It is however of the opinion that the proposed version is too theoretical and detailed. It is especially the case as for Chapters 5 and 6. These details are relevant and interesting for the Standard Setter and its future standard-setting activities. However they are not relevant for the user of the public sector accounting standards. Thus it would be useful to clearly make a distinction between the 2 levels of concern (users of the Standard and the Standard Setter).

2.2. Specific Matter for Comment 1

(a)

The SRS-CSPCP agrees with the proposed definitions and the relationships between those definitions.

(b)

The SRS-CSPCP believes nonetheless that the broad lines concerning core and supporting information must be contained in the Framework. The necessary specific and supporting information can be embedded in the individual Standards.

2.3. Specific Matter for Comment 2

(a)

The SRS-CSPCP agrees with the presentation concept. But it insists that, as proposed, the presentation concept is not limited only to the GPFSSs, but is also extended to the GPFRs.

(b)

The SRS-CSPCP agrees with this approach, but points out that (iii) is too detailed for the user of the Standard. If, however, the CP is addressed chiefly to the Standard Setter, the SRS-CSPCP agrees with this definition (including Item (iii)).

2.4. Specific Matter for Comment 3

(a)

The SRS-CSPCP agrees with the development of standards for the presentation of information.

(b)

As already stated under Question 1b), the SRS-CSPCP is of the opinion that the broad lines for the presentation of information should be contained in the Framework. Additional information can be embedded in the individual Standards.

2.5. Specific Matter for Comment 4

(a)

The SRS-CSPCP is of the opinion that none of these three issues should be excluded from the Conceptual Framework. However, the SRS-CSPCP believes that these must not be considered as "concepts". They are "issues" in essence, which must be considered by the Standard Setter without fail. We therefore propose replacing the title of Chapter 6 *Presentation Concepts* with *Issues to be addressed by the Standard Setters*. Indeed, the title *Presentation Concepts* gives falsely the impression that it is possible to choose one of these three "concepts". But it is essential that the Standard Setter deals with all three topics and that at the time when it specifies in the Standards where, how and what information is to be disclosed. The revised title makes clear that Chapter 6, which is more technical and less conceptual than the others, is addressed specially to the Standard Setter. In this way Chapter 6 provides the concrete guidelines for translating the elements presented in Chapters 1 to 3. This is quite useful since the content of Chapters 1 to 3 is rather abstract and theoretical.

(b)

The SRS-CSPCP agrees with the description of these *Issues to be addressed by the Standard Setter* (rather than *Presentation Concepts*).

2.6. Specific Matter for Comment 5

(a)

The SRS-CSPCP is of the opinion that the 3 proposed *Issues to be addressed by the Standard Setter* (rather than *Presentation Concepts*) are adequate.

(b)

An answer is not necessary.

2.7. Specific Matter for Comment 6

(a)

The SRS-CSPCP is of the opinion that it is neither useful nor workable to apply such detailed descriptions of presentation techniques in the Conceptual Framework. In the end these elements are addressed mainly to the body that sets up these standards, namely the IPSAS Board. Moreover, such presentation techniques are frequently specially tailored to the topics of the individual Standards. This is the reason why they must be listed only as examples in the Framework Concept. Furthermore, it is important in the Framework Concept to emphasise that the techniques mentioned are mentioned only as examples.

(b)

An answer is not necessary.

Lausanne, May 29, 2012