

Rådet **för** **finansiell rapportering**

The Swedish Financial Reporting Board

RFR-rs 2014:08

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

Dear Sirs,

Re: IASB Exposure Draft ED/2014/1 Disclosure Initiative

The Swedish Financial Reporting Board is responding to your invitation to comment on the Exposure Draft on Disclosure Initiative.

We support that the IASB addresses some disclosure issues as proposed amendments to IAS 1. Basically we agree with the intentions behind the proposals, however, we propose some minor adjustments as discussed below.

General issues of materiality and aggregation

We support the proposal that an entity shall not aggregate or disaggregate information that obscures useful information (§30A). We welcome the clarification that an entity need not provide a specific disclosure required by an IFRS if the information is not material (§31). We believe that the issue of materiality essentially is entity-specific and a matter of professional judgement and that general references to materiality should be avoided, but that it may be made in specific cases, and that a clarification is justified here. Regarding the requirement that an entity shall consider whether information needs to be presented or disclosed to meet the needs of users even if that information is not included in the specific disclosure requirements (§31), we agree in principle but would prefer another wording, since an entity could hardly be expected to anticipate every use by every user. Furthermore, we think it should be clarified that a statement of financial position shall include a listed line item (§54) only if it is material. Our interpretation of the draft §54 is, as currently expressed, that a listed line item must always be presented regardless if the recognized value is not material due to the use of the word "shall".



Rådet **för** **finansiell rapportering**

Subtotals in the individual financial reports

Regarding subtotals in the statement of financial position and in the statement of profit and loss, we agree with the proposals in §55A and §85A respectively, but think that related to the requirement of consistency there should be a reference to IAS 8 to enable a change if circumstances change.

Structure of the notes

We support that notes could be structured either by the financial statements or by topic e.g. grouping all notes about financial instruments together, and that an entity shall cross-reference each item in the financial reports to any related information in the notes (§115).

Disclosure of accounting policies

We further support that accounting policies could be disclosed either grouped together in a single note or spread out as part of other notes. We also believe that it should be pointed out that there is a need for entity-specific information about the application of the standards, not only repeating the wording of the standards.

Presentation of items of OCI arising from equity-accounting investments

We agree that other comprehensive income arising from equity-accounting investments shall not be presented in separate line items by nature in the statement of other comprehensive income (only presenting the part that may be reclassified separately from the part that will not be reclassified). Equity-accounting investments are different from assets and liabilities that the entity controls and on balance it is justified to group the components of other comprehensive income related to them together.

If you have any questions concerning our comments please address our Executive member Claes Janzon by e-mail to: claes.janzon@radetforfinansiellrapportering.se

Stockholm, 19 June 2014

Yours sincerely


Anders Ullberg
Chairman