

PRACTICE DIRECTION NO. 3 OF 2008

FILING OF FINANCIAL STATEMENTS IN XBRL: EXTENSION OF OPTION “A” AND “B” FILINGS AND REVISIONS TO ACRA TAXONOMY

1. This Practice Direction seeks to update companies on the progress on the filing of financial statements in eXtensible Business Reporting Language (XBRL) and the position on Partial XBRL (Option B) filings for filings to be done on or after 1 November 2008.

Background

2. On 30 April 2007, ACRA issued Practice Direction No. 2 of 2007 entitled “Filing of Financial Statements with ACRA in XBRL” (“PD 2 of 2007”) wherein selected Singapore incorporated companies which are either limited by shares or unlimited are required to file their financial statements in XBRL on or after 1 November 2007 in respect of financial periods ending on or after 30 April 2007. The 2 filing options available to such companies are:

- (a) Filing a full set of financial statements in XBRL (i.e. Full XBRL or Option A); or
- (b) Filing only its Balance Sheet and Income Statement in XBRL (i.e. Partial XBRL or Option B).

3. PD 2 of 2007 also states that the arrangement to allow Partial XBRL (Option B) is applicable from 1 November 2007 to 31 October 2008 and ACRA will review the position after one year of implementation.

4. From 1 November 2007 to 30 September 2008, a total of 8,788 financial statements or 26% were filed with ACRA in Full XBRL whilst a total of 25,193 or 74% of the financial statements were filed with ACRA in Partial XBRL.

Filing Options

Extension of Filing Option A (Full XBRL)

5 Up to now, a company which chooses to file its full set of financial statements in Full XBRL (Option A) for its Annual Return (AR) would have to use

FS Manager to prepare its full set of financial statements for tabling at the Annual General Meeting¹ (AGM).

6. To encourage more Singapore incorporated companies to prepare and file the full set of financial statements in XBRL, with immediate effect, ACRA will also allow a company that had used FS Manager to prepare a full set of financial statements identical in content to the full set of financial statements tabled at the AGM¹ to file under Full XBRL.

Continuation of Filing Option B (Partial XBRL)

7. During the last 11 months since implementation of XBRL filing, ACRA has continued to receive feedback from preparers and filers on the initiative. ACRA has also conducted its own reviews on the financial statements filed in XBRL. Following these feedback and reviews, ACRA came up with a list of “Common Findings” and posted them on the FS Manager website. ACRA is also aware of the developments relating to the Financial Reporting Standards, especially the impending changes to Financial Reporting Standard (FRS) 1 *Presentation of Financial Statements* applicable to Singapore incorporated companies, effective for annual periods beginning on or after 1 January 2009, and the standards’ continual evolution both locally and internationally.

8. Whilst the long term strategic goal of ACRA remains to achieve one full set of financial statements in one open standard format (i.e. XBRL), in view of the above observations and reasons, ACRA has decided to extend Partial XBRL option for filings done beyond 1 November 2008.

9. For Partial XBRL filing, filers will continue to file in XBRL the Balance Sheet, Income Statement and the information denoted by a red asterisk in the FS Manager.

Continuation of Filing Option C (Full PDF Format)

10. Companies which are not required to file their accounts in XBRL format will continue to file in Option C on or after 1 November 2008 as per paragraphs 5.5 to 5.7 of the Practice Direction No. 5 of 2007.

¹ For the case of a private company which has dispensed with holding an AGM, the full set of financial statements of the company in XBRL will be the full set of financial statements which was sent to the shareholders of the company.

Waiver of Penalties when filing in Full XBRL

11. ACRA will continue to not impose any penalty on companies other than public listed companies² if the company is filing its financial statements in Full XBRL (Option A)³ under the following circumstances:

- (a) where the AGM is held not more than one month after the prescribed period under Section 175 of the Companies Act (Chapter 50); or
- (b) where the delay in laying the financial statements before the shareholders is not more than one month after the prescribed period under Section 201 of the Companies Act (Chapter 50).

provided the AR is filed within one month from the period so extended under (a) or (b).

12. For a company that has held its AGM and laid its financial statements before the shareholders within the prescribed period, likewise, ACRA will also not be imposing any late penalty if it files its financial statements in Full XBRL (Option A) provided the AR is filed not more than one month after the period within which the AR is required by law to be filed under Section 197 of the Companies Act (Chapter 50).

Public Consultation on Revisions to ACRA Taxonomy

13. The Accounting Standards Council of Singapore has adopted a revised version of FRS 1 *Presentation of Financial Statements* applicable to Singapore incorporated companies, effective for annual periods beginning on or after 1 January 2009, with earlier application permitted. In response to this, ACRA has introduced revisions necessary to the current ACRA Taxonomy to incorporate the revisions to FRS 1. The revisions to the ACRA Taxonomy have been released for public consultation on 13 October 2008⁴. The consultation will end on 12 December 2008.

14. ACRA has also released guidance materials on its website under the subject matter “Preparing and Filing of Financial Statements (XBRL) - Changes to Singapore Financial Reporting Standards Affecting ACRA Taxonomy after 31

² Those listed or quoted on a securities exchange in Singapore or outside Singapore.

³ i.e. for financial periods ending on or after 30 April 2007

⁴ The consultation paper is available at http://www.acra.gov.sg/Publications/Public_Consultation_Papers.htm

October 2007⁵”. Companies which have decided on early adoption of the revised version of FRS 1 before the effective date should refer to the guidance materials when preparing and filing their financial statements in XBRL.

Related Practice Directions

15. The related Practice Directions are:

- (a) Practice Direction No. 2 of 2007 - Filing of Financial Statements with ACRA in XBRL; and
- (b) Practice Direction No. 5 of 2007 - New Annual Return Form and Filing of Financial Statements in XBRL wef 1 November 2007.

Further Clarification

16. This Practice Direction will remain until further notice. For further enquiries, please visit our interactive web service at <http://www.acra.gov.sg/askacra> under the subject matter “XBRL” or you may contact ACRA’s Helpdesk at 6248 6028.

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⁵ The website is located at

http://www.acra.gov.sg/Services/Company/Changes_to_Singapore_Financial_Reporting_Standards.htm