

## **PRACTICE DIRECTION NO. 4 OF 2009**

### **FILING OF FINANCIAL STATEMENTS IN XBRL: CHANGES FOLLOWING FINANCIAL REPORTING STANDARDS REVISIONS**

1. This Practice Direction seeks to inform companies on the changes that will be made to the filing of financial statements in XBRL<sup>1</sup>, following the adoption of Singapore Financial Reporting Standards (FRS) applicable for financial periods beginning on or after 1 January 2009, specifically, the revised version of FRS 1 *Presentation of Financial Statements* (Revised FRS 1).

#### **Background**

2. The Accounting Standards Council has issued on 28 March 2008, the revised FRS 1 for Singapore incorporated companies, effective for annual periods beginning on or after 1 January 2009, with earlier application permitted.

#### **Changes in Revised FRS 1**

3. The revised FRS 1 uses the terms “statement of financial position” and “statement of cash flows” to replace “balance sheet” and “cash flow statement” respectively, to reflect more closely the function of these two statements. The revised FRS 1 also requires all items of income and expense to be presented in one statement (a statement of comprehensive income) or in two statements (a separate income statement displaying components of profit or loss, and a second statement of comprehensive income beginning with profit or loss and displaying components of other comprehensive income).

#### **Changes to Filing of Financial Statements in XBRL**

##### Changes to Annual Return Filing Options

4. With the above revision, companies filing under Partial XBRL (Option B) will file the minimum of its Statement of Financial Position, Statement of Comprehensive Income (and where applicable, its Income Statement<sup>2</sup>) and the other mandatory filing information (as denoted by a red asterisk) in the FS Manager in XBRL.

5. Companies filing under Full XBRL (Option A) will file a full set of financial statements in XBRL based on the revised FRS 1.

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<sup>1</sup> XBRL stands for eXtensible Business Reporting Language.

<sup>2</sup> The Income Statement needs to be filed only in the case where the company has presented all items of income and expense in two statements, namely the Statement of Comprehensive Income and the Income Statement.

## Enhancements to the FS Manager

6. With effect from 31 August 2009, preparers will need to select either the current or revised ACRA Taxonomy<sup>3</sup> before proceeding with the preparation of the financial statements in XBRL using FS Manager. The FS Manager will be enhanced to include a function for preparers to select the appropriate version of the ACRA Taxonomy, which will render the corresponding presentation of forms based on the selection made.
7. Users can thus continue to prepare and file financial statements with financial periods ending on or after 30 April 2007 with the revised FS Manager.
8. The FS manager will also be enhanced to provide a “printer-friendly” feature, which will allow preparers to print out the information<sup>4</sup> they have entered into the forms of FS Manager.

## **Continuation of Existing Arrangements**

9. Practice Direction No. 3 of 2008 states that the arrangement to allow Partial XBRL (Option B) and waiver of penalties when filing in Full XBRL (Option A) will remain until further notice. ACRA has reviewed the first full year adoption of the XBRL filing in Singapore. There has been good voluntary adoption of companies filing the full XBRL option (Option A). ACRA will continue to monitor the progress and further facilitate the ease of companies adopting the full filing option. ACRA has thus decided to continue the arrangement of allowing both filing options and the waiver of penalties when filing in Full XBRL (Option A) as set out in Practice Direction No. 3 of 2008 until further notice.
10. ACRA also wishes to highlight the definition of the Full XBRL (Option A) Annual Return filing option. A company shall only file its financial statements under Full XBRL (Option A) for its Annual Return only under the following two scenarios:
  - (a) The company had used the FS Manager to prepare the full set of financial statements for tabling at the Annual General Meeting (AGM)<sup>5</sup>; or
  - (b) The FS Manager is used to prepare a full set of financial statements identical in content to the full set of financial statements tabled at the AGM<sup>5</sup>.

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<sup>3</sup> Different versions of ACRA Taxonomy are applicable based on the adoption of the various FRS by the companies. Explanatory notes on the various ACRA Taxonomy versions are available in the FS Manager.

<sup>4</sup> Preparers will be able to print out all information that has been entered into the forms of FS Manager, except the notes to the financial statements.

<sup>5</sup> For the case of a private company which has dispensed with holding an AGM, the full set of financial statements will be that sent to the shareholders of the company.

## **Related Practice Directions**

11. The related Practice Directions are:

- (a) Practice Direction No. 2 of 2007 - Filing of Financial Statements with ACRA in XBRL;
- (b) Practice Direction No. 5 of 2007 - New Annual Return Form and Filing of Financial Statements in XBRL wef 1 November 2007; and
- (c) Practice Direction No. 3 of 2008 - Filing of Financial Statements in XBRL: Extension of Option “A” and “B” Filings and Revisions to ACRA Taxonomy

## **Further Clarification**

12. 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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Registrar of Companies and

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SINGAPORE