

Annex A – Information on ACRA XBRL Revamp (March 2013 Public Consultation)

Background Information

- A.1 XBRL was first implemented in 2007 for corporate financial reporting to enable a pro-enterprise financial reporting environment for businesses in Singapore and a value-enhancing information flow to the local and international business community. ACRA XBRL Revamp exercise seeks to build on this foundation to further enhance our financial statements reporting process.
- A.2 ACRA XBRL Revamp exercise commenced in 2011 and ACRA engaged a consortium of members from the private sector to tap on their industry experience. The members in the consortium are:
- CrimsonLogic Pte Ltd, an experienced IT solutions provider in delivering nationwide, mission-critical e-Government projects;
 - Deloitte & Touche Enterprise Risk Services Pte Ltd, one of the “Big 4” accounting firms, which has extensive local financial reporting expertise and international experience in taxonomy development; and
 - IRIS Business Services Limited, which has expertise in developing taxonomies and building XBRL-enabled e-filing platforms for regulators worldwide.
- A.3 Meeting and balancing two key stakeholders’ needs have been identified as the guiding principles in ACRA XBRL Revamp exercise. They are:
- Consumers: Increasing the breadth and depth of XBRL data in meeting the needs of consumers of financial information.
 - Preparers: Facilitating the preparation and filing of XBRL financial statements by preparers of financial statements.
- A.4 ACRA and the consortium, with the help of professional bodies¹, undertook a needs requirements study with stakeholders along the financial reporting supply chain from January to April 2012. Questionnaires were sent out and focus group discussion sessions were conducted to gather the feedback of participants. Over 80 organisations participated and their breakdown is elaborated as follows:
- Consumers, comprising accounting firms, banks, companies, information retailers and a tertiary institution. Findings from the questionnaires and focus group discussion sessions were supplemented with informal discussions, research on annual reports and applicable market research reports;

¹The professional bodies who assisted in the needs and requirements study are Association of Banks (ABS), Institute of Certified Public Accountants (ICPAS), Singapore Association of the Institute of Chartered Secretaries and Administrators (SAICSA) and Singapore Business Federation (SBF).

- Government agencies;
- Preparers, comprising accounting firms, corporate secretaries and companies' officers; and
- Accounting software vendors.

A.5 Subsequent to the needs requirements study, a public consultation was conducted in May 2012 on the proposed revisions to the XBRL filing requirements and Exposure Draft ("ED") ACRA Taxonomy 2012. Beside the response paper which was published in Nov 2012 in response to the feedback gathered, ACRA has also revised the dates of upcoming milestones for implementation of the enhanced XBRL filing system (including the revised filing requirements). They are as follow:

- Focus group testing and public consultation on new XBRL preparation tool are scheduled during the first quarter of 2013 (which is where we are at currently);
- The revised XBRL filing requirements, ACRA Taxonomy and BizFinx XBRL preparation tool are scheduled for public release during the second quarter of 2013; and
- Implementation of enhanced XBRL filing system (including revised filing requirements) is scheduled during the second half of 2013.

Revised XBRL Filing Requirements

Who is required to file

A.6 Under the revised XBRL filing requirements, all Singapore incorporated companies, which are either unlimited or limited by shares and are required to file financial statements with ACRA, will be required to file a **full set of financial statements in XBRL** according to a **minimum tagging list** within the new ACRA Taxonomy. Upon implementation of the enhanced XBRL filing system during the second half of 2013, filing in Option B will no longer be available and the revised XBRL filing requirements will be applicable for companies submitting financial statements with financial periods ending on or after 30 April 2007.

A.7 As the new ACRA Taxonomy is designed for general purpose usage, ACRA understands that there may be more information (e.g. industry specific disclosures) or different presentation on the company's AGM financial statements as compared to the new ACRA Taxonomy. In such scenarios where the AGM financial statements are presented differently as compared to the XBRL financial statements, companies must also file their AGM financial statements in PDF.

A.8 The following types of companies are exempted from filing their full set of financial statements in XBRL, and will file their AGM financial statements in PDF with **Financial Statements Highlights in XBRL** instead:

- Companies under the scope of (1) Commercial Banks; (2) Merchant Banks; (3) Registered Insurers; and (4) Finance Companies, that are regulated by the Monetary Authority of Singapore;
- Companies allowed by law to prepare accounts in accordance with accounting standards other than SFRS, SFRS for Small Entities and IFRS (International Financial Reporting Standards).

A.9 The following table provides a summary of revised filing requirements for the different types of Singapore incorporated companies

Type of Singapore Incorporated Companies	Financial Year End (FYE)	What To File Under Revised Filing Requirements
Companies other than solvent Exempt Private Companies (EPCs) * <i>(i.e. insolvent EPCs, EPC required by law to file accounts, voluntary filing, private companies, public companies)</i>	FYE ending before 30 April 2007	Full set of financial statements in PDF and Financial Highlights in Annual Return
	FYE ending on or after 30 April 2007	Full set of financial statements in XBRL
Solvent EPCs	-	Not required to file financial statements with ACRA. However, solvent EPCs are encouraged to file either the full set of financial statements in XBRL or Financial Statements Highlights. Incentives will be made available to encourage filings by solvent EPCs
Companies limited by guarantee	-	AGM financial statements in PDF
Foreign companies	-	AGM financial statements in PDF

What is the minimum tagging list

A.10 The minimum tagging list is a set of elements within the ACRA Taxonomy which companies are required to file if the information is available in the AGM financial statements. Companies may choose to report more information in XBRL than the minimum tagging list.

A.11 Companies shall map elements in the AGM financial statements to the elements in the minimum tagging list. Additional elements that are not found in the minimum tagging list may be classified under the “others” category (i.e. other current assets, other non-current assets, other current liabilities, other non-current liabilities, other income, other expenses) in the respective sections of the financial statements. Aggregation may be involved in this process of mapping and when that happens, footnotes will need to be created to explain the aggregation and the associated elements involved.

A.12 The minimum tagging list within the ACRA Taxonomy is designed based on a needs-driven principle, which means they are included only if they are sought after by consumers of financial information. A comprehensive cost-benefit analysis weighing the interests of all stakeholders was conducted before the minimum tagging list was derived.

- A.13 The minimum tagging list comprises a combination of
- a text block element to allow companies to file their entire set of AGM financial statements and
 - detailed information elements to allow companies to submit information within individual sections of the financial statements. An example of detailed information element required within the independent auditors’ report is “Whether there is any modification to the audit opinion”.

The sections which detailed information are required to be submitted are as follow:

Statutory reports	
Independent Auditors’ Report	Statement by Directors
Primary Financial Statements	
Income Statement	Statement of Financial Position
Statement of Income and Retained Earnings (for SFRS for Small Entities only)	Statement of Cash Flows

Disclosure notes	
Corporate and general information	Investments in subsidiaries
Trade and other receivables	Investments in joint ventures
Inventories	Investments in associates
Property, plant and equipment	Government grants
Trade and other payables	Operating lease arrangements
Provisions	Finance leases liabilities
Revenue	Share capital
Profit after tax (selected income and expense items)	Operating segments
Related party	Employee benefits expense

Training and Help Resources

A.14 ACRA understands that stakeholders, especially the preparers of XBRL financial statements may require time to adjust to the revised XBRL filing requirements. As such, we will be providing a series of resources to assist in the transition period.

Training

A.15 To familiarise companies in the use of the new preparation tool, ACRA will be rolling out a series of subsidised training seminars. These seminars are expected to be available upon the launch of the new preparation tool for one year after the effective implementation date of the revised XBRL filing requirements. At the same time, ACRA is also working closely with training partners to ensure the availability of training courses on the revised XBRL filing requirements and new XBRL preparation tool.

More time to Hold AGM or file Annual Return

A.16 ACRA will be providing companies other than public listed companies² more time to hold their AGM and to file their Annual Return. This will only be applicable for companies filing a full set of financial statements in XBRL during the first year of implementation of the revised XBRL filing requirements.

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

A.17 All companies other than public listed companies filing a full set of financial statements in XBRL will be eligible for one month extension under the following Companies Act requirements:

- (a) To hold AGM under Section 175 of the Companies Act; and
- (b) To lay the financial statements before the shareholders under Section 201 of the Companies Act.

A.18 For a company that has not enjoyed the extension of time granted in paragraph A.17 and holds its AGM and laid its financial statements before the shareholders within the prescribed period in Companies Act, ACRA will not be imposing any late penalty if it files a full set of financial statements in XBRL, provided the Annual Return is filed not more than one month after the period within which the Annual Return is required by law to be filed under Section 197 of the Companies Act.

Dictionary of Synonyms of ACRA Taxonomy Items

A.19 Companies enjoy flexibility in their financial reporting, such as the use of various accounting terms with same accounting meaning in their financial statements. For example, Property, Plant and Equipment will sometimes be used interchangeably as Fixed Assets or Plant and Equipment or Long-Term Tangible Assets. To assist companies to prepare their financial statements in XBRL accurately, ACRA will be publishing a dictionary that provides suggestions on the synonyms of taxonomy items.

Other Help Resources

A.20 Help guides will be made available to provide ready reference to preparers on how to use the taxonomy and preparation tool to submit a proper set of financial statements in XBRL.

A.21 An architecture guide primarily for people proficient in XBRL, as well as software developers, will also be available. It will describe how the ACRA Taxonomy has been created, and provides an explanation for the rationale of the architecture decisions. It will also describe the naming conventions used for the elements within the taxonomy.

A.22 ACRA is engaging accounting software vendors that are keen to develop XBRL capabilities in their products and will provide them with useful resources for their development. This includes a validation Application Programming Interface (API) that accounting software vendors can integrate into their products for validating XBRL instances generated from their software packages.

A.23 As for companies that prefer a more personal touch by being able to speak to an officer directly, ACRA will also be maintaining a dedicated helpdesk trained to address enquiries relating to XBRL filing. Companies may also refer to the frequently asked questions under “ASK ACRA”, to find answers to their XBRL related enquiries.

Seeing the benefits of XBRL filing

A.24 Since the implementation of financial statements filing in XBRL in 2007, the standardised and tagged data has provided many useful data for financial analysis. In sharing the benefits of XBRL filing with companies, ACRA will be providing free data analysis based on the repository of XBRL data companies filed with the Registrar, for all companies filing full set of financial statements in XBRL or Financial Statements Highlights with us. Using a set of financial ratios (E.g. Net profit margin, Return on assets), data analysis may be provided in the following ways:

- Companies can choose three peer companies for competitive performance comparison.
- Companies can assess their own financial performance using trend analysis over a period of up to 5 years.