



10 Anson Road #05-01/15, International Plaza, Singapore 079903
Telephone: (65) 6227 8551 Fax: (65) 6225 1676 www.acra.gov.sg

MEDIA RELEASE

SUMMARY OF RESPONSE TO FEEDBACK FROM PUBLIC CONSULTATION ON PROPOSED ENHANCEMENTS TO ACRA'S ONLINE FILING SYSTEM FOR CORPORATE FINANCIAL STATEMENTS

Singapore, 14 Nov 2012 – From 14 May to 11 June 2012, the Accounting and Corporate Regulatory Authority (ACRA) invited members of the public to give feedback on proposed enhancements to ACRA's online filing system for corporate financial statements which leverages on XBRL (eXtensible Business Reporting Language¹) {commonly known as "XBRL filing"}

Background

2 The proposed enhancements aimed to further facilitate the filing process for businesses, and expand the taxonomy used for XBRL filing which will improve the quality of financial statements information filed in XBRL with ACRA.

3 Feedback was sought on two key areas (a) proposed revisions to XBRL filing requirements, and, (b) Exposure Draft (ED) ACRA Taxonomy 2012. A total of 15 written submissions were received from various stakeholders, including government agencies, professional bodies, accounting firms and individual companies. ACRA also sought feedback at four public seminars attended by over 600 participants in May and June 2012. The seminars were organised with support from professional bodies such as the Institute of Certified Public Accountants of Singapore (ICPAS), the Singapore Association of the Institute of Chartered Secretaries and Administrators (SAICSA) and the Singapore Business Federation (SBF). When evaluating the feedback, ACRA sought to take a balanced approach that would address both the needs of consumers / users of financial statements and preparers of financial statements filed in XBRL format. For consumers, the enhanced XBRL filing system aims to increase the breadth and depth of financial statements data and

¹ eXtensible Business Reporting Language (XBRL) is an international standard language for communicating business data. XBRL enhances the business and regulatory environment by providing greater transparency and efficiency to both regulators and information users.

thus further improve the quality and comparability of the financial information. This in turn facilitates companies in their data analysis and business decision making. For preparers, the enhanced XBRL filing system will facilitate their preparation and filing of financial statements in XBRL.

4 ACRA implemented XBRL filing for financial statements submission in 2007. Annually, close to 60,000 corporate financial statements are filed with ACRA in XBRL format. Apart from improving the quality of financial statements data, XBRL filing also enables greater transparency in terms of financial information being released. This in turn promotes a more conducive business environment and enhances the trustworthiness and rigour of Singapore in the global marketplace.

Summary of Feedback and Responses

On the additional efforts needed to file in the enhanced XBRL system

4 Whilst there was support for the proposed enhancements to the XBRL filing system that would raise the quality of financial statements information filed, several respondents also highlighted that additional effort such as sufficient skills and some accounting know how, will be required on the part of preparers.

5 ACRA understands the concerns raised and would like to emphasise that the proposed enhancements to the XBRL system will ultimately benefit the business community. This will further improve the access to quality financial statements information which is essential for businesses and investors to making informed decisions. To help preparers adjust to the proposed enhancements of the XBRL filing system, a range of support and resources will be made available to the business community and preparers. This includes:

- A new preparation tool to enable businesses to prepare their XBRL financial statements offline, with the ability to make use of existing financial statements in MS Word/Excel format. This preparation tool will be available at no cost to the preparers;
- Subsidised training seminars on the revised XBRL filing requirements and the new XBRL preparation tool will be provided. ACRA will also be working with training partners to ensure the availability of training courses on the revised XBRL filing requirements and new XBRL preparation tool;
- Help guides to provide preparers with ready reference on how to file under the revised XBRL filing requirements and the use of the XBRL preparation tool;

- ACRA will engage accounting software vendors that are keen to develop XBRL capabilities in their products and 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.
- More time for companies to prepare a full set of financial statements in XBRL. During the first year of implementation, no penalty will be imposed on non public-listed companies if they hold their Annual General Meeting (AGM) or file Annual Return within one month after the prescribed period in Companies Act.

On the Flexible versus Fixed Format of Presentation for Financial Statements

6 Mixed feedback was received on whether companies should continue to be allowed flexibility in the presentation of their financial statements or be required to follow a fixed template prescribed by ACRA. Some respondents preferred a fixed format including a consistent naming terminology between financial statements presented for purposes of AGM and XBRL filing. Others preferred flexibility that would allow them to customise the description of the elements used in their AGM financial statements and those used in the XBRL financial statements to reflect similarity as these are the preferred description by the management.

7 In evaluating the feedback, ACRA took reference from the SFRS (Singapore Financial Reporting Standards) and SFRS for Small Entities, which are, principle-based accounting standards. Thus, flexibility is given to the companies in determining their financial statements presentation. Hence, ACRA will not be prescribing a fixed template for financial statements preparation for all companies.

On a “One-Size” Fits All Taxonomy

8 Respondents also highlighted concerns with a standard taxonomy as this will require additional effort for the preparers. There were also suggestions for the ACRA Taxonomy 2012 to cater for unique presentation format such as ‘hybrid’ presentation (e.g. company disclosing cost of goods sold with depreciation expense on income statement). To allow flexibility in disclosure of data elements, some respondents requested ACRA to reinstate the usage of user-described fields within ACRA Taxonomy 2012.

9 Taking into account the feedback, the revised XBRL filing requirements and the new XBRL preparation tool will allow for the following flexibility to the preparers:

- Usage of company-specific labels; and

- Re-ordering of elements within categories, e.g. for Statement of Financial Position by liquidity.

10 In addition, ACRA will draw up a list of accounting synonyms to assist preparers in mapping different accounting terms with the same meaning. As the ACRA Taxonomy 2012 is designed to comply with the Companies Act and the prescribed Singapore accounting standards namely the SFRS and SFRS for Small Entities, 'hybrid' presentation, which is not consistent with the accounting standards, would not be catered for. As for the feedback on re-instating user-described fields, it was observed that such fields result in data comparability issues for the consumers. The alternative of allowing for companies' extension taxonomies would, on the other hand, mean that the preparers will need to be equipped with specialised XBRL knowledge. As such, ACRA has decided to remove the user-described fields and adopted a closed taxonomy that does not allow preparers to add or define their own company specific elements. Instead, ACRA will incorporate data elements commonly used in financial statements, on top of what is required in the accounting standards to allow preparation of most financial statements without the need to create new elements.

11 The summary report of the feedback received, and ACRA's responses to the feedback are at Annex A. It is also available for download at www.acra.gov.sg.

Projected Timeline in Developing the Enhanced XBRL System

12 ACRA would like to take this opportunity to thank our stakeholders including our professional partners and members of the business community who had taken their time to respond to this public consultation. We also extend our appreciation to all who attended the seminars to hear more about the proposed enhancements and provided their feedback thereafter.

13 ACRA will now work towards implementing the new enhanced XBRL filing system in late 2013. As part of the next stage of development, ACRA will hold focus group testing and public consultation on the new XBRL preparation tool in the first quarter of 2013. Following which, details of the revised XBRL filing requirements, new ACRA Taxonomy 2012 and the finalised new XBRL preparation tool will be made known to the public in the second quarter of 2013.

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For media enquiries, please contact:

Eileen Ng
Manager, Corporate Communications
DID: 6372 4271
Email: Eileen_ng@acra.gov.sg

About ACRA

The Accounting and Corporate Regulatory Authority (ACRA) is the national regulator of business entities and public accountants in Singapore. ACRA also plays the role of a facilitator for the development of business entities and the public accountancy profession.

The mission of ACRA is to provide a responsive and trusted regulatory environment for businesses and public accountants. As at 31 October 2012, 405,307 business entities and 989 public accountants practising in public accounting firms, accounting limited liability partnerships and accounting corporations are registered with ACRA.

For more information, please visit www.acra.gov.sg

ANNEX A



May 2012 Public Consultation On ACRA XBRL Revamp 2012

RESPONSE PAPER

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1. Executive Summary

XBRL was 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. Building on this foundation, the Accounting and Corporate Regulatory Authority (ACRA) embarked on a revamp exercise on XBRL implementation to further enhance our financial statements reporting process. This revamp includes revisions to XBRL filing requirements, the ACRA Taxonomy as well as the XBRL filing system. ACRA released these proposed revisions in a public consultation paper for public feedback from 14 May to 11 June 2012.

During the public consultation period, a total of 15 written submissions were received from various stakeholders, including government agencies, professional bodies, accounting firms and individual companies. Feedback received from four outreach seminars conducted by ACRA during the period was also considered as part of the public consultation. The feedback received can be broadly segregated into the following areas:

- (a) Revised XBRL filing requirements;
- (b) Exposure Draft (ED) ACRA Taxonomy 2012 and minimum tagging list; and
- (c) How ACRA can facilitate preparation and submission of XBRL Financial Statements.

Taking into consideration the feedback received, ACRA will revise the dates of the upcoming milestones for implementation of the enhanced XBRL filing system (including the revised filing requirements). They are as follow:

- (a) Focus group testing and public consultation on new XBRL preparation tool are scheduled during the first quarter of 2013;
- (b) The revised XBRL filing requirements, ACRA Taxonomy 2012 and new XBRL preparation tool are scheduled for public release during the second quarter of 2013; and
- (c) Implementation of enhanced XBRL filing system (including revised filing requirements) is scheduled during the second half of 2013.

ACRA would like to thank all who had taken the time to provide their feedback during this public consultation. We look forward to continuing the partnerships with all our stakeholders in the upcoming milestones for this XBRL Revamp.

2. Background Information

In 2007, XBRL was first implemented 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. Building on this foundation, the Accounting and Corporate Regulatory Authority (ACRA) embarked on a revamp exercise on XBRL implementation to further enhance our financial statements reporting process. A needs requirements study was conducted with over 80 stakeholders from the financial reporting supply chain from January to April 2012.

Based on results from the study, the feedback gathered since ACRA's XBRL implementation in 2007 as well as international XBRL developments, ACRA released the proposed revisions in XBRL filing requirements and Exposure Draft (ED) ACRA Taxonomy 2012, in a public consultation paper for public feedback from 14 May to 11 June 2012.

The objectives of the public consultation were as follow:

- To explain ACRA's considerations in coming up with the proposed revisions to XBRL filing requirements and the design principles for ED ACRA Taxonomy 2012;
- To seek comments from stakeholders involved in the corporate financial reporting process (i.e. accounting firms, preparers of financial statements and consumers of financial information) on the revised XBRL filing requirements; and
- To invite feedback on whether ED ACRA Taxonomy 2012 fully and accurately reflected the disclosures requirements in Singapore Financial Reporting Standards (SFRS).

The approach of this public consultation focused on raising awareness and gathering feedback to the proposals in the XBRL Revamp 2012, especially on the revised XBRL filing requirements and ED ACRA Taxonomy 2012. A range of communication channels and materials were used to engage key stakeholders. These included:

- Public consultation paper on ACRA website – The paper provided an overview of the XBRL Revamp 2012, details of the revised XBRL filing requirements, ED ACRA Taxonomy 2012 as well as related consultation questions for feedback by the public;
- Presentations – The proposals were presented to over 600 participants at four seminars held over the period from May to June 2012, i.e. XBRL National Conference 2012, ACRA XBRL Seminar and separate seminars held by the Singapore Association of the Institute of Chartered Secretaries and Administrators (SAICSA) and Singapore Business Federation (SBF);
- Outreach to accounting firms – This allowed for specific feedback, especially on ED Taxonomy 2012, to be solicited from accounting firms; and
- Outreach to professional bodies – This channel allowed ACRA to engage the various stakeholder segments, especially preparers, consumers of financial statements and accounting firms, through the professional bodies.

3. Feedback Received From Public Consultation

A total of 15 written submissions were received from various stakeholders, including government agencies, professional bodies, accounting firms and individual companies. Feedback received from outreach seminars was also considered as part of the public consultation. Refer to *Appendix A* for stakeholders who had provided written responses to the public consultation or had rendered assistance to gather feedback from the outreach seminars.

The extent of response from the stakeholders is encouraging. Constructive feedback was given on various areas as requested in the public consultation paper, including the taxonomy, the minimum tagging list as well as ways to encourage solvent EPCs to file financial statements voluntarily with ACRA. In addition, respondents also gave suggestions on the new XBRL preparation tool which ACRA will provide as part of the enhanced XBRL filing system. This highlights a high level of interest from the respondents towards the preparation tool.

3.1. Updated Timeline of XBRL Revamp

Taking into consideration feedback received from the public consultation, ACRA will revise the dates of upcoming milestones for implementation of the enhanced XBRL filing system (including the revised filing requirements). They are as follow:

- (a) Focus group testing and public consultation on new XBRL preparation tool are scheduled during the first quarter of 2013;
- (b) The revised XBRL filing requirements, ACRA Taxonomy 2012 and new XBRL preparation tool are scheduled for public release during the second quarter of 2013. ACRA targets to provide an interval of at least 4 months between this milestone and implementation of the enhanced XBRL filing system (including the revised filing requirements). This interval will allow companies time to prepare before the eventual implementation; and
- (c) Implementation of enhanced XBRL filing system (including revised filing requirements) is scheduled during the second half of 2013.

3.2. Feedback received during public consultation

The feedback received can be broadly segregated into the following areas:

- (a) Revised XBRL filing requirements (covered in section 3.2.1);
- (b) ED ACRA Taxonomy 2012 and minimum tagging list (covered in section 3.2.2); and
- (c) How ACRA can facilitate preparation and submission of XBRL Financial Statements (covered in section 3.2.3).

3.2.1. Feedback on Revised XBRL Filing Requirements

3.2.1.1. Filing of Full Financial Statements in XBRL and Financial Statements Highlights

Several questions were raised by respondents on the finer details of the revised XBRL filing requirements. For example, will financial statements with all year end dates be required to file under the new XBRL filing regime? What will be the Financial Statements Highlights applicable for companies exempted from full XBRL filing requirements?

ACRA’s Response

Upon implementation of the enhanced XBRL filing system during the second half of 2013, all Singapore incorporated companies, except those specifically exempted in Table 2, will be required to file a full set of financial statements in XBRL. This will be applicable for companies submitting financial statements with financial periods ending on or after 30 April 2007.

Companies filing financial statements relating to the financial periods before 30 April 2007 will continue to file their financial statements by attaching a Portable Document Format (PDF) copy of the financial statements and Financial Highlights¹.

Table 1 provides a summary of the enhanced filing requirements for the different types of Singapore-incorporated companies.

Type of Singapore Incorporated Companies Unlimited or Limited By Shares	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
	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

Table 1: Revised XBRL financial statements filing (Solvent EPCs vs other types of companies)

¹ This refers to the set of elements to be prepared by companies under the “Financial Highlights” section within the current Annual Return filing for financial period ending before 30 April 2007. This is different from the “Financial Statements Highlights” which companies exempted from filing full set of financial statements in XBRL have to file under the revised XBRL filing requirements.

* Exemptions for companies unlimited or limited by shares, from filing a full set of financial statements in XBRL are applicable ONLY for the following categories of companies in Table 2.

Category Of Companies	Reason For Exemption From Filing Full Set Of Financial Statements In XBRL	Revised Filing Requirements
Companies which are (1) Banks (2) Registered Insurers; and (3) Finance Companies that are regulated by the Monetary Authority of Singapore	These specialised industries require special sets of taxonomy data elements, which are currently not included inside the ACRA Taxonomy 2012. ACRA Taxonomy 2012 is generally designed for commercial and industrial companies in Singapore	Full set of financial statements in PDF and Financial Statements Highlights
Companies allowed by law to prepare financial statements in accordance with accounting standards other than SFRS, SFRS for Small Entities and IFRS (International Financial Reporting Standards)	The taxonomy is only designed for financial reporting using SFRS, SFRS for Small Entities, or IFRS	

Table 2: Categories of companies exempted from filing a full set of financial statements in XBRL

Financial Statements Highlights (FSH)

Financial Statements Highlights are basic financial and non-financial information extracts from the financial statements that companies submit to ACRA if they are exempted from full XBRL filing. The FSH may be prepared by the companies using the ACRA preparation tool. FSH will be customised to cater for specific reporting needs of companies such as commercial banks, registered insurers and finance companies regulated by MAS. To achieve consistency with ACRA Taxonomy 2012, FSH will be different from the existing Financial Highlights filed in Annual Return for Option C (PDF) filing. The finalised list of FSH is targeted to be available in second quarter of 2013, together with the public release of revised XBRL filing requirements, ACRA Taxonomy 2012 and the new XBRL preparation tool.

3.2.1.2. Rationale of Filing Full Financial Statements in XBRL

Several respondents highlighted that there would be additional effort required to file a full set of financial statements in XBRL. There was feedback on whether insolvent EPCs or small companies can be exempted from revised XBRL filing requirements. It was also highlighted that preparation of a full set of financial statements in XBRL may be difficult for preparers who are not qualified accountants.

ACRA's Response

XBRL has been implemented by ACRA for financial statements submission to promote greater transparency and a more efficient and value-added information flow within the corporate financial reporting process. At the same time, XBRL has also been adopted by regulators and stock exchanges globally. Hence, it is important for companies submitting financial statements to ACRA to provide them in XBRL format.

However, ACRA is aware of businesses' concerns on the higher effort and cost required to file a full set of financial statements in XBRL, especially during the period of transition into the revised XBRL filing requirements. Hence, a series of help resources as mentioned during the public consultation, e.g. no penalties to be imposed on non-public listed companies which take an extra month to hold Annual General Meeting or to file Annual Return, a new XBRL preparation tool provided by ACRA at no cost and subsidised training seminars, will be introduced with the implementation of the enhanced XBRL filing system and revised XBRL filing requirements.

To share the benefits of XBRL filing, ACRA will also be providing free data analysis based on the repository of financial statements data which companies have filed. This feature will be made available for all companies which file financial statements in XBRL with ACRA.

As with the preparation of a set of AGM financial statements, preparers will also need to possess accounting knowledge when preparing XBRL financial statements. Accounting firms are encouraged to provide assistance to the companies in the mapping between AGM financial statements and XBRL financial statements, in cases where the AGM financial statements and ACRA Taxonomy are different.

3.2.2. Feedback relating to ED ACRA Taxonomy 2012 and Minimum Tagging List

3.2.2.1. Different Presentation Styles of Financial Statements

Flexible vs. Fixed Format of Presentation

Mixed feedback was received on whether companies should continue to enjoy flexibility in the presentation of their financial statements or be required to follow a fixed template prescribed by ACRA.

On several occasions, ACRA received suggestions for a prescribed fixed template which all companies and accounting firms will adopt for financial reporting, to ensure a consistent format between financial statements presented for purposes of AGM and XBRL filing. There were also concerns raised by corporate secretaries on the different naming terminology used by companies and accounting firms for items disclosed in the statement of financial position and income statement. As a result of the different terminologies, they may have difficulties understanding and mapping different accounting names to a standard taxonomy element. For example: Revenue reserves and accumulated profits may refer to the same taxonomy element *Retained earnings*.

On the other hand, certain preparers would still prefer some flexibility in their financial statements presentation since unique elements may be disclosed depending on the company's business model and transactions. They would like to customise the description of the elements used in their AGM financial statements and those used in the XBRL financial statements to reflect similarity as these are the preferred description by the management.

There were also feedback received that certain auditors tend to prescribe the presentation format of the AGM financial statements, resulting in additional effort for the preparers when they prepare their financial statements in XBRL format for submission to ACRA.

"One-Size" Fits All Taxonomy

Respondents highlighted concerns with a standard taxonomy as companies can choose to disclose certain line items on the face of the primary financial statements or in the disclosure notes. For example, trade receivables and other receivables may be disclosed separately on the statement of financial position, which require preparers to categorise them to *Trade and other receivables* in the ACRA Taxonomy 2012. On the other hand, available-for-sale and held-to-maturity investment are sometimes classified together as investments on the statement of financial position. Preparers would then have to split the amount in *Financial assets available-for-sale* and *Held-to-maturity investments* using ACRA Taxonomy 2012. Additional effort would be required for the preparers to make the necessary adjustments in order to submit using a standard taxonomy.

At the same time, there were also suggestions for the ACRA Taxonomy 2012 to cater for unique presentation format such as 'hybrid' presentation (e.g. company disclosing cost of goods sold with depreciation expense on income statement) and companies disclosing quasi-equity loan as a category other than assets, liabilities or equity.

To allow flexibility in disclosure of data elements, some respondents requested ACRA to reinstate the usage of user-described fields within ACRA Taxonomy 2012.

ACRA's Response

Flexible vs. Fixed Format of Presentation

Singapore adopts SFRS and SFRS for Small Entities, which are, by nature, principle-based accounting standards and this allows flexibility to the companies in determining their financial statements presentation. Hence, ACRA will not prescribe a fixed template for financial statements preparation for all companies. The ACRA Taxonomy 2012 is only designed to provide a platform for Singapore companies to prepare their financial statements for XBRL submission. As such, ACRA would like to emphasise that the taxonomy should not replace the accounting standards in dictating the disclosures required in a set of financial statements. To further ease the effort of preparing a set of financial statements in XBRL, preparers may still want to consider ACRA Taxonomy 2012, where possible in their preparation of AGM financial statements.

In response to feedback received on the prescription of presentation format of AGM financial statements by auditors, ACRA would like to highlight that companies may want to be proactive in deciding the presentation format of their financial statements as management of companies are responsible for the preparation of financial statements.

“One-Size” Fits All Taxonomy

In designing the taxonomy, ACRA and the consortium, comprising of CrimsonLogic, Deloitte & Touche LLP and IRIS Business Services, have undertaken a study to examine the reporting needs of companies. This included studying the annual financial statements of 40 listed companies incorporated in Singapore as well as the illustrative financial statements of the “Big Four” accounting firms. This study was performed to ensure that the majority of the companies will be able to prepare their financial statements in XBRL, using the minimum tagging list.

ACRA acknowledges companies’ preferences towards their naming convention for specific line and the order of the presentation within their AGM financial statements, instead of taking after the taxonomy element name. As such, the revised XBRL filing requirements and the new XBRL preparation tool will allow for the following flexibility to the preparers:

- Usage of company-specific labels; and
- Re-ordering of elements within categories, e.g. for Statement of Financial Position by liquidity.

In addition, a list of accounting synonyms will be one of the help resources which ACRA will make available to assist preparers in mapping different accounting terms with the same meaning. More details of the list of accounting synonyms will be made available at a later date.

Although user-described fields or allowing companies to create extension taxonomies provide flexibility for the preparers in their XBRL filing, these will result in data comparability issues for the consumers. Moreover, the creation of extension taxonomies means that the preparers will need to be equipped with specialised XBRL knowledge. As such, ACRA has decided to remove the user-described fields and adopted a closed taxonomy that does not allow preparers to add or define their own company specific elements. Instead, ACRA has chosen to incorporate data elements commonly used in financial statements, on top of what is required in the accounting standards to allow preparation of most financial statements without the need to create new elements.

In general, the ACRA Taxonomy is designed to comply with the Companies Act and Singapore accounting standards namely SFRS and SFRS for Small Entities. It will not cater for ‘hybrid’ presentation as this presentation is not in accordance with SFRS and SFRS for Small Entities. As for quasi-equity loan, companies will also need to evaluate the nature of such balance and categorise them accordingly as an asset, liability or equity.

3.2.2.2. Concept of Minimum Tagging List

The difference between the minimum tagging list and full ACRA Taxonomy 2012 appeared to be unclear, as there were several suggested additions to minimum tagging list templates (Appendix A of public consultation paper) even when the same element had already been included in the full ACRA Taxonomy 2012 (Appendix B of public consultation). For example, there was a suggestion to include “cash flows used in acquiring subsidiaries” in the minimum tagging list for statement of cash flows, when it was included in the full taxonomy.

ACRA's Response

The minimum tagging list is a sub-set of elements within the ACRA Taxonomy 2012 which companies are required to file if the information is available in the AGM financial statements.

The key design principle of the revised XBRL filing requirements is to balance the needs of consumers and preparers, by increasing the breadth and depth of financial statements data collected while facilitating the work of preparers in preparing and filing the financial statements data. With the minimum tagging list, preparers are only required submit data elements which are sought after by consumers of financial statements, instead of filing XBRL financial statements in accordance with the full ACRA Taxonomy. This helps to reduce the effort required by preparers to provide the data in XBRL. Though certain individual data elements are not required by the minimum tagging list for submission, the inclusion of text block elements within the ACRA Taxonomy 2012 will allow preparers to submit a complete set of financial statements to ACRA in free text format. For example, the preparer can use the text block element for inventory disclosure note to submit the entire inventory note in free text. This can similarly be done for the other parts of the financial statements using various text block elements.

3.2.2.3. Reporting Requirements for Listed Companies

There were several data elements included in Appendix A and B of the public consultation paper that pertain to listing manual requirements such as *date of appointment of signing auditor* and *audit fees paid to auditors of company*. Concerns were raised on whether these elements are also required to be submitted by private companies submitting XBRL financial statements to ACRA.

ACRA's Response

Elements pertaining to listing manual requirements are only applicable for listed companies. As non-listed companies will not be required to disclose such information within their AGM financial statements, they will similarly not be required to submit this information in their XBRL financial statements to ACRA.

In addition, the ACRA Taxonomy 2012 will allow companies to view data elements applicable only to the accounting standards they have used, such as full SFRS or SFRS for Small Entities. In a case of a company which has prepared its AGM financial statements using SFRS for Small Entities, the non applicable elements pertaining to listing requirements and the full SFRS specific disclosures will not be shown when this company uses the XBRL preparation tool.

3.2.2.4. Other Feedback on Minimum Tagging List and ED ACRA Taxonomy 2012

There were also many other specific feedback to elements in the minimum tagging list, the ED Taxonomy 2012 and the documentation format for Taxonomy Illustrated.

Preparers of financial statements suggested the addition, removal and the renaming of elements to help them with the preparation of statement of financial position and income statement. For example, the suggested inclusion of a new data element of whether there are changes to prior year figures, other than due to restatement or reclassification. Accounting firms also gave their comments to enhance the taxonomy elements to better reflect the financial reporting standards. Suggestions were also received on possible validations rules, such as to tie certain totals in the disclosure notes back to the primary financial statements, to ensure data integrity.

A specific comment was made that textual data elements in the ACRA Taxonomy relating to specific disclosure requirements may not be useful to extract for consumption purposes. There was also a suggestion to allow financial ratios be derived automatically within the ACRA Taxonomy 2012 upon the submission of the XBRL financial statements. "Number of employees" was suggested to be included as part of the minimum tagging list as a piece of data useful for analysis and to know whether the company is using the correct accounting standards.

Respondents also highlighted the impact of future changes in accounting standards to ACRA Taxonomy 2012.

ACRA's Response

ACRA would like to thank all the stakeholders in taking time to provide detailed feedback, especially in terms of the elements for statement of financial position and income statement. All specific recommendations will be explored in the eventual design of the ACRA Taxonomy 2012.

Suggested elements will be included in the taxonomy if the following criteria apply: (1) element is required in the accounting standards, (2) element is commonly used in financial statements, and (3) element cannot be categorised under one of the existing line items in statement of financial position and income statement. Conversely, suggestions which do not fulfill the criteria will not be included.

In response to the comment on textual data elements, ACRA will explore the possible removal of the data elements relating to textual disclosure requirements which are considered not useful for standardised extraction from the ACRA Taxonomy 2012.

Financial ratios are not information required within the financial statements or the Companies Act. Hence, ACRA has taken the position that financial ratios will not be included within the taxonomy. However, with the standardised nature of XBRL data, consumers will be able to derive such ratios easily from the data. Alternatively, there are information products and analytical tools available in the market that can leverage on XBRL data and allow users to perform financial ratio analysis.

As for the suggestion on disclosure of number of employees, ACRA will further explore on the feasibility of this requirement.

ACRA will review changes in financial reporting standards on a regular basis and changes where required, will be made to the taxonomy to ensure that the taxonomy remains relevant. It is generally expected that the taxonomy will change at least once a year to ensure continual compliance with the changing accounting standards. In addition, ACRA continues to have the intention to streamline ACRA Taxonomy against IFRS Taxonomy in the event that SFRS converges with IFRS in future.

3.2.3. How ACRA Can Facilitate Preparation and Submission of XBRL Financial Statements

3.2.3.1. Filing Incentives For Solvent EPCs

Several suggestions were raised towards the consultation question on how to encourage solvent EPCs to file full XBRL financial statements and Financial Statements Highlights with ACRA. A summary of the suggestions and responses is provided in Table 3.

Suggested Incentives	ACRA's response
Filing extensions with no penalties	Penalties will not be imposed on solvent EPCs filing a full set of financial statements in XBRL if they hold AGM or file Annual Return (AR) within one month after the period prescribed by Companies Act during the first year of implementation of the enhanced XBRL filing system and filing requirements. <i>(Details will be provided in second quarter of 2013, together with the public release of revised XBRL filing requirements.)</i>
Discounts or subsidies for ACRA events	Currently, events organized by ACRA are already priced very competitively, which should not impose a cost burden.
To work with other government agencies (e.g. to be exempted from completing the annual statistical survey forms, to be eligible for tax reliefs)	The data collected in annual statistical survey and XBRL is gathered for different objectives. After careful consideration, ACRA is of the opinion that these suggestions are not suitable for implementation at this point of time. ACRA would continue to explore alternative ways of collaboration with other agencies.
Providing the free information services such as data analysis for industry-specific to EPCs	ACRA will provide free data analysis for all companies filing full set of financial statements in XBRL or Financial Statements Highlights with us. The free data analysis will allow companies to benchmark their financial performance against the industry & selected peers for certain financial figures and ratios.
Allow EPCs to choose more companies for free peer analysis (e.g. up to 5 companies)	Taking into consideration the feedback, the peer comparison analysis will be extended from two peer companies to three peer companies. This forms part of the free data analysis, which will be available for all companies filing full set of financial statements in XBRL or Financial Statements Highlights.

Suggested Incentives	ACRA's response
Work with partners in educating EPCs on the fundamental disclosure requirements of accounting standards (i.e SFRS or SFRS for Small Entities) so that EPCs have the knowledge to prepare a set of financial statements which are in compliance with the accounting standards.	It is important for companies to prepare financial statements in accordance with the accounting standards. ACRA will explore this further with our partners and professional bodies.

Table 3: List of suggested incentives to EPCs for voluntary filing and ACRA's response

3.2.3.2. Suggestions on Functionality of XBRL Preparation Tool

Throughout the public consultation, ACRA received numerous suggestions on the functionalities of the new XBRL preparation tool so as to ease the preparation work for the preparers. All suggestions were evaluated and the feasible ones will be incorporated as part of the new XBRL preparation tool. Before the public release of the tool, ACRA will engage potential users of the XBRL preparation tool to test and provide their feedback on the XBRL preparation tool through the following platforms.

- Invitation for specific focus group testing, which is tentatively scheduled in January or February 2013; and
- Invitation to public consultation on XBRL preparation tool, which is tentatively scheduled in February or March 2013;

We invite all interested parties who would like to test and provide feedback for the new XBRL preparation tool to register your interest by emailing us at acra_xbrl_general@acra.gov.sg.

If you wish to be informed of the changes in XBRL implementation, including public consultation for preparation tool and implementation dates of the enhanced XBRL filing system, you are also encouraged to register yourself for ACRA news alert through ACRA homepage (<http://www.acra.gov.sg/>).

3.2.3.3. Other Help Resources

Respondents gave many suggestions on the possible help that ACRA can make available to preparers of financial statements and software vendors. A summary of the suggestions and responses is provided in Table 4.

Suggested help resource	ACRA's response
Ample hands-on practice using the new XBRL preparation tool	<p>ACRA recognises the importance of providing sufficient time for companies to transit to the enhanced system and revised filing requirements. Thus the enhanced system has been re-scheduled to be launched during the second half of 2013, after July 2013 (as July is the AR and XBRL financial statements filing period for most companies).</p> <p>Other than the public consultation scheduled during the first quarter of 2013, the new XBRL preparation tool will be released for public usage during the second quarter of 2013. This is scheduled to be at least four</p>

Suggested help resource	ACRA's response
	<p>months before the implementation of the enhanced system to provide ample time for preparers to familiarise themselves with the new XBRL preparation tool.</p>
<p>Provide free training on the use of the new XBRL preparation tool</p>	<p>ACRA will provide subsidised training seminars on the use of new XBRL preparation tool, after its public release. A nominal fee will be charged for the training seminars to discourage non-attendance after registration.</p> <p>ACRA will also work with training partners to ensure the availability of training courses on the new XBRL preparation tool.</p>
<p>Provide online e-learning tool</p>	<p>Help guides will be made available to provide ready reference to preparers on how to use the taxonomy and XBRL preparation tool.</p> <p>ACRA will continue to explore the feasibility of having an online e-learning tool.</p>
<p>Not imposing penalties on companies on a permanent basis if they hold AGM or file Annual Return within one month after the prescribed period in Companies Act, rather than making it a first year incentive</p>	<p>ACRA is not imposing penalties as a measure to help with the initial transition during the first year of implementation of the revised XBRL filing requirements. As we expect the effort to decrease in the subsequent years due to increased knowledge and familiarity, not imposing penalties on a permanent basis will not be necessary.</p> <p>We would like to clarify that penalties will not be imposed on non-public listed companies filing a full set of financial statements in XBRL under the following circumstances:</p> <ul style="list-style-type: none"> (a) Where the AGM is held not more than one month after the prescribed period under section 175 of the Companies Act (b) Where the delay in laying the financial statements before the shareholder is not more than one month after the prescribed period under section 201 of the Companies Act <p>provided the AR is filed within one month from the period so extended under (a) and (b)</p> <p>For a company that has held its AGM and laid its financial statements before the shareholders within the prescribed period, no penalties will be imposed if the company files the AR not more than one month after the prescribed period under Section 197 of the Companies Act.</p> <p><i>(Details will be provided in the second quarter of 2013, together with the public release of the revised XBRL filing requirements.)</i></p>
<p>Encourage the auditors to provide the word document of the financial statements for tagging purposes</p>	<p>As the responsibility of financial statements preparation rests with the companies instead of the auditors, ACRA encourages the management of companies to engage their auditors in requesting the Word format of their financial statements for ease of preparation of XBRL financial statements.</p>

Suggested help resource	ACRA's response
Provide experts helpdesk personnel who are able to answer XBRL questions posted by the companies	There will be a dedicated helpdesk trained to address enquiries pertaining to XBRL filing. ACRA will ensure that the helpdesk officers are adequately trained on the revised filing requirements and enhanced XBRL filing system.
A forum for feedback on XBRL to be gathered and answered by ACRA	The existing feedback channels comprising Ask ACRA, dedicated helpdesk and FAQs provide sufficient platform for feedback and response.
Regular improvements to dictionary of synonyms	<p>ACRA will improve the dictionary of synonyms on a periodic basis.</p> <p>This dictionary will also be incorporated as part of the XBRL preparation tool to assist in the auto-tagging process. This dictionary in the XBRL preparation tool will be enhanced over time as the tool learns the naming convention of its prepared companies' financial statements used by the preparers.</p>
Software developers kit for software vendors	ACRA has engaged accounting software vendors that are keen to develop XBRL capabilities in their products and 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.

Table 4: List of suggested help resources and ACRA's response

Appendix A – List of stakeholders who had provided written responses to the public consultation or had rendered assistance to gather feedback from the outreach seminars

1. Accountserve Pte Ltd
2. Association of Banks in Singapore
3. Association of International Accountants
4. BDO LLP
5. Corporate Alliance Pte Ltd
6. Deloitte & Touche LLP
7. Department of Statistics
8. Inland Revenue Authority of Singapore
9. Institute of Certified Public Accountants of Singapore
10. KPMG LLP
11. Nexia TS Pte Ltd
12. PricewaterhouseCoopers LLP
13. Singapore Association of the Institute of Chartered Secretaries and Administrators
14. Singapore Business Federation
15. Spring Singapore
16. Tigernix Pte Ltd
17. Volvo East Asia (Pte) Ltd