PRICEWATERHOUSECOOPERS

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*connectedthinking

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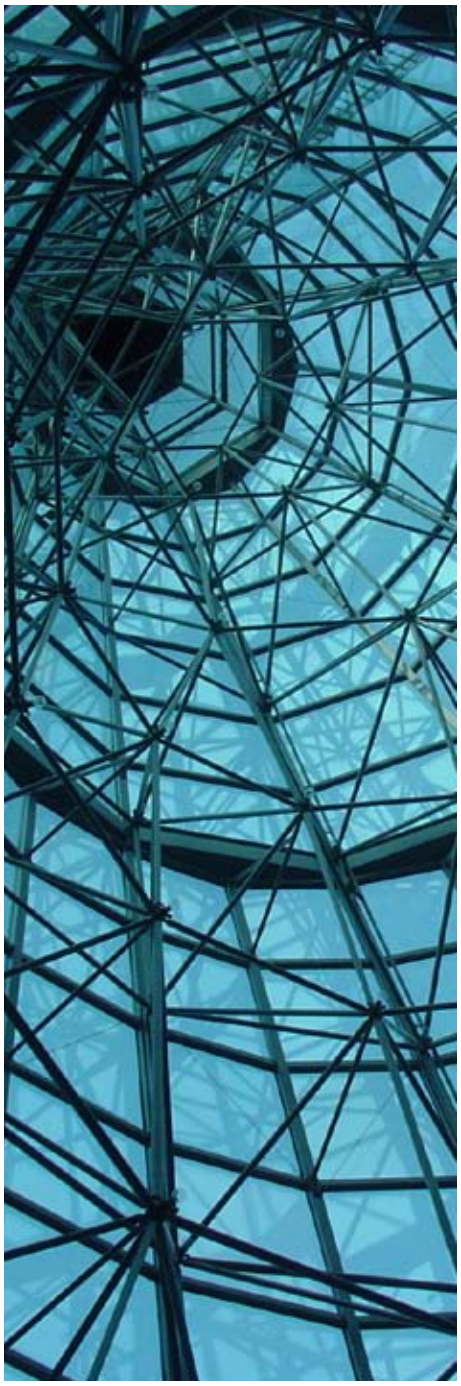
Acronyms

CCDG	Council on Corporate Disclosure and Governance	IFRS	International Financial Reporting Standards
ED	Exposure Draft	IFRIC	International Financial Reporting Interpretations Committee
FRS	Financial Reporting Standards		
FY	Financial Year	INT FRS	Interpretations of Financial Reporting Standards
IAS	International Accounting Standards	SGX	Singapore Exchange
IASB	International Accounting Standards Board	SSA	Singapore Standards of Auditing

Do you really have equity?



Roses are red and Violets are blue.
Bonds are debt and Preference Shares are equity.
Prima facie, yes but not necessarily the case all the time.

FRS 32 establishes the principles for distinguishing between liability and equity. The substance of a financial instrument, rather than its legal form, governs its classification. The key elements of liability and equity outlined in FRS 32 are as follows:

Liability

An instrument is a liability to the issuer, if the issuer is contractually obligated to deliver either cash or another financial asset to the holder. Thus, the issuer does not have an unconditional right to avoid settlement.

Common features of a liability instrument include: presence of maturity date, mandatory redemption, minimum dividend, indirect obligation and holder put feature.

Equity

An instrument is classified as equity when the issuer has unconditional right to avoid delivering cash or another financial asset.

Common features of an equity instrument: absence of maturity date, discretionary cashflow, economic compulsion (where there is no contractual obligation) to make dividend payments and issuer call option.

Liability/Equity Classification
FRS 32 assesses the liability/equity classification from the issuer's perspective. The substance, rather than legal form, governs the classification by the issuer of a financial instrument. It depends on whether there is contractual obligation to pay cash or to exchange another financial instrument in accordance with FRS 32, paragraphs 15-16 and AG25-29.

The discussion above evolves around plain vanilla bonds or preference shares which result in either a liability or equity classification. There are also instances whereby there are components of both discretionary and contractual obligation to pay cash or to exchange another financial instrument, i.e. a single financial instrument containing both liability and equity. FRS 32 provides for the accounting treatment of such compound financial instruments.

Compound Instruments

Certain instruments contain elements of both liability and equity in one single instrument. A common example of a compound instrument is mandatory convertible preference shares. Such instruments must be split into its individual components and accounted for separately. The treatment of interest, dividends, losses and gains in the income statement follows the classification of the related instruments.

Important considerations:
The classification of financial instruments has a direct impact on the financial ratios of the entity. The initial classification of the financial instrument also impacts the income statement classification of subsequent accounting, i.e. through the Income Statement or as an appropriation of reserves.

Therefore, it is important to review the substance of the financing arrangement, in order to appropriately classify the financial instruments in accordance with FRS 32, paragraphs 28-32, AG 30-35 and Illustrative Examples 9-12.

Other Features

Based on the above, the determining feature of a liability is the presence of contractual cash flows (conversely, unconditional right to avoid delivering cash or another financial asset could imply an equity classification). Simple as it may sound but other features may exist that complicate the classification of the financial instruments, such as the following:

- Settlement in entity's own shares
- Contingent settlement
- Settlement options

Settlement in entity's own shares

A common misconception is that a contract is an equity instrument solely because it results in the receipt or delivery of the entity's own equity instrument (FRS 32.21). An equity classification arises when a contract (including derivative contract) is settled by the receipt or delivery of a fixed amount of cash or other financial assets for a fixed number of an entity's own equity instruments (fixed-for-fixed settlement). A liability classification arises when entity delivers as many of the entity's own equity instruments as equal to a pre-determined value (fixed-for-variable settlement).

Delivery of a fixed amount of cash in currency different from its functional currency
If the contract results in delivery of a fixed amount of non-functional currency cash for a fixed number of an entity's own equity instrument, it is not considered a fixed-for-fixed settlement. A fixed amount of non-functional currency payable at a future date is a variable amount measured in the functional currency. Therefore, the financial instrument will be classified as a liability.

Contingent settlement

The liability classification can also be achieved by inserting a contingent settlement provision. A contingent settlement provision is a contractual obligation to deliver cash or another financial instrument; it might arise on the occurrence or non-occurrence of uncertain future events that are beyond the control of bother the issuer and holder of the instrument, e.g. changes in stock market index. In such circumstances, the financial instrument is a liability unless the contingent settlement provision is not genuine; or cash settlement only happens upon liquidation (in which case, it is classified as equity).

Settlement options

Settlement options are commonly available in financial instruments. These alternatives are often settlement in own shares. While settlement in cash is a straightforward concept, settlement in own shares involves more deliberation. Some of these concepts could also be counter-intuitive.

Where the issuer has a choice of settlement either in cash or fixed number of shares, the unconditional right to avoid delivery of cash will give rise to an equity classification. On the other hand, when the holder has a choice of settlement either in cash or fixed number of shares, the holder's choice of settlement will give rise to a liability classification.

When the contract includes a provision that one party has a choice to request settlement net in cash, this results in a derivative, regardless whether the holder or issuer has the choice over settlement. Such derivatives accounted for as such under FRS 39.

Important considerations:
In the case where the issuer possesses the settlement option (between exchanging 100 shares for $100, or to settle net the difference between fair value of 100 shares and $100), it is intuitive that the instrument is equity in nature, since the issuer has the ability to avoid cash settlement. However, FRS 32.26 is explicit that this shall be a financial asset or liability (derivative instrument).

Illustration

Consider the following illustration which incorporates the features described in the earlier sections:
An entity with RMB functional currency issues the following bond:

- S$200,000
- 5% fixed rate
- 1/1/2006 – 31/12/2011
- Convertible into ordinary shares at a ratio of 10 shares per S$10, conversion at the issuer's option
- Early redemption option – available to both the issuer and bond holder, but at different time period

On initial analysis, this instrument seems to exhibit both features of liability and equity. Presence of maturity date, mandatory interest and holder put feature support the liability classification, whereas the presence of an issuer call option and fixed-for-fixed settlement support the equity classification. Therefore, one may quickly conclude that this is a compound instrument, and account for its individual components in accordance with FRS 32.28-31.

However, further analysis will reveal that the settlement option in the entity's own share is one which would result in delivery of a fixed amount of Singapore Dollars (S$) for a fixed number of an entity's own equity instrument. The fixed amount of Singapore dollars payable at a future date represents a variable amount measured in Renminbi (RMB). As such, the financial instrument is precluded from equity classification and should be classified as liabilities. Furthermore, the conversion at the issuer's option should be accounted for as an embedded derivative.

In addition, the early redemption option is an embedded derivative that should be assessed under FRS 39.11, as to whether it is closely related to the host debt contract. If it is closely related, it would be necessary to account for the host debt contract and the embedded derivative separately.

In summary, this instrument should be viewed as two components, namely a host debt contract, with options (conversion option and redemption option). This bond instrument should be classified as a financial liability with embedded derivative(s).

Important considerations:
The embedded derivatives (issuer's conversion option, issuer's call option and holder's put option) are interdependent (i.e. if one is exercised, the others are precluded from exercise). They are therefore treated as one single (compound) embedded derivative (FRS 39.AG29).

As discussed and illustrated, the analysis may not be as straight forward as it seems. In today's horticulture world, roses may even be black these days. So the search begins, do you really have equity? Or are there liabilities and derivatives hidden within?

Changes in your FY 2006 Annual Report

In this issue of Corporate Watch, we highlight the changes in corporate reporting in the financial year 2006. These arise from changes primarily in the Financial Reporting Standards and other pronouncements such as the Companies Act, Singapore Standards on Auditing and Code of Corporate Governance. Most of these new or revised FRS have been covered in detail in earlier issues of Corporate Watch (refer to page 10). The first section highlights the FRS effective in FY 2006 and provides a brief summary of standards not yet covered in Corporate Watch. This is followed by the FRS issued but not effective and the implications of these standards on the FY 2006 annual report. The last section discusses the effect on the FY 2006 annual report arising from Companies Act, auditing standards and Code of Corporate Governance.

Changes effective in FY 2006 Annual Report

The Council on Corporate Disclosure and Governance issued a number of new or revised standards that are effective in FY 2006. These comprise:

- Amendments to FRS 19 *Employee Benefits*
- Amendments to FRS 21 *The Effects of Changes in Foreign Exchange Rates*
- Amendments to FRS 32 *Financial Instruments: Disclosure and Presentation*
- Amendments to FRS 39 *Financial Instruments: Recognition and Measurement*
- Amendments to FRS 101 *First-time Adoption of Financial Reporting Statements*
- Amendments to FRS 104 *Insurance Contracts*
- FRS 106 *Exploration for and Evaluation of Mineral Resources*
- INT FRS 104 *Determining whether an Arrangement contains a Lease*
- INT FRS 105 *Rights to Interest arising from Decommissioning, Restoration and Environmental Rehabilitation Funds*
- INT FRS 106 *Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment*

Table 1 (refer to page 6–7) provides a brief summary of these standards and identifies the coverage in earlier issues of Corporate Watch.

Table 1 Summary of Standards that are effective in FY 2006

Standard	Summary
Amendments to FRS 19 *Employee Benefits*	In respect of changes in measurement and recognition basis: • Clarifies that multi-employer plan with agreement that determines how the surplus in the plan is distributed to the participants (or deficit funded) shall recognise asset or liability that arises from the contractual agreement and resulting income or expense in profit or loss. • Determines how entity that participates in defined benefit plans that share risks between various entities under common control should recognise the net defined benefit cost. • Allows additional option of recognising actuarial gains and losses in full in the period in which they occur, outside profit or loss, in a statement of recognised income and expense (FRS 19.93A). The amendments also require additional disclosures relating to Group Plans and Defined Benefit Plans.
Amendments to FRS 21 *The Effects of Changes in Foreign Exchange Rates*	Clarifies that exchange differences arising on a monetary item that forms part of a reporting entity's net investment in a foreign operation to be recognised in a separate component of equity in the consolidated financial statements irrespective of the currency of the monetary item. Previously, such a monetary item was required to be in the functional currency of the reporting entity or foreign operation to be recognised in equity. *Refer to CW Volume 3 2005.*
Amendments to FRS 32 *Financial Instruments: Disclosure and Presentation*	Requires additional disclosure requirements for financial assets and liabilities designated as at fair value through profit and loss as a result of amendments to FRS 39 relating to fair value options.
Amendments to FRS 39 *Financial Instruments: Recognition and Measurement*	Expands qualifying hedged items to include foreign currency risk of a highly probable forecast intragroup transaction in consolidated financial statements. Revises the use of the designation of fair value through profit or loss upon initial recognition. Sets out the accounting treatment of financial guarantees contracts except for those previously asserted explicitly that they are insurance contracts. *Refer to CW Volume 1 2006.*
Amendments to FRS 101 *First-time Adoption of Financial Reporting Statements*	Exemptions from the requirement to provide comparative disclosures for FRS 106 *Exploration for and Evaluation of Mineral Resources.*
Amendments to FRS 104 *Insurance Contracts*	FRS 104 has also been amended to allow the issuer of a financial guarantee contract the choice to apply either FRS 39 or FRS 104 if it has asserted explicitly that it regards the contract as an insurance contract and had used accounting applicable to insurance contracts. *Refer to CW Volume 1 2006.*
FRS 106 *Exploration for and Evaluation of Mineral Resources*	Specifies the financial reporting for exploration and evaluation expenditures. *Refer to CW Volume 1 2006.*

Table 1 Summary of Standards that are effective in FY 2006 (cont'd)

Standard	Summary
INT FRS 104 *Determining whether an Arrangement contains a Lease*	This interpretation deals with arrangements that convey rights to use assets in return for payments. It noted that such arrangements share many characteristics of leases, even when the legal form of a lease is not adopted. The issues addressed are: a) how to determine if an arrangement contains a lease; b) when should such an assessment/reassessment be made; and c) how lease payments should be separated from payments for other elements in the arrangement.
INT FRS 105 *Rights to Interest arising from Decommissioning, Restoration and Environmental Rehabilitation Funds*	The interpretation sets up guidance on how a contributor to a decommissioning fund should account for its interest in the fund and how a contributor should account for additional contributions to and reimbursement rights from the fund. The interpretation also sets out the related disclosure requirements. Unlikely to be applicable to Singapore incorporated companies.
INT FRS 106 *Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment*	The interpretation provides guidance, in the financial statements of producers, on liabilities for waste management under the European Union's Directive on Waste Electrical and Electronic Equipment in respect of household equipment sold before 13 August 2005 (termed as "historical household equipment"). It clarifies that participation in market during the measurement period is the obligating event. Consequently, a liability for waste management costs for historical household equipment arises when a market share exists during the measurement period rather than when the item is produced or sold. The timing of the obligating event may also be independent of the particular period in which the activities to perform the waste management are undertaken and the related costs incurred. Unlikely to be applicable to Singapore incorporated companies.

Changes effective after FY 2006

Seven standards and amendments to standards that are effective after FY 2006 have been issued. They are:

- Amendments to FRS 1 *Presentation of Financial Statements*
- FRS 40 *Investment Property*
- FRS 107 *Financial Instruments: Disclosures*
- INT FRS 107 *Applying the Restatement Approach under FRS 29 Financial Reporting in Hyperinflationary Economies*
- INT FRS 108 *Scope of FRS 102*
- INT FRS 109 *Reassessment of Embedded Derivatives*
- INT FRS 110 *Interim Financial Reporting and Impairment*

FRS 8 (revised 2004) requires companies to disclose the expected financial effect of standards and amendments that have been issued but not effective. Companies are therefore required to disclose the effect of applying these standards. Table 2 (refer to page 8–9) provides a brief summary of the above standards that are effective after FY 2006 and identifies the coverage in earlier issues of Corporate Watch.

Table 2 Summary of Standards that are effective after FY 2006

Standard	Summary
Amendments to FRS 1 *Presentation of Financial Statements*	Effective for FY commencing 1 January 2007. This amendment requires an entity to disclose, with respect to its capital, the following: • what an entity regards as capital • whether the entity has complied with externally-imposed capital requirements and the consequences of the non-compliance; and • qualitative information on the entity's objectives, policies and processes for managing its capital and external capital requirements.
FRS 40 *Investment Property*	Effective for FY commencing 1 January 2007. FRS 40 sets out the criteria for identifying an investment property and allows investment property to be held at fair value or at cost. Under the fair value model, the gain or loss arising from a change in fair value is recognised in income statement, instead of through the asset revaluation reserve. The standard also deals with accounting for transfers to or from investment property arising from a change in use of a property and enhances the disclosure requirements in respect of investment property. *Refer to CW Volume 1 2005*
FRS 107 *Financial Instruments: Disclosures*	Effective for FY commencing 1 January 2007 for listed companies and 1 January 2008 for non-listed companies. This new standard supersedes disclosure requirements of FRS 32 *Financial Instruments: Disclosure and Presentation.* The presentation requirements in FRS 32 remain unchanged. There are new disclosure requirements which were previously not required under FRS 32. *Refer to CW Volume 1 2006.*
INT FRS 107 *Applying the Restatement Approach under FRS 29 Financial Reporting in Hyperinflationary Economies*	Effective for FY commencing 1 March 2006. This interpretation provides guidance on the application of FRS 29 in the reporting period in which the entity identifies the existence of hyperinflation in the economy of its functional currency. It sets out the restatement basis of non-monetary items and deferred tax during that reporting period and subsequent reporting periods.
INT FRS 108 *Scope of FRS 102*	Effective for FY commencing 1 May 2006. The interpretation clarifies that share-based transactions for some or all of the goods or services received which cannot be identified specifically are within the scope of FRS 102 and therefore the entity should: • measure the unidentifiable goods or services received (or to be received) as the difference between the fair value of the share-based payment and the fair value of any identifiable goods or services received (or to be received) at grant date; and • for cash-settled transactions, liability is remeasured at each reporting date until it is settled.

Table 2 Summary of Standards that are effective after FY 2006 (cont'd)

Standard	Summary
INT FRS 109 *Reassessment of Embedded Derivatives*	Effective for FY commencing 1 June 2006. The interpretation requires an assessment of whether embedded derivative is required to be separated from host contract and accounted for as a derivative when the entity first becomes a party to the contract and prohibits subsequent reassessment unless there is change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract. For first-time adopters, the reassessment will be based on the conditions that existed at the later of the date it first became a party to the contract and the date a reassessment is required as above.
INT FRS 110 *Interim Financial Reporting and Impairment*	Effective for FY commencing 1 November 2006. This interpretation clarifies that any impairment losses on goodwill and equity investments classified as available-for-sale recognised in an interim financial statements shall not be reversed in subsequent interim or annual financial statements. *Refer to CW Volume 2 2006.*

Other Pronouncements effective in FY 2006

Other than the accounting standards described in the previous section, the FY 2006 annual report will also be affected by the implementation of the Companies (Amendment) Act 2005, revised Singapore Standard on Auditing 700 and revised Code of Corporate Governance. The following section highlights the main areas of changes affecting the FY 2006 annual report and identifies the coverage in earlier issues of Corporate Watch:

1. **Companies (Amendment) Act 2005**
   The amended Act is effective on 30 January 2006. The key effects on FY 2006 annual report are as follows:
   - Share premium and capital redemption reserve accounts will be combined with share capital when the Act. These accounts will no longer be applicable in the future.
   - Disclosures on authorised share capital will be removed.
   - Treasury shares will be shown as a reduction against share capital in accordance with FRS 32.

   Refer to *CW Volume 2 2005.*

2. **SSA 700 The Independent Auditor's Report on a Complete Set of General Purpose Financial Statements**
   The revised SSA 700 is effective for auditor's report dated on or after 31 December 2006. The new auditor's report clearly distinguishes the Management's and Auditors' responsibilities on the financial statements. There is an additional paragraph describing the responsibilities of management and expanded description of the responsibilities of auditors.

   Refer to *CW Volume 2 2006.*

3. Code of Corporate Governance

The revised Code is effective for annual reports tabled at Annual General Meetings held on or after 1 January 2007.

The Code clarifies the role of the Board of Directors, expands the role of Chairman and includes the role of non-executive directors. Companies are required to provide shareholders with a description of the process for the selection of appointment of new directors. Any deviations from the revised Code should be explained in the annual report.

Refer to *CW Volume 1 2005 and Volume 2 2005.*

Conclusion

Evidently, the changes in the FY 2006 annual report, though not as extensive as compared to FY 2005, continue to warrant the attention of the Company.

In July 2006, the International Accounting Standards Board announced that it will be providing a more stable platform for companies applying IFRS and will not require the application of new or revised IFRS before 2009, other than for some specifically identified ones. This is indeed welcomed by all involved in the corporate reporting process. As we are expecting a more stable IFRS platform, 2007 and 2008 will be an opportune time for practitioners to take stock and smooth out the teething problems encountered in adopting new, complex standards and to start preparing for the adoption of the new accounting standards affecting the FY 2007 annual report.

Latest Developments

11 December 2006 – The CCDG invites comments on the Discussion Paper on 'Fair Value Measurements'. Comments should be received by 2 March 2007. For more information, please refer to http://www.ccdg.gov.sg

The IASB Annual Improvements Process

Recently, the IASB has added the 'Annual Improvements Process' on its agenda, with the focus on eliminating inconsistencies in the standards or where clarifications of wording are required. The amendments arising from this project are considered non-urgent and minor. Hence, proposed amendments are discussed by the Board in the course of the year.

In October each year, the amendments will be published in an omnibus Exposure Draft for a comment period of 90 days. A final omnibus standard will be issued in April each year with amendments effective from 1 January the following year. The first omnibus exposure draft is expected to be published in October 2007 with amendments effective from 1 January 2009.

Four issues have been discussed and tentatively decided by the IASB in the October and November 2006 meetings:

Property under construction or development for future use as an investment property

The main change proposed is to remove an inconsistency within IAS 40 *Investment Property*. At present, if an existing investment property is redeveloped, the property is accounted for using IAS 40. However, if a property is purchased for the purpose of constructing or developing a future investment property, the property is within the scope of IAS 16 *Property, Plant and Equipment* until it is completed. The amendment proposes to remove from the scope of

IAS 16, property under construction or development for future use as an investment property and include it within the scope of IAS 40.

As a result, where an entity uses the fair value model in IAS 40, changes in the fair value of such property will be included in the income statement.

The current version of IAS 40 has excluded property purchased for the purpose of constructing or developing a future investment property from its scope as a result of practitioners' concerns about the difficulties of reliably estimating fair values of such property. However, since IAS 40 was issued in 1999, these concerns have lessened significantly as the use of fair values has become more widespread and valuation techniques have become more robust. In addition, the Board was concerned about the inconsistency of the accounting for the redevelopment of an existing investment property and the construction or development of a future investment property. For these reasons, the Board proposes to include both properties in the scope of IAS 40.

Contingent rentals

A literal interpretation of IAS 17 *Leases* requires contingent rent relating to an operating lease to be estimated at the inception of the lease and recognised on a straight-line basis over the lease term. However, because of perceived ambiguities in IAS 17, the current practice is to recognise contingent rent relating to an operating lease in the manner prescribed for finance leases (i.e. as incurred). The proposed amendment to IAS 17 is for contingent rent relating to an operating lease to be recognised as incurred. This would achieve consistency in the treatment of contingent rent for finance and operating leases.

Presentation of finance costs

The IFRIC asked the Board to consider an apparent conflict between the requirements of IAS 1 *Presentation of Financial Statements* and IFRS 7 *Financial Instruments: Disclosures,* regarding the presentation of finance costs. Paragraphs 32 and 81 of IAS 1 preclude presenting 'net finance costs' on the face of the income statement without showing the finance costs and finance revenue included in the net amount separately. IG13 of IFRS 7 states that total interest income and total income expense are components of finance costs. This indicates a net presentation in the income statement.

The Board decided to resolve this conflict by deleting IG13. That is, the presentation of finance revenue and finance costs on the face of the income statement is required if an entity chooses the presentation of net finance costs on the face of the income statement.

Classification of liability component of a convertible instrument

The IFRIC also asked the Board to clarify the current or non-current balance sheet classification of the liability component of a convertible instrument. The holder of the instrument can require settlement at any time by converting to shares. However, the entity's obligation to settle by delivering cash or other assets is more than 12 months after the balance sheet date. The Board noted that the purpose of current or non-current classification on the balance sheet is to assist users in assessing the liquidity and solvency of an entity. Therefore, the Board decided to amend IAS 1 to remove equity settlement as a determining factor in the current or non-current classification of liabilities.

PwC Illustrative Annual Report 2006: A guide to drafting your 2006 Annual Report

This publication provides a sample annual report of a fictitious group. It illustrates the financial statements disclosures required by the following regulations that are applicable for financial year commencing on or after 1 January 2006:

- Singapore Companies Act
- Singapore Exchange Securities Trading Listing Manual; and
- Singapore Financial Reporting Standards and Interpretations

It also includes selected global best practice disclosures.

This publication also includes an Illustrative Directors Report, a sample corporate governance report, a listing of Financial Reporting Standards and Interpretations, a comparison between FRS and IFRS as of September 2006, as well as a summary of the key changes that are effective from 1 January 2006.

A copy of this publication can be downloaded from our website (www.pwc.com/sg).

Catalogue of topics covered in previous issues of Corporate Watch

Topics	CW issue											
	Jan 2004	Feb 2004	Mar/Apr 2004	May/Jun 2004	Jul/Aug 2004	Dec 2004	Vol 1, 2005	Vol 2, 2005	Vol 3, 2005	Vol 1, 2006	Vol 2, 2006	Vol 3, 2006
Annual Report Changes						✔			✔			✔
Annual Improvements Process												✔
Improvements Project						✔						
- FRS/IAS 1		✔										
- FRS/IAS 2												
- FRS/IAS 8		✔										
- FRS/IAS 10												
- FRS/IAS 16	✔											
- FRS/IAS 17	✔											
- FRS/IAS 21				✔								
- FRS/IAS 24				✔								
- FRS/IAS 27			✔									
- FRS/IAS 28			✔									
- FRS/IAS 31			✔									
- FRS/IAS 33												
FRS/IAS 14												
FRS/IAS 32												✔ (debt/equity classification)
FRS/IAS 36					✔							
FRS/IAS 38					✔							
FRS/IAS 39						✔				✔		
FRS/IAS 40	✔						✔					
FRS 102/IFRS 2							✔					
FRS 103/IFRS 3					✔							
FRS 104/IFRS 4										✔		
FRS 105/IFRS 5					✔							
FRS 106/IFRS 6										✔		
FRS 107/IFRS 7										✔		
INT FRS 101/IFRIC 1						✔						
INT FRS 104/IFRIC 4									✔			
INT FRS 110/IFRIC 10											✔	
Amendment to INT FRS 12 - Scope of INT FRS 12									✔			
Amendment to FRS 39 - Cash Flow Hedge Accounting of Forecast Intragroup Transactions									✔			
Co. Amendment Act 2005								✔				
Code of Corporate Governance 2005								✔				
SGX Listing Rules										✔	✔	
Singapore Auditing Standards										✔	✔	

Contact Us:

For any comments or further information, please contact our team in Corporate Reporting:

Yeoh Oon Jin
Leader, Corporate Reporting
oon.jin.yeoh@sg.pwc.com
Tel: (65) 6236 3108

Peter Low
Partner, Corporate Reporting
peter.low@sg.pwc.com
Tel: (65) 6236 3348

Choo Eng Beng
Partner, Corporate Reporting
eng.beng.choo@sg.pwc.com
Tel: (65) 6236 3848

Kok Moi Lre
Associate Director, Corporate Reporting
moi.lre.kok@sg.pwc.com
Tel: (65) 6236 3049

Chew Tong Gunn
Senior Manager, Corporate Reporting
tong.gunn.chew@sg.pwc.com
Tel: (65) 6236 4360

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