

Comparison between Singapore Financial Reporting Standards and International Financial Reporting Standards

as at September 2005

Effective from 1 January ¹	Singapore Financial Reporting Standards (SFRS)	International Financial Reporting Standards (IFRS)	Overall comparison
2005	FRS 1 <i>Presentation of Financial Statements</i>	IAS 1 <i>Presentation of Financial Statements</i>	FRS 1 is consistent with IAS 1 in all material aspects, except that amendments to IAS 1 in relation to <i>Capital Disclosures</i> (effective from 2007) have not been adopted in Singapore.
2005	FRS 2 <i>Inventories</i>	IAS 2 <i>Inventories</i>	FRS 2 is consistent with IAS 2 in all material aspects.
2003	FRS 7 ² <i>Cash Flow Statements</i>	IAS 7 ² <i>Cash Flow Statements</i>	FRS 7 is consistent with IAS 7 (effective from 1994) in all material aspects.
2005	FRS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i>	IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i>	FRS 8 is consistent with IAS 8 in all material aspects.
2005	FRS 10 <i>Events after the Balance Sheet Date</i>	IAS 10 <i>Events after the Balance Sheet Date</i>	FRS 10 is consistent with IAS 10 in all material aspects.
2003	FRS 11 ² <i>Construction Contracts</i>	IAS 11 ² <i>Construction Contracts</i>	FRS 11 is consistent with IAS 11 (effective from 1995) in all material aspects.
2003	FRS 12 ² <i>Income Taxes</i>	IAS 12 ² <i>Income Taxes</i>	FRS 12 is consistent with IAS 12 (effective from 1998) in all material aspects, except for accounting for unremitted foreign income. Under Recommended Accounting Practice (RAP) 8 issued by the Institute of Certified Public Accountants of Singapore, no deferred tax is accounted for temporary difference arising from foreign income not yet remitted to Singapore if: (a) the entity is able to control the timing of the reversal of the temporary difference; and (b) it is probable that the temporary difference will not reverse in the foreseeable future. Under IFRS, deferred tax is required to be accounted for temporary difference arising from such unremitted foreign income.

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2003	FRS 14 ² <i>Segment Reporting</i>	IAS 14 ² <i>Segment Reporting</i>	FRS 14 is consistent with IAS 14 (effective from 1998) in all material aspects.
2005	FRS 16 <i>Property, Plant and Equipment</i>	IAS 16 <i>Property, Plant and Equipment</i>	FRS 16 is consistent with IAS 16 in all material aspects, except that FRS 16 gives the following exemption :“For an enterprise which had:revalued its PPE before 1 January 1984 (in accordance with the prevailing accounting standard at the time); or performed any one-off revaluation on its PPE between 1 January 1984 and 31 December 1996 (both dates inclusive),there will be no need for the enterprise to revalue its assets in accordance with paragraph 29 of FRS 16”.“One-off revaluation” means any instance where an item of PPE was revalued only once between 1 January 1984 and 31 December 1996 (both dates inclusive).Where an item of PPE has been revalued more than once during this period, the company should: explain why the particular item of PPE should be exempted; & obtain the auditor’s concurrence of the explanation.IAS 16 does not include the above exemption.
2005	FRS 17 <i>Leases</i>	IAS 17 <i>Leases</i>	FRS 17 is consistent with IAS 17 in all material aspects, except that FRS 17 has removed the following paragraph: “... a characteristic of land is that it normally has an indefinite economic life and, if title is not expected to pass to the lessee by the end of the lease term, the lessee normally does not receive substantially all of the risks and rewards incident to ownership, in which case the lease of land will be an operating lease. A payment made on entering into or acquiring a leasehold that is accounted for as an operating lease represents prepaid lease payments that are amortised over the lease term in accordance with the pattern of benefits provided.”

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			<p>This allows leasehold lands to be treated as finance leases and leased assets be recorded as fixed assets, which can then be stated at cost or at valuation.</p> <p>Under IAS 17, such leasehold lands are treated as prepaid lease payments which cannot be revalued upwards.</p>
2003	FRS 18 ² <i>Revenue</i>	IAS 18 ² <i>Revenue</i>	<p>FRS 18 is consistent with IAS 18 (effective from 1995) in all material aspects except for revenue recognition of pre-sold uncompleted properties: Under FRS 18, equity interest on uncompleted properties are considered to have passed to the buyers of the properties upon the entering into the sale and purchase agreements. Accordingly, revenue and cost of sales on such properties are recognised on a percentage of completion basis.</p> <p>Under IFRS, such revenue are generally recognised after the properties are completed and handed over to the buyers.</p>
2003	FRS 19 ² <i>Employee Benefits</i>	IAS 19 ² <i>Employee Benefits</i>	<p>Under transitional provisions in both standards, companies have an option to account for increase in defined benefit liability over the next 5 years from the date of adoption of the standard. Due to different effective dates, financial results under FRS 19 and IAS 19 may be different until the increase has been fully recognised.</p>
2006	<i>Amendment to FRS 19 relating to actuarial gains and losses, group plans and disclosures (issued in June 2005)</i>	<i>Amendment to IAS 19 relating to actuarial gains and losses, group plans and disclosures (issued in December 2004)</i>	<p>The respective amendments to FRS 19 and IAS 19 on actuarial gains and losses, group plans and disclosure, are consistent in all material aspects.</p>
2003	FRS 20 ² <i>Accounting for Government Grants and Disclosure of Government Assistance</i>	IAS 20 ² <i>Accounting for Government Grants and Disclosure of Government Assistance</i>	<p>FRS 20 (issued in 2003) is consistent with IAS 20 (effective from 1984) in all material aspects.</p>

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2005	FRS 21 <i>The Effects of Changes in Foreign Exchange Rates</i>	IAS 21 <i>The Effects of Changes in Foreign Exchange Rates</i>	FRS 21 is consistent with IAS 21 in all material aspects.
2003	FRS 23 ² <i>Borrowing Costs</i>	IAS 23 ² <i>Borrowing Costs</i>	FRS 23 is consistent with IAS 23 (effective from 1995) in all material aspects.
2005	FRS 24 <i>Related Party Disclosures</i>	IAS 24 <i>Related Party Disclosures</i>	FRS 24 is consistent with IAS 24 in all material aspects.
2003	FRS 25 ² <i>Accounting for Investments</i>	<i>No equivalent IAS</i>	Accounting for Investment Properties under FRS 25 is significantly different from IAS 40. FRS 40, which is consistent with IAS 40 in all material aspects, will be effective from 1 January 2007.
2003	FRS 26 ² <i>Accounting and Reporting by Retirement Benefit Plans</i>	IAS 26 ² <i>Accounting and Reporting by Retirement Benefit Plans</i>	FRS 26 is consistent with IAS 26 (effective from 1998) in all material aspects.
2005	FRS 27 <i>Consolidated and Separate Financial Statements</i>	IAS 27 <i>Consolidated and Separate Financial Statements</i>	<p>FRS 27 is consistent with IAS 27 in all material aspects, except in one of the conditions for exemption from consolidation. FRS 27 requires the ultimate holding company or any intermediate parent of a company that seeks exemption from consolidation to produce consolidated financial statements that are available for public use. These consolidated financial statements need not comply with any specific accounting framework.</p> <p>IAS 27 requires the ultimate holding company or any intermediate parent of a company that seeks exemption from consolidation to produce consolidated financial statements available for public use that comply with the International Financial Reporting Standards.</p>
2005	FRS 28 <i>Investments in Associates</i>	IAS 28 <i>Investments in Associates</i>	FRS 28 is consistent with IAS 28 in all material aspects, except in one of the conditions for exemption from equity accounting. The dissimilarity is as identified in FRS 27.

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2003	FRS 29 ² <i>Financial Reporting in Hyperinflationary Economies</i>	IAS 29 ² <i>Financial Reporting in Hyperinflationary Economies</i>	FRS 29 is consistent with IAS 29 (effective from 1990) in all material aspects.
2003	No equivalent FRS	IAS 30 ² <i>Disclosure in the Financial Statements of Banks and Similar Financial Institutions</i>	Such entities are governed separately by the Monetary Authority of Singapore. IAS 30 will be superseded by IFRS 7 <i>Financial Instruments: Disclosures</i> from 2007.
2005	FRS 31 <i>Interests in Joint Ventures</i>	IAS 31 <i>Interests in Joint Ventures</i>	FRS 31 is consistent with IAS 31 in all material aspects, except in one of the conditions for exemption from proportionate consolidation or equity accounting. The dissimilarity is as identified in FRS 27.
2005	FRS 32 <i>Financial Instruments: Disclosure and Presentation</i>	IAS 32 <i>Financial Instruments: Disclosure and Presentation</i>	FRS 32 is consistent with IAS 32 in all material aspects except for accounting for IPO costs as prescribed under RAP 9. Certain costs allowed to be deducted against equity under RAP 9 may be required to be included in the income statement under IAS 32.
2005	FRS 33 <i>Earnings Per Share</i>	IAS 33 <i>Earnings Per Share</i>	FRS 33 is consistent with IAS 33 in all material aspects.
2003	FRS 34 ² <i>Interim Financial Reporting</i>	IAS 34 ² <i>Interim Financial Reporting</i>	FRS 34 is consistent with IAS 34 in all material aspects.
1 July 2004	FRS 36 <i>Impairment of Assets</i>	IAS 36 <i>Impairment of Assets</i>	FRS 36 is consistent with IAS 36 in all other material aspects except for the transitional dates as follows: IAS 36 is applicable to goodwill and intangible assets acquired in business combinations for which agreement date is on or after 31 March 2004 and to all other intangible assets prospectively from the beginning of the first annual period beginning on or after 31 March 2004. FRS 36 is applicable prospectively from the beginning of the first annual period beginning on or after 1 July 2004.

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2003	FRS 37 ² <i>Provisions, Contingent Liabilities and Contingent Assets</i>	IAS 37 ¹ <i>Provisions, Contingent Liabilities and Contingent Assets</i>	FRS 37 is consistent with IAS 37 (effective from 1999) in all material aspects.
1 July 2004	FRS 38 <i>Intangible Assets</i>	IAS 38 <i>Intangible Assets</i>	FRS 38 is consistent with IAS 38 in all other material aspects except for transitional dates as described in FRS 36 above.
2005	FRS 39 <i>Financial Instruments: Recognition and Measurement</i>	IAS 39 <i>Financial Instruments: Recognition and Measurement</i>	FRS 39 is consistent with IAS 39 in all material aspects except for the effect of difference in transitional dates.
2006	<i>Amendments relating to Cash Flow Hedge Accounting of Forecast Intragroup Transactions (issued in August 2005)</i>	<i>Amendments relating to Cash Flow Hedge Accounting of Forecast Intragroup Transactions (issued in April 2005)</i>	Amendment to FRS 39 is consistent with Amendment to IAS 39 in all material aspects.
2006	<i>No equivalent amendment has been issued.</i>	<i>Amendments to the Fair Value Option in IAS 39 (issued in June 2005)</i>	
2006	<i>No equivalent amendment has been issued.</i>	<i>Amendments to IAS 39 Financial Guarantee Contracts (issued in August 2005)</i>	
2007	FRS 40 <i>Investment Property</i>	IAS 40 <i>Investment Property</i>	FRS 40 is consistent with IAS 40 (effective from 2005) in all material aspects.
2003	FRS 41 ² <i>Agriculture</i>	IAS 41 ² <i>Agriculture</i>	FRS 41 is consistent with IAS 41 in all material aspects.
2004	FRS 101 ² <i>First-time Adoption of Financial Reporting Standards</i>	IFRS 1 ² <i>First-time Adoption of International Financial Reporting Standards</i>	FRS 101 is consistent with IFRS 1 in all material aspects.
2005/2006	FRS 102 <i>Share-based Payments</i>	IFRS 2 <i>Share-based Payments</i>	FRS 102 is consistent with IFRS 2 in all material aspects, except for their effective dates for non-listed companies. For non-listed companies, FRS 102 is effective for annual periods beginning on or after 1 January 2006, whilst IFRS 2 is effective for annual periods beginning on or after 1 January 2005.

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			Additionally, IFRS 2 will apply to: <ul style="list-style-type: none"> a. share-based payment transactions that were granted on or after 7 November 2002 and had not yet vested by 1 January 2005; and b. share-based payment transactions made before 7 November 2002, which were subsequently modified. FRS 102 replaces "7 November 2002" with "22 November 2002".
1 July 2004	FRS 103 <i>Business Combinations</i>	IFRS 3 <i>Business Combinations</i>	FRS 103 is consistent with IFRS 3 in all material aspects, except for their effective dates. FRS 103 is effective for business combinations occurring annual periods beginning on or after 1 July 2004, whilst IFRS 3 is effective for business combinations with the agreement date on or after 31 March 2004.
2005	FRS 104 <i>Insurance Contracts</i>	IFRS 4 <i>Insurance Contracts</i>	FRS 104 is consistent with IFRS 4 in all material aspects.
2006	<i>No equivalent amendment has been issued.</i>	<i>Amendment to IFRS 4 Financial Guarantee Contracts</i>	
2005	FRS 105 <i>Non-current Assets Held for Sale and Discontinued Operations.</i>	IFRS 5 <i>Non-current Assets Held for Sale and Discontinued Operations</i>	FRS 105 is consistent with IFRS 5 in all material aspects.
2006	FRS 106 <i>Exploration for and Evaluation of Mineral Resources</i>	IFRS 6 <i>Exploration for and Evaluation of Mineral Resources</i>	FRS 106 is consistent with IFRS 6 in all material aspects.
2007	<i>No equivalent FRS has been issued.</i>	IFRS 7 <i>Financial Instruments: Disclosures</i>	

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