

Foreword

Building Trust and demonstrating Transparency continue to be key elements in the corporate reporting arena.

The 2008 edition of PricewaterhouseCoopers' publication "Towards Trust and Transparency – Illustrative Annual Report" continues its focus on helping directors, audit committee members, management and preparers of financial statements achieve high-quality financial reporting with best-practice illustrations of disclosures to comply with the various requirements of the Singapore Financial Reporting Standards (FRS), Singapore Companies Act and Singapore Exchange Listing Manual.

Included in this edition is also an exclusive "Pocket Guide" that we have specially compiled to assist you in understanding the many requirements of the current standards in a succinct manner.

Although there are relatively fewer changes to the FRS that are effective in 2008, practitioners continue to grapple with interpretations and practices that are evolving as these are sometimes not explicitly addressed in the standards. I believe 2008 is an opportune time for practitioners to take stock and iron out any remaining problems in accounting disclosure issues prior to the next wave of IFRS that is coming in 2009.

For many companies, getting ready for 2009 will certainly be challenging. Hence, I would like to highlight a few new and critical illustrations included in the Appendix to this publication, starting with new disclosure requirements under FRS 108 Operating Segments and FRS 1(R) Presentation of Financial Statements, both of which will become effective in 2009. It is worthwhile evaluating these changes and to start implementing these changes which will be required in your first quarter 2009 results' announcements.

We trust that you will find this publication an excellent resource to assist you with the preparation of your companies' annual reports for the coming financial year-end. We also encourage you to consult your PricewaterhouseCoopers audit partners and managers should you have any questions or comments regarding this publication or the implementation of the new accounting standards.



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Singapore Assurance Leader

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Abbreviations used

References are made in this publication to the legislation, accounting pronouncement, guideline or listing rule that requires a particular disclosure or accounting treatment. The abbreviations used to identify the source of authority are as follows:

CA	Singapore Companies Act, Chapter 50
CCG	Code of Corporate Governance Guidance Notes
FRS	Singapore Financial Reporting Standards
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
IFRIC	Interpretations of International Financial Reporting Standards
INT FRS	Interpretations of Singapore Financial Reporting Standards
SGX	Singapore Exchange Securities Trading Listing Manual Requirements
SSA	Singapore Standards on Auditing

Where the illustrated disclosure is not specifically required by any of the sources listed above, the following abbreviation is used to indicate that such disclosure is made on a voluntary basis:

DV	Disclosure is voluntary
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Publication Guide

Scope

This publication, Illustrative Annual Report 2008, provides a sample annual report of a fictitious group of companies for the financial year ending 31 December 2008. PwC Holdings Ltd is a company incorporated in Singapore and its shares are listed on the Main Board of the Singapore Exchange Limited (“SGX”).

The names of people and entities included in this publication are fictitious. Any resemblance to a person or entity is purely coincidental.

Effective date

This illustrative annual report includes sample disclosures under the requirements of the Singapore Companies Act, SGX Securities Trading Listing Manual, Singapore Financial Reporting Standards (including its Interpretations) that are effective for financial year commencing on 1 January 2008.

Illustrative in nature

The sample disclosures in this illustrative annual report should not be considered to be the only acceptable form of presentation. The form and content of each reporting entity's annual report are the responsibility of the entity's directors/management and other forms of presentation which are equally acceptable may be preferred and adopted, provided they include the specific disclosures prescribed in the Singapore Companies Act, SGX Securities Trading Listing Manual and Singapore Financial Reporting Standards.

The illustrative financial statements contained in this annual report are not substitutes for reading the legislation or standards themselves, or for professional judgement as to fairness of presentation. They do not cover all possible disclosures required by the Singapore Companies Act, SGX Securities Trading Listing Manual and Singapore Financial Reporting Standards. Depending on the circumstances, further specific information may be required in order to ensure fair presentation and compliance with laws, accounting standards and stock exchange regulations in Singapore.

Similarly, the corporate governance disclosures illustrated in this annual report are not meant to be templates for all reporting entities. The board of directors/management for each reporting entity should formulate the corporate strategies and control measures tailored to the entity's particular circumstances and corporate governance processes. It therefore follows that corporate governance disclosures in annual reports will necessarily differ from one reporting entity to the other.

Guidance notes

Direct references to the source of disclosure requirements are included in the reference column on each page of the illustrative financial statements. Guidance notes are provided where additional matters may need to be considered in relation to a particular disclosure. These notes are inserted within the relevant section or note.

Seek professional advice

The information in this publication does not constitute professional advice. If professional advice is required, the services of a competent professional should be sought. Neither PricewaterhouseCoopers Singapore nor any employee of the firm shall be liable for any damage or loss of any kind on any ground whatsoever suffered as a result of any use of or reliance on this publication.