

Comparison between Singapore Financial Reporting Standards and International Financial Reporting Standards

as at September 2006

Last revision of FRS	Singapore Financial Reporting Standards (SFRS)		International Financial Reporting Standards (IFRS)		Overall comparison
January 2006	FRS 1	Presentation of Financial Statements	IAS 1	Presentation of Financial Statements	FRS 1 is consistent with IAS 1 in all material aspects.
1996	FRS 2	Inventories	IAS 2	Inventories	FRS 2 is consistent with IAS 2 in all material aspects.
July 2004	FRS 7	Cash Flow Statements	IAS 7	Cash Flow Statements	FRS 7 is consistent with IAS 7 (effective from 1994) in all material aspects.
September 2004	FRS 8	Accounting Policies, Changes in Accounting Estimates and Errors	IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	FRS 8 is consistent with IAS 8 in all material aspects.
January 2006	FRS 10	Events after the Balance Sheet Date	IAS 10	Events after the Balance Sheet Date	FRS 10 is consistent with IAS 10 in all material aspects.
July 2004	FRS 11	Construction Contracts	IAS 11	Construction Contracts	FRS 11 is consistent with IAS 11 (effective from 1995) in all material aspects.
January 2006	FRS 12	Income Taxes	IAS 12	Income Taxes	<p>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:</p> <p>(a) the entity is able to control the timing of the reversal of the temporary difference; and</p> <p>(b) it is probable that the temporary difference will not reverse in the foreseeable future.</p> <p>Under IAS 12, deferred tax is required to be accounted for temporary difference arising from such unremitted foreign income.</p>
January 2006	FRS 14	Segment Reporting	IAS 14	Segment Reporting	FRS 14 is consistent with IAS 14 (effective from 1998) in all material aspects.

Comparison between Singapore Financial Reporting Standards and International Financial Reporting Standards

as at September 2006

Last revision of FRS	Singapore Financial Reporting Standards (SFRS)	International Financial Reporting Standards (IFRS)	Overall comparison
August 2005	FRS 16 Property, Plant and Equipment	IAS 16 Property, Plant and Equipment	<p>FRS 16 is consistent with IAS 16 in all material aspects, except that FRS 16 gives the following exemption:</p> <p>“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.”</p> <p>“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).</p> <p>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; and obtain the auditor’s concurrence of the explanation.</p> <p>IAS 16 does not include the above exemption.</p>
January 2006	FRS 17 Leases	IAS 17 Leases	<p>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.”</p> <p>This allows leasehold lands to be treated as finance leases and leased assets be recorded as fixed assets or investment property 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 subsequently re-measured and carried at revalued amount..</p>

Comparison between Singapore Financial Reporting Standards and International Financial Reporting Standards

as at September 2006

Last revision of FRS	Singapore Financial Reporting Standards (SFRS)		International Financial Reporting Standards (IFRS)		Overall comparison
September 2004	FRS 18	Revenue	IAS 18	Revenue	<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 recognized on a percentage of completion basis.</p> <p>Under IFRS, such revenue is generally recognised after the properties are completed and handed over to the buyers.</p>
January 2006	FRS 19	Employee Benefits	IAS 19	Employee Benefits	<p>Under transitional provisions in both standards, companies have an option to account for increase in defined benefit liability over the next five 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>
July 2004	FRS 20	Accounting for Government Grants and Disclosure of Government Assistance	IAS 20	Accounting for Government Grants and Disclosure of Government Assistance	<p>FRS 20 (issued in 2003) is consistent with IAS 20 (effective from 1984) in all material aspects.</p>
January 2006	FRS 21	The Effects of Changes in Foreign Exchange Rates	IAS 21	The Effects of Changes in Foreign Exchange Rates	<p>FRS 21 is consistent with IAS 21 in all material aspects.</p>
July 2004	FRS 23	Borrowing Costs	IAS 23	Borrowing Costs	<p>FRS 23 is consistent with IAS 23 (effective from 1995) in all material aspects.</p>
June 2005	FRS 24	Related Party Disclosures	IAS 24	Related Party Disclosures	<p>FRS 24 is consistent with IAS 24 in all material aspects.</p>
March 2005	FRS 25	Accounting for Investments		No equivalent IAS	<p>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.</p>

Comparison between Singapore Financial Reporting Standards and International Financial Reporting Standards

as at September 2006

Last revision of FRS	Singapore Financial Reporting Standards (SFRS)	International Financial Reporting Standards (IFRS)	Overall comparison
July 2004	FRS 26 Accounting and Reporting by Retirement Benefit Plans	IAS 26 Accounting and Reporting by Retirement Benefit Plans	FRS 26 is consistent with IAS 26 (effective from 1998) in all material aspects.
September 2004	FRS 27 Consolidated and Separate Financial Statements	IAS 27 Consolidated and Separate Financial Statements	<p>FRS 27 is consistent with IAS 27 in all material aspects, except in one of the conditions for exemption from consolidation.</p> <p>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>
September 2004	FRS 28 Investments in Associates	IAS 28 Investments in Associates	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.
July 2004	FRS 29 Financial Reporting in Hyperinflationary Economies	IAS 29 Financial Reporting in Hyperinflationary Economies	FRS 29 is consistent with IAS 29 (effective from 1990) in all material aspects.
NA	No equivalent FRS	IAS 30 Disclosure in the Financial Statements of Banks and Similar Financial Institutions	<p>Such entities are governed separately by the Monetary Authority of Singapore.</p> <p>IAS 30 will be superseded by IFRS 7 <i>Financial Instruments: Disclosures</i> from 2007.</p>
September 2004	FRS 31 Interests in Joint Ventures	IAS 31 Interests in Joint Ventures	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.

Comparison between Singapore Financial Reporting Standards and International Financial Reporting Standards

as at September 2006

Last revision of FRS	Singapore Financial Reporting Standards (SFRS)	International Financial Reporting Standards (IFRS)	Overall comparison
January 2006	FRS 32 Financial Instruments: Presentation	IAS 32 Financial Instruments: Presentation	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.
January 2006	FRS 33 Earnings Per Share	IAS 33 Earnings Per Share	FRS 33 is consistent with IAS 33 in all material aspects.
September 2004	FRS 34 Interim Financial Reporting	IAS 34 Interim Financial Reporting	FRS 34 is consistent with IAS 34 in all material aspects.
July 2004	FRS 36 Impairment of Assets	IAS 36 Impairment of Assets	<p>FRS 36 is consistent with IAS 36 in all other material aspects except for the transitional dates as follows:</p> <p>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.</p> <p>FRS 36 is applicable prospectively from the beginning of the first annual period beginning on or after 1 July 2004.</p>
January 2006	FRS 37 Provisions, Contingent Liabilities and Contingent Assets	IAS 37 Provisions, Contingent Liabilities and Contingent Assets	FRS 37 is consistent with IAS 37 (effective from 1999) in all material aspects.
August 2005	FRS 38 Intangible Assets	IAS 38 Intangible Assets	FRS 38 is consistent with IAS 38 in all other material aspects except for transitional dates as described in FRS 36 above.
January 2006	FRS 39 Financial Instruments: Recognition and Measurement	IAS 39 Financial Instruments: Recognition and Measurement	FRS 39 is consistent with IAS 39 in all material aspects except for the effect of difference in transitional dates.
March 2005	FRS 40 Investment Property	IAS 40 Investment Property	<p>FRS 40 is effective from annual periods commencing on or after <u>1 January 2007</u>. Prior to this effective date, an entity can apply FRS 25.</p> <p>FRS 40 is consistent with IAS 40 (effective from 2005) in all material aspects.</p>

Comparison between Singapore Financial Reporting Standards and International Financial Reporting Standards

as at September 2006

Last revision of FRS	Singapore Financial Reporting Standards (SFRS)		International Financial Reporting Standards (IFRS)		Overall comparison
September 2004	FRS 41	Agriculture	IAS 41	Agriculture	FRS 41 is consistent with IAS 41 in all material aspects.
January 2006	FRS 101	First-time Adoption of Financial Reporting Standards	IFRS 1	First-time Adoption of International Financial Reporting Standards	FRS 101 is consistent with IFRS 1 in all material aspects.
January 2006	FRS 102	Share-based Payments	IFRS 2	Share-based Payments	<p>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.</p> <p>Additionally, IFRS 2 will apply to:</p> <p>(a) share-based payment transactions that were granted on or after 7 November 2002 and had not yet vested by 1 January 2005; and</p> <p>(b) share-based payment transactions made before 7 November 2002, which were subsequently modified.</p> <p>FRS 102 replaces "7 November 2002" with "22 November 2002".</p>
January 2006	FRS 103	Business Combinations	IFRS 3	Business Combinations	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.
January 2006	FRS 104	Insurance Contracts	IFRS 4	Insurance Contracts	FRS 104 is consistent with IFRS 4 in all material aspects.
2004	FRS 105	Non-current Assets Held for Sale and Discontinued Operations	IFRS 5	Non-current Assets Held for Sale and Discontinued Operations	FRS 105 is consistent with IFRS 5 in all material aspects.
2004	FRS 106	Exploration for and Evaluation of Mineral Resources	IFRS 6	Exploration for and Evaluation of Mineral Resources	FRS 106 is consistent with IFRS 6 in all material aspects.
2006	FRS 107	Financial Instruments: Disclosures	IFRS 7	Financial Instruments: Disclosures	FRS 107 is consistent with IFRS 7 in all material aspects, except for their effective dates for non-listed companies. For non-listed companies, FRS 107 is effective for annual periods beginning on or after 1 January 2008, whilst IFRS 7 is effective for annual periods beginning on or after 1 January 2007.