

Singapore Financial Reporting Standards (International) Glossary

This glossary is extracted from the Standards. References are by Standard and paragraph number or Standard and appendix letter.

The glossary also includes extracts from the *Conceptual Framework for Financial Reporting*. References to the *Conceptual Framework* are preceded by CF.

References set out in (brackets) indicate minor variations in wording.

12-month expected credit losses	The portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date.	SFRS(I) 9.A
accounting estimates	Monetary amounts in financial statements that are subject to measurement uncertainty.	SFRS(I) 1-8.5
accounting policies	The specific principles, bases, conventions, rules and practices applied by an entity in preparing and presenting financial statements.	SFRS(I) 1-8.5
accounting profit	Profit or loss for a period before deducting tax expense.	SFRS(I) 1-12.5
acquiree	The business or businesses that the acquirer obtains control of in a business combination.	SFRS(I) 3.A
acquirer	The entity that obtains control of the acquiree.	SFRS(I) 3.A
acquisition date	The date on which the acquirer obtains control of the acquiree.	SFRS(I) 3.A
active market	A market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.	SFRS(I) 13.A
actuarial gains and losses	The changes in the present value of the defined benefit obligation resulting from: <ul style="list-style-type: none"> (a) experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred); and (b) the effects of changes in actuarial assumptions. 	SFRS(I) 1-19.8
actuarial present value of promised retirement benefits	The present value of the expected payments by a retirement benefit plan to existing and past employees, attributable to the service already rendered.	SFRS(I) 1-26.8
aggregation	The adding together of assets, liabilities, equity, income or expenses that have shared characteristics and are included in the same classification.	CF.7.20

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agricultural activity	The management by an entity of the biological transformation and harvest of biological assets for sale or for conversion into agricultural produce or into additional biological assets.	SFRS(I) 1-41.5
agricultural produce	The harvested produce of the entity's biological assets.	SFRS(I) 1-41.5
amortisation (depreciation)¹	The systematic allocation of the depreciable amount of an asset over its useful life.	SFRS(I) 1-36.6, SFRS(I) 1-38.8
amortised cost of a financial asset or financial liability	The amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets adjusted for any loss allowance.	SFRS(I) 9.A
antidilution	An increase in earnings per share or a reduction in loss per share resulting from the assumption that convertible instruments are converted, that options or warrants are exercised, or that ordinary shares are issued upon the satisfaction of specified conditions.	SFRS(I) 1-33.5
asset	A resource: (a) controlled by an entity as a result of past events; and (b) from which future economic benefits are expected to flow to the entity.	SFRS(I) 1-38.8
asset	A present economic resource controlled by the entity as a result of past events.	CF.4.3
asset ceiling	The present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.	SFRS(I) 1-19.8

¹ In the case of an intangible asset, the term 'amortisation' is generally used instead of 'depreciation'. The two terms have the same meaning.

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assets held by a long-term employee benefit fund	<p>Assets (other than non-transferable financial instruments issued by the reporting entity) that:</p> <ul style="list-style-type: none"> (a) are held by an entity (a fund) that is legally separate from the reporting entity and exists solely to pay or fund employee benefits; and (b) are available to be used only to pay or fund employee benefits, are not available to the reporting entity's own creditors (even in bankruptcy), and cannot be returned to the reporting entity, unless either: <ul style="list-style-type: none"> (i) the remaining assets of the fund are sufficient to meet all the related employee benefit obligations of the plan or the reporting entity; or (ii) the assets are returned to the reporting entity to reimburse it for employee benefits already paid. 	SFRS(I) 1-19.8
associate	An entity, over which the investor has significant influence.	SFRS(I) 1-28.3
bearer plant	<p>A living plant that:</p> <ul style="list-style-type: none"> (a) is used in the production or supply of agricultural produce; (b) is expected to bear produce for more than one period; and (c) has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales. 	SFRS(I) 1-16.6, SFRS(I) 1-41.5
biological asset	A living animal or plant.	SFRS(I) 1-41.5
biological transformation	The processes of growth, degeneration, production, and procreation that cause qualitative or quantitative changes in a biological asset.	SFRS(I) 1-41.5
borrowing costs	Interest and other costs that an entity incurs in connection with the borrowing of funds.	SFRS(I) 1-23.5
business	An integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing goods or services to customers, generating investment income (such as dividends or interest) or generating other income from ordinary activities.	SFRS(I) 3.A
business combination	A transaction or other event in which an acquirer obtains control of one or more businesses. Transactions sometimes referred to as 'true mergers' or 'mergers of equals' are also business combinations as that term is used in SFRS(I) 3.	SFRS(I) 3.A
carrying amount	The amount at which an asset is recognised after deducting any accumulated depreciation (amortisation) and accumulated impairment losses thereon.	SFRS(I) 1-16.6, SFRS(I) 1-36.6, SFRS(I) 1-38.8

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carrying amount	The amount at which an asset is recognised in the statement of financial position.	SFRS(I) 1-40.5, SFRS(I) 1-41.8
carrying amount	The amount at which an asset, a liability or equity is recognised in the statement of financial position.	CF.5.1
cash	Cash on hand and demand deposits.	SFRS(I) 1-7.6
cash equivalents	Short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.	SFRS(I) 1-7.6
cash flows	Inflows and outflows of cash and cash equivalents.	SFRS(I) 1-7.6
cash-generating unit	The smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.	SFRS(I) 1-36.6, SFRS(I) 5.A
cash-settled share-based payment transaction	A share-based payment transaction in which the entity acquires goods or services by incurring a liability to transfer cash or other assets to the supplier of those goods or services for amounts that are based on the price (or value) of equity instruments (including shares or share options) of the entity or another group entity.	SFRS(I) 2.A
classification	The sorting of assets, liabilities, equity, income or expenses on the basis of shared characteristics for presentation and disclosure purposes.	CF.7.7
close members of the family of a person	Those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include: <ul style="list-style-type: none"> (a) that person's children and spouse or domestic partner; (b) children of that person's spouse or domestic partner; (c) dependants of that person or that person's spouse or domestic partner. 	SFRS(I) 1-24.9
closing rate	The spot exchange rate at the end of the reporting period.	SFRS(I) 1-21.8
combined financial statements	Financial statements of a reporting entity that comprises two or more entities that are not all linked by a parent-subsidary relationship.	CF.3.12
commencement date of the lease (commencement date)	The date on which a lessor makes an underlying asset available for use by a lessee.	SFRS(I) 16.A

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compensation	Includes all employee benefits (as defined in SFRS(I) 1-19) including employee benefits to which SFRS(I) 2 applies. Employee benefits are all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered to the entity. It also includes such consideration paid on behalf of a parent of the entity in respect of the entity. Compensation includes: <ul style="list-style-type: none"> (a) short-term employee benefits, such as wages, salaries and social security contributions, paid annual leave and paid sick leave, profit sharing and bonuses (if payable within twelve months of the end of the period) and non-monetary benefits (such as medical care, housing, cars and free or subsidised goods or services) for current employees; (b) post-employment benefits such as pensions, other retirement benefits, post-employment life insurance and post-employment medical care; (c) other long-term employee benefits, including long service leave or sabbatical leave, jubilee or other long service benefits, long-term disability benefits and, if they are not payable wholly within twelve months after the end of the period, profit sharing, bonuses and deferred compensation; (d) termination benefits; and (e) share-based payment. 	SFRS(I) 1-24.9
component of an entity	Operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the entity.	SFRS(I) 5.A
consolidated financial statements	The financial statements of a group in which assets, liabilities, equity, income, expenses and cash flow of the parent and its subsidiaries are presented as those of a single economic entity.	SFRS(I) 1-27.4, SFRS(I) 1-28.3, SFRS(I) 10.A
consolidated financial statements	Financial statements of a reporting entity that comprises both the parent and its subsidiaries.	CF.3.11
constructive obligation	An obligation that derives from an entity's actions where: <ul style="list-style-type: none"> (a) by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities; and (b) as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities. 	SFRS(I) 1-37.10
contingent asset	A possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.	SFRS(I) 1-37.10

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contingent consideration	Usually, an obligation of the acquirer to transfer additional assets or equity interests to the former owners of an acquiree as part of the exchange for control of the acquiree if specified future events occur or conditions are met. However, contingent consideration also may give the acquirer the right to the return of previously transferred consideration if specified conditions are met.	SFRS(I) 3.A
contingent liability	<p>Is:</p> <p>(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or</p> <p>(b) a present obligation that arises from past events but is not recognised because:</p> <p style="margin-left: 20px;">(i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or</p> <p style="margin-left: 20px;">(ii) the amount of the obligation cannot be measured with sufficient reliability.</p>	SFRS(I) 1-37.10
contingent share agreement	An agreement to issue shares that is dependent on the satisfaction of specified conditions.	SFRS(I) 1-33.5
contingently issuable ordinary shares	Ordinary shares issuable for little or no cash or other consideration upon the satisfaction of specified conditions in a contingent share agreement.	SFRS(I) 1-33.5
contract	An agreement between two or more parties that creates enforceable rights and obligations.	SFRS(I) 15.A SFRS(I) 16.A
contract asset	An entity's right to consideration in exchange for goods or services that the entity has transferred to a customer when that right is conditioned on something other than the passage of time (for example, the entity's future performance).	SFRS(I) 15.A SFRS(I) 9.A
contract liability	An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer.	SFRS(I) 15.A
contractual service margin	A component of the carrying amount of the asset or liability for a group of insurance contracts representing the unearned profit the entity will recognise as it provides insurance contract services under the insurance contracts in the group.	SFRS(I) 17.A
control of an economic resource	The present ability to direct the use of the economic resource and obtain the economic benefits that may flow from it.	CF.4.20

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control of an investee	An investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.	SFRS(I) 10.A
corporate assets	Assets other than goodwill that contribute to the future cash flows of both the cash generating unit under review and other cash generating units.	SFRS(I) 1-36.6
cost	The amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction, or, when applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other SFRS(I)s, eg SFRS(I) 2.	SFRS(I) 1-16.6, SFRS(I) 1-38.8, SFRS(I) 1-40.5
cost approach	A valuation technique that reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost).	SFRS(I) 13.A
costs of disposal	Incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.	SFRS(I) 1-36.6
costs to sell	The incremental costs directly attributable to the disposal of an asset (or disposal group), excluding finance costs and income tax expense.	SFRS(I) 5.A, (SFRS(I) 1-41.5)
coverage period	The period during which the entity provides insurance contract services. This period includes the insurance contract services that relate to all premiums within the boundary of the insurance contract.	SFRS(I) 17.A
credit-adjusted effective interest rate	The rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial asset to the amortised cost of a financial asset that is a purchased or originated credit-impaired financial asset. When calculating the credit-adjusted effective interest rate, an entity shall estimate the expected cash flows by considering all contractual terms of the financial asset (for example, prepayment, extension, call and similar options) and expected credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see paragraphs B5.4.1–B5.4.3), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the remaining life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).	SFRS(I) 9.A

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credit-impaired financial asset	<p>A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:</p> <ul style="list-style-type: none">(a) significant financial difficulty of the issuer or the borrower;(b) a breach of contract, such as a default or past due event;(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;(e) the disappearance of an active market for that financial asset because of financial difficulties; or(f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses. <p>It may not be possible to identify a single discrete event—instead, the combined effect of several events may have caused financial assets to become credit-impaired.</p>	SFRS(I) 9.A
credit loss	<p>The difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (ie all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). An entity shall estimate cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument. The cash flows that are considered shall include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. There is a presumption that the expected life of a financial instrument can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the expected life of a financial instrument, the entity shall use the remaining contractual term of the financial instrument.</p>	SFRS(I) 9.A
credit risk	<p>The risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.</p>	SFRS(I) 7.A
credit risk rating grades	<p>Rating of credit risk based on the risk of a default occurring on the financial instrument.</p>	SFRS(I) 7.A

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currency risk	The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.	SFRS(I) 7.A
current asset	<p>An entity shall classify an asset as current when:</p> <p>(a) it expects to realise the asset or intends to sell or consume it in its normal operating cycle;</p> <p>(b) it holds the asset primarily for the purpose of trading;</p> <p>(c) it expects to realise the asset within twelve months after the reporting period; or</p> <p>(d) the asset is cash or a cash equivalent (as defined in SFRS(I) 1-7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.</p> <p>An entity shall classify all other assets as non-current.</p>	SFRS(I) 1-1.66, (SFRS(I) 5.A)
current service cost	The increase in the present value of the defined benefit obligation resulting from employee service in the current period.	SFRS(I) 1-19.8
current tax	The amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period.	SFRS(I) 1-12.5
customer	A party that has contracted with an entity to obtain goods or services that are an output of the entity's ordinary activities in exchange for consideration.	SFRS(I) 15.A
date of transition to SFRS(I)s	The beginning of the earliest period for which an entity presents full comparative information under SFRS(I)s in its first SFRS(I) financial statements.	SFRS(I) 1.A
decision maker	An entity with decision-making rights that is either a principal or an agent for other parties.	SFRS(I) 10.A
deductible temporary differences	Temporary differences between the carrying amount of an asset or liability in the statement of financial position and its tax base that will result in amounts that are deductible in determining taxable profit (tax loss) of future periods when the carrying amount of the asset or liability is recovered or settled.	SFRS(I) 1-12.5
deemed cost	An amount used as a surrogate for cost or depreciated cost at a given date. Subsequent depreciation or amortisation assumes that the entity had initially recognised the asset or liability at the given date and that its cost was equal to the deemed cost.	SFRS(I) 1.A

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deferred tax assets	The amounts of income taxes recoverable in future periods in respect of: (a) deductible temporary differences; (b) the carryforward of unused tax losses; and (c) the carryforward of unused tax credits.	SFRS(I) 1-12.5
deferred tax liabilities	The amounts of income taxes payable in future periods in respect of taxable temporary differences.	SFRS(I) 1-12.5
deficit or surplus (of defined benefit liability (asset))	The deficit or surplus is: (a) the present value of the defined benefit obligation less (b) the fair value of the plan assets (if any).	SFRS(I) 1-19.8
defined benefit plans	Post-employment benefit plans other than defined contribution plans.	SFRS(I) 1-19.8
defined benefit plans	Retirement benefit plans under which amounts to be paid as retirement benefits are determined by reference to a formula usually based on employees' earnings and/or years of service.	SFRS(I) 1-26.8
defined contribution plans	Post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.	SFRS(I) 1-19.8
defined contribution plans	Retirement benefit plans under which amounts to be paid as retirement benefits are determined by contributions to a fund together with investment earnings thereon.	SFRS(I) 1-26.8
depreciable amount	The cost of an asset, or other amount substituted for cost (in the financial statements), less its residual value.	SFRS(I) 1-16.6, SFRS(I) 1-36.6, SFRS(I) 1-38.8
depreciation (amortisation)²	The systematic allocation of the depreciable amount of an asset over its useful life.	SFRS(I) 1-16.6, SFRS(I) 1-36.6
derecognition	The removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.	SFRS(I) 9.A
derecognition	The removal of all or part of a recognised asset or liability from an entity's statement of financial position.	CF.5.26

² In the case of an intangible asset, the term 'amortisation' is generally used instead of 'depreciation'. The two terms have the same meaning.

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derivative	<p>A financial instrument or other contract within the scope of SFRS(I) 9 (see paragraph 2.1 of SFRS(I) 9) with all three of the following characteristics:</p> <ul style="list-style-type: none">(a) its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying').(b) it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.(c) it is settled at a future date.	SFRS(I) 9.A
development	<p>The application of research findings or other knowledge to a plan or design for the production of new or substantially improved materials, devices, products, processes, systems or services before the start of commercial production or use.</p>	SFRS(I) 1-38.8
dilution	<p>A reduction in earnings per share or an increase in loss per share resulting from the assumption that convertible instruments are converted, that options or warrants are exercised, or that ordinary shares are issued upon the satisfaction of specified conditions.</p>	SFRS(I) 1-33.5
discontinued operation	<p>A component of an entity that either has been disposed of or is classified as held for sale and:</p> <ul style="list-style-type: none">(a) represents a separate major line of business or geographical area of operations,(b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations or(c) is a subsidiary acquired exclusively with a view to resale.	SFRS(I) 5.A
disposal group	<p>A group of assets to be disposed of, by sale or otherwise, together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction. The group includes goodwill acquired in a business combination if the group is a cash-generating unit to which goodwill has been allocated in accordance with the requirements of paragraphs 80–87 of SFRS(I) 1-36 or if it is an operation within such a cash generating unit.</p>	SFRS(I) 5.A
dividends	<p>Distributions of profits to holders of equity instruments in proportion to their holdings of a particular class of capital.</p>	SFRS(I) 9.A

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economic life	Either the period over which an asset is expected to be economically usable by one or more users or the number of production or similar units expected to be obtained from an asset by one or more users.	SFRS(I) 16.A
economic resource	A right that has the potential to produce economic benefits.	CF.4.4
effective date of the modification	The date when both parties agree to a lease modification.	SFRS(I) 16.A
effective interest method	The method that is used in the calculation of the amortised cost of a financial asset or a financial liability and in the allocation and recognition of the interest revenue or interest expense in profit or loss over the relevant period.	SFRS(I) 9.A
effective interest rate	The rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, an entity shall estimate the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but shall not consider the expected credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see paragraphs B5.4.1–B5.4.3 of SFRS(I) 9), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate (see paragraphs AG8–AG8B or SFRS(I) 1-39) the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).	SFRS(I) 9.A
employee benefits	All forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment.	SFRS(I) 1-19.8
employees and others providing similar services	Individuals who render personal services to the entity and either (a) the individuals are regarded as employees for legal or tax purposes, (b) the individuals work for the entity under its direction in the same way as individuals who are regarded as employees for legal or tax purposes, or (c) the services rendered are similar to those rendered by employees. For example, the term encompasses all management personnel, ie those persons having authority and responsibility for planning, directing and controlling the activities of the entity, including non-executive directors.	SFRS(I) 2.A
enhancing qualitative characteristic	A qualitative characteristic that makes useful information more useful. The enhancing qualitative characteristics are comparability, verifiability, timeliness and understandability.	CF.2.4, CF.2.23

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entity-specific value	The present value of the cash flows an entity expects to arise from the continuing use of an asset and from its disposal at the end of its useful life or expects to incur when settling a liability.	SFRS(I) 1-16.6, SFRS(I) 1-38.8
entry price	The price paid to acquire an asset or received to assume a liability in an exchange transaction.	SFRS(I) 13.A
equity	The residual interest in the assets of the entity after deducting all its liabilities.	CF.4.63
equity claim	A claim on the residual interest in the assets of the entity after deducting all its liabilities.	CF.4.64
equity instrument	A contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.	SFRS(I) 1-32.11, SFRS(I) 2.A
equity instrument granted	The right (conditional or unconditional) to an equity instrument of the entity conferred by the entity on another party, under a share-based payment arrangement.	SFRS(I) 2.A
equity interests	In SFRS(I) 3, is used broadly to mean ownership interests of investor-owned entities and owner, member or participant interests of mutual entities.	SFRS(I) 3.A
equity method	A method of accounting whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income.	SFRS(I) 1-28.3
equity-settled share-based payment transaction	<p>A share-based payment transaction in which the entity</p> <ul style="list-style-type: none"> (a) receives goods or services as consideration for its own equity instruments (including shares or share options), or (b) receives goods or services but has no obligation to settle the transaction with the supplier. 	SFRS(I) 2.A
events after the reporting period	<p>Those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue. Two types of events can be identified:</p> <ul style="list-style-type: none"> (a) those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and (b) those that are indicative of conditions that arose after the reporting period (non-adjusting events after the reporting period). 	SFRS(I) 1-10.3
exchange difference	The difference resulting from translating a given number of units of one currency into another currency at different exchange rates.	SFRS(I) 1-21.8

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exchange rate	The ratio of exchange for two currencies.	SFRS(I) 1-21.8
executory contract	A contract, or a portion of a contract, that is equally unperformed—neither party has fulfilled any of its obligations, or both parties have partially fulfilled their obligations to an equal extent.	CF.4.56
existence uncertainty	Uncertainty about whether an asset or liability exists.	CF.4.13, CF.4.35
exit price	The price that would be received to sell an asset or paid to transfer a liability.	SFRS(I) 13.A
expected cash flows	The probability-weighted average (ie mean of the distribution) of possible future cash flows.	SFRS(I) 13.A
expected credit losses	The weighted average of credit losses with the respective risks of a default occurring as the weights.	SFRS(I) 9.A
expenses	Decreases in assets, or increases in liabilities, that result in decreases in equity, other than those relating to distributions to holders of equity claims.	CF.4.69
experience adjustment	<p>A difference between:</p> <p>(a) for premium receipts (and any related cash flows such as insurance acquisition cash flows and insurance premium taxes)—the estimate at the beginning of the period of the amounts expected in the period and the actual cash flows in the period; or</p> <p>(b) for insurance service expenses (excluding insurance acquisition expenses)—the estimate at the beginning of the period of the amounts expected to be incurred in the period and the actual amounts incurred in the period.</p>	SFRS(I) 17.A
experience adjustments	The effects of differences between previous actuarial assumptions and what has actually occurred.	SFRS(I) 1-19.8
exploration and evaluation assets	Exploration and evaluation expenditures recognised as assets in accordance with the entity's accounting policy.	SFRS(I) 6.A
exploration and evaluation expenditures	Expenditures incurred by an entity in connection with the exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable.	SFRS(I) 6.A
exploration for and evaluation of mineral resources	The search for mineral resources, including minerals, oil, natural gas and similar non-regenerative resources after the entity has obtained legal rights to explore in a specific area, as well as the determination of the technical feasibility and commercial viability of extracting the mineral resource.	SFRS(I) 6.A

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fair value	The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.	SFRS(I) 1-2.6, (SFRS(I) 1-16.6), (SFRS(I) 1-19.8), (SFRS(I) 1-20.3), SFRS(I) 1-21.8, SFRS(I) 1-32.11, (SFRS(I) 1-36.6), (SFRS(I) 1-38.8), (SFRS(I) 1-40.5), SFRS(I) 1-41.8, SFRS(I) 1.A, SFRS(I) 3.A, SFRS(I) 5.A, SFRS(I) 9.A, SFRS(I) 13.A
fair value	The amount for which an asset could be exchanged, a liability settled, or an equity instrument granted could be exchanged, between knowledgeable, willing parties in an arm's length transaction.	SFRS(I) 2.A
fair value	For the purpose of applying the lessor accounting requirements in SFRS(I) 16, the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.	SFRS(I) 16.A
finance lease	A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset.	SFRS(I) 16.A

Glossary

financial asset	<p>Any asset that is:</p> <ul style="list-style-type: none">(a) cash;(b) an equity instrument of another entity;(c) a contractual right:<ul style="list-style-type: none">(i) to receive cash or another financial asset from another entity; or(ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or(d) a contract that will or may be settled in the entity's own equity instruments and is:<ul style="list-style-type: none">(i) a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or(ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose the entity's own equity instruments do not include puttable financial instruments classified as equity instruments in accordance with paragraphs 16A and 16B of SFRS(I) 1-32, instruments that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation and are classified as equity instruments in accordance with paragraphs 16C and 16D of SFRS(I) 1-32, or instruments that are contracts for the future receipt or delivery of the entity's own equity instruments.	SFRS(I) 1-32.11
financial guarantee contract	<p>A contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.</p>	SFRS(I) 9.A
financial instrument	<p>Any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.</p>	SFRS(I) 1-32.11

Glossary

financial liability Any liability that is: SFRS(I) 1-32.11

- (a) a contractual obligation:
 - (i) to deliver cash or another financial asset to another entity; or
 - (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- (b) a contract that will or may be settled in the entity's own equity instruments and is:
 - (i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
 - (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. Also, for these purposes the entity's own equity instruments do not include puttable financial instruments that are classified as equity instruments in accordance with paragraphs 16A and 16B of SFRS(I) 1-32, instruments that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation and are classified as equity instruments in accordance with paragraphs 16C and 16D of SFRS(I) 1-32, or instruments that are contracts for the future receipt or delivery of the entity's own equity instruments.

As an exception, an instrument that meets the definition of a financial liability is classified as an equity instrument if it has all the features and meets the conditions in paragraphs 16A and 16B or paragraphs 16C and 16D of SFRS(I) 1-32.

Glossary

financial liability at fair value through profit or loss	<p>A financial liability that meets one of the following conditions.</p> <p>(a) it meets the definition of held for trading.</p> <p>(b) upon initial recognition it is designated by the entity as at fair value through profit or loss in accordance with paragraph 4.2.2 or 4.3.5.</p> <p>(c) it is designated either upon initial recognition or subsequently as at fair value through profit or loss in accordance with paragraph 6.7.1.</p>	SFRS(I) 9.A
financial risk	The risk of a possible future change in one or more of a specified interest rate, financial instrument price, commodity price, currency exchange rate, index of prices or rates, credit rating or credit index or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.	SFRS(I) 17.A
financing activities	Activities that result in changes in the size and composition of the contributed equity and borrowings of the entity.	SFRS(I) 1-7.6
firm commitment	A binding agreement for the exchange of a specified quantity of resources at a specified price on a specified future date or dates.	SFRS(I) 1-39.9, SFRS(I) 9.A
firm purchase commitment	An agreement with an unrelated party, binding on both parties and usually legally enforceable, that (a) specifies all significant terms, including the price and timing of the transactions, and (b) includes a disincentive for non-performance that is sufficiently large to make performance highly probable.	SFRS(I) 5.A
first SFRS(I) financial statements	The first annual financial statements in which an entity adopts Singapore Financial Reporting Standards (International) (SFRS(I)s), by an explicit and unreserved statement of compliance with SFRS(I)s.	SFRS(I) 1.A, SFRS(I) 14.A
first SFRS(I) reporting period	The latest reporting period covered by an entity's first SFRS(I) financial statements.	SFRS(I) 1.A
first-time adopter	An entity that presents its first SFRS(I) financial statements. A first-time adopter excludes a transitioning entity.	SFRS(I) 1.A, SFRS(I) 14.A
fixed payments	Payments made by a lessee to a lessor for the right to use an underlying asset during the lease term, excluding variable lease payments.	SFRS(I) 16.A
forecast transaction	An uncommitted but anticipated future transaction.	SFRS(I) 9.A, SFRS(I) 1-39.9
foreign currency	A currency other than the functional currency of the entity.	SFRS(I) 1-21.8
foreign currency transaction	A transaction that is denominated in or requires settlement in a foreign currency.	SFRS(I) 1-21.20

Glossary

foreign operation	An entity that is a subsidiary, associate, joint venture or branch of the reporting entity, the activities of which are based or conducted in a country or currency other than those of the reporting entity.	SFRS(I) 1-21.8
forgivable loans	Loans which the lender undertakes to waive repayment of under certain prescribed conditions.	SFRS(I) 1-20.3
fulfilment cash flows	An explicit, unbiased and probability-weighted estimate (ie expected value) of the present value of the future cash outflows minus the present value of the future cash inflows that will arise as the entity fulfils insurance contracts, including a risk adjustment for non-financial risk.	SFRS(I) 17.A
functional currency	The currency of the primary economic environment in which the entity operates.	SFRS(I) 1-21.8
fundamental qualitative characteristic	A qualitative characteristic that financial information must possess to be useful to the primary users of general purpose financial reports. The fundamental qualitative characteristics are relevance and faithful representation.	CF.2.4, CF.2.5
funding (of retirement benefits)	The transfer of assets to an entity (the fund) separate from the employer's entity to meet future obligations for the payment of retirement benefits.	SFRS(I) 1-26.8
general purpose financial report	A report that provides financial information about the reporting entity's economic resources, claims against the entity and changes in those economic resources and claims that is useful to primary users in making decisions relating to providing resources to the entity.	CF.1.2, CF.1.12
general purpose financial statements	Financial statements that are intended to meet the needs of users who are not in a position to require an entity to prepare reports tailored to their particular information needs.	SFRS(I) 1-1.7
general purpose financial statements	A particular form of general purpose financial reports that provide information about the reporting entity's assets, liabilities, equity, income and expenses.	CF.3.2
goodwill	An asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised.	SFRS(I) 3.A
government	Government, government agencies and similar bodies whether local, national or international.	SFRS(I) 1-20.3, SFRS(I) 1-24.9
government assistance	Action by government designed to provide an economic benefit specific to an entity or range of entities qualifying under certain criteria.	SFRS(I) 1-20.3

Glossary

government grants	Assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity.	SFRS(I) 1-20.3
government-related entity	An entity that is controlled, jointly controlled or significantly influenced by a government.	SFRS(I) 1-24.9
grant date	The date at which the entity and another party (including an employee) agree to a share-based payment arrangement, being when the entity and the counterparty have a shared understanding of the terms and conditions of the arrangement. At grant date the entity confers on the counterparty the right to cash, other assets, or equity instruments of the entity, provided the specified vesting conditions, if any, are met. If that agreement is subject to an approval process (for example, by shareholders), grant date is the date when that approval is obtained.	SFRS(I) 2.A
grants related to assets	Government grants whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets. Subsidiary conditions may also be attached restricting the type or location of the assets or the periods during which they are to be acquired or held.	SFRS(I) 1-20.3
grants related to income	Government grants other than those related to assets.	SFRS(I) 1-20.3
gross carrying amount of a financial asset	The amortised cost of a financial asset, before adjusting for any loss allowance.	SFRS(I) 9.A
gross investment in the lease	The sum of: (a) the lease payments receivable by a lessor under a finance lease; and (b) any unguaranteed residual value accruing to the lessor.	SFRS(I) 16.A
group	A parent and its subsidiaries.	SFRS(I) 10.A, SFRS(I) 1-21.8
group of biological assets	An aggregation of similar living animals or plants.	SFRS(I) 1-41.5

Glossary

group of insurance contracts	<p>A set of insurance contracts resulting from the division of a portfolio of insurance contracts into, at a minimum, contracts issued within a period of no longer than one year and that, at initial recognition:</p> <ul style="list-style-type: none"> (a) are onerous, if any; (b) have no significant possibility of becoming onerous subsequently, if any; or (c) do not fall into either (a) or (b), if any. 	SFRS(I) 17.A
harvest	The detachment of produce from a biological asset or the cessation of a biological asset's life processes.	SFRS(I) 1-41.5
hedge effectiveness	The degree to which changes in the fair value or cash flows of the hedged item that are attributable to a hedged risk are offset by changes in the fair value or cash flows of the hedging instrument (see SFRS(I) 1-39 paragraphs AG105–AG113A).	SFRS(I) 1-39.9
hedge ratio	The relationship between the quantity of the hedging instrument and the quantity of the hedged item in terms of their relative weighting.	SFRS(I) 9.A
hedged item	An asset, liability, firm commitment, highly probable forecast transaction or net investment in a foreign operation that (a) exposes the entity to risk of changes in fair value or future cash flows and (b) is designated as being hedged (SFRS(I) 1-39 paragraphs 78–84 and AG98–AG101 elaborate on the definition of hedged items).	SFRS(I) 1-39.9
hedging instrument	A designated derivative or (for a hedge of the risk of changes in foreign currency exchange rates only) a designated non-derivative financial asset or non-derivative financial liability whose fair value or cash flows are expected to offset changes in the fair value or cash flows of a designated hedged item (SFRS(I) 1-39 paragraphs 72–77 and AG94–AG97 elaborate on the definition of a hedging instrument).	SFRS(I) 1-39.9
held for trading	<p>A financial asset or financial liability that:</p> <ul style="list-style-type: none"> (a) is acquired or incurred principally for the purpose of selling or repurchasing it in the near term; (b) on initial recognition is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or (c) is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument). 	SFRS(I) 9.A
highest and best use	The use of a non-financial asset by market participants that would maximise the value of the asset or the group of assets and liabilities (eg a business) within which the asset would be used.	SFRS(I) 13.A

Glossary

highly probable	Significantly more likely than probable.	SFRS(I) 5.A
hyperinflation	<p>Loss of purchasing power of money at such a rate that comparison of amounts from transactions and other events that have occurred at different times, even within the same accounting period, is misleading.</p> <p>Hyperinflation is indicated by characteristics of the economic environment of a country which include, but are not limited to, the following:</p> <ul style="list-style-type: none"> (a) the general population prefers to keep its wealth in non-monetary assets or in a relatively stable foreign currency. Amounts of local currency held are immediately invested to maintain purchasing power. (b) the general population regards monetary amounts not in terms of the local currency but in terms of a relatively stable foreign currency. Prices may be quoted in that currency. (c) sales and purchases on credit take place at prices that compensate for the expected loss of purchasing power during the credit period, even if the period is short. (d) interest rates, wages and prices are linked to a price index. (e) the cumulative inflation rate over three years is approaching, or exceeds, 100%. 	SFRS(I) 1-29.2–3
identifiable	<p>An asset is identifiable if it either:</p> <ul style="list-style-type: none"> (a) is separable, ie capable of being separated or divided from the entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable asset or liability, regardless of whether the entity intends to do so; or (b) arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations. 	SFRS(I) 3.A
impairment gain or loss	Gains or losses that are recognised in profit or loss in accordance with paragraph 5.5.8 and that arise from applying the impairment requirements in Section 5.5.	SFRS(I) 9.A
impairment loss	The amount by which the carrying amount of an asset exceeds its recoverable amount.	SFRS(I) 1-16.6, (SFRS(I) 1-36.6), SFRS(I) 1-38.8
impracticable	Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so.	SFRS(I) 1-1.7, (SFRS(I) 1-8.5)

Glossary

Inception date of the lease (inception date)	The earlier of the date of a lease agreement and the date of commitment by the parties to the principal terms and conditions of the lease.	SFRS(I) 16.A
income	Increases in economic benefits during the accounting period in the form of inflows or enhancements of assets or decreases of liabilities that result in an increase in equity, other than those relating to contributions from equity participants.	SFRS(I) 15.A
income	Increases in assets, or decreases in liabilities, that result in increases in equity, other than those relating to contributions from holders of equity claims.	CF.4.68
income approach	Valuation techniques that convert future amounts (eg cash flows or income and expenses) to a single current (eg discounted) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.	SFRS(I) 13.A
income from a structured entity	For the purpose of SFRS(I) 12, income from a structured entity includes, but is not limited to, recurring and non-recurring fees, interest, dividends, gains or losses on the remeasurement or derecognition of interests in structured entities and gains or losses from the transfer of assets and liabilities to the structured entity.	SFRS(I) 12.A
initial direct costs	Incremental costs of obtaining a lease that would not have been incurred if the lease had not been obtained, except for such costs incurred by a manufacturer or dealer lessor in connection with a finance lease.	SFRS(I) 16.A
inputs	<p>The assumptions that market participants would use when pricing the asset or liability, including assumptions about risk, such as the following:</p> <ul style="list-style-type: none"> (a) the risk inherent in a particular valuation technique used to measure fair value (such as pricing model); and (b) the risk inherent in the inputs to the valuation technique. <p>Inputs may be observable or unobservable.</p>	SFRS(I) 13.A
insurance acquisition cash flows	Cash flows arising from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs. Such cash flows include cash flows that are not directly attributable to individual contracts or groups of insurance contracts within the portfolio.	SFRS(I) 17.A
insurance contract	A contract under which one party (the issuer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder.	SFRS(I) 17.A

Glossary

insurance contract services	The following services that an entity provides to a policyholder of an insurance contract:	SFRS(I) 17.A
	<ul style="list-style-type: none"> (a) coverage for an insured event (insurance coverage); (b) for insurance contracts without direct participation features, the generation of an investment return for the policyholder, if applicable (investment-return service); and (c) for insurance contracts with direct participation features, the management of underlying items on behalf of the policyholder (investment-related service). 	
insurance contract with direct participation features	An insurance contract for which, at inception:	SFRS(I) 17.A
	<ul style="list-style-type: none"> (a) the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items; (b) the entity expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and (c) the entity expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items. 	
insurance contract without direct participation features	An insurance contract that is not an insurance contract with direct participation features.	SFRS(I) 17.A
insurance risk	Risk, other than financial risk, transferred from the holder of a contract to the issuer.	SFRS(I) 17.A
insured event	An uncertain future event covered by an insurance contract that creates insurance risk.	SFRS(I) 17.A
intangible asset	An identifiable non-monetary asset without physical substance.	SFRS(I) 1-38.8, SFRS(I) 3.A

Glossary

interest in another entity	<p>For the purpose of SFRS(I) 12, an interest in another entity refers to contractual and non-contractual involvement that exposes an entity to variability of returns from the performance of the other entity. An interest in another entity can be evidenced by, but is not limited to, the holding of equity or debt instruments as well as other forms of involvement such as the provision of funding, liquidity support, credit enhancement and guarantees. It includes the means by which an entity has control or joint control of, or significant influence over, another entity. An entity does not necessarily have an interest in another entity solely because of a typical customer supplier relationship.</p> <p>Paragraphs B7–B9 of SFRS(I) 12 provide further information about interests in other entities.</p> <p>Paragraphs B55–B57 of SFRS(I) 10 explain variability of returns.</p>	SFRS(I) 12.A
interest rate implicit in the lease	<p>The rate of interest that causes the present value of (a) the lease payments and (b) the unguaranteed residual value to equal the sum of (i) the fair value of the underlying asset and (ii) any initial direct costs of the lessor.</p>	SFRS(I) 16.A
interest rate risk	<p>The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.</p>	SFRS(I) 7.A
interim financial report	<p>A financial report containing either a complete set of financial statements (as described in SFRS(I) 1-1) or a set of condensed financial statements (as described in SFRS(I) 1-34) for an interim period.</p>	SFRS(I) 1-34.4
interim period	<p>A financial reporting period shorter than a full financial year.</p>	SFRS(I) 1-34.4
International Financial Reporting Standards (IFRSs)	<p>Standards and Interpretations issued by the International Accounting Standards Board. They comprise:</p> <ul style="list-style-type: none"> (a) International Financial Reporting Standards; (b) International Accounting Standards; (c) IFRIC Interpretations; and (d) SIC Interpretations.³ 	SFRS(I) 1.A
intrinsic value	<p>The difference between the fair value of the shares to which the counterparty has the (conditional or unconditional) right to subscribe or which it has the right to receive, and the price (if any) the counterparty is (or will be) required to pay for those shares. For example, a share option with an exercise price of CU15,⁴ on a share with a fair value of CU20, has an intrinsic value of CU5.</p>	SFRS(I) 2.A

³ Definition of IFRSs amended after the name changes introduced by the revised Constitution of the IFRS Foundation in 2010.

⁴ Monetary items are denominated in 'currency units (CU)'.

Glossary

inventories	<p>Assets:</p> <ul style="list-style-type: none"> (a) held for sale in the ordinary course of business; (b) in the process of production for such sale; or (c) in the form of materials or supplies to be consumed in the production process or in the rendering of services. <p>Inventories encompass goods purchased and held for resale including, for example, merchandise purchased by a retailer and held for resale, or land and other property held for resale. Inventories also encompass finished goods produced, or work in progress being produced, by the entity and include materials and supplies awaiting use in the production process. Costs incurred to fulfil a contract with a customer that do not give rise to inventories (or assets within the scope of another Standard) are accounted for in accordance with SFRS(I) 15 <i>Revenue from Contracts with Customers</i>.</p>	SFRS(I) 1-2.6, SFRS(I) 1-2.8
investing activities	The acquisition and disposal of long-term assets and other investments not included in cash equivalents.	SFRS(I) 1-7.6
investment component	The amounts that an insurance contract requires the entity to repay to a policyholder in all circumstances, regardless of whether an insured event occurs.	SFRS(I) 17.A
investment contract with discretionary participation features	<p>A financial instrument that provides a particular investor with the contractual right to receive, as a supplement to an amount not subject to the discretion of the issuer, additional amounts:</p> <ul style="list-style-type: none"> (a) that are expected to be a significant portion of the total contractual benefits; (b) the timing or amount of which are contractually at the discretion of the issuer; and (c) that are contractually based on: <ul style="list-style-type: none"> (i) the returns on a specified pool of contracts or a specified type of contract; (ii) realised and/or unrealised investment returns on a specified pool of assets held by the issuer; or (iii) the profit or loss of the entity or fund that issues the contract. 	SFRS(I) 17.A

Glossary

investment entity	An entity that: <ul style="list-style-type: none"> (a) obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services; (b) commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and (c) measures and evaluates the performance of substantially all of its investments on a fair value basis. 	SFRS(I) 10.A
investment property	Property (land or a building—or part of a building—or both) held (by the owner or by the lessee as a right-of-use asset) to earn rentals or for capital appreciation or both, rather than for: <ul style="list-style-type: none"> (a) use in the production or supply of goods or services or for administrative purposes; or (b) sale in the ordinary course of business. 	SFRS(I) 1-40.5
joint arrangement	An arrangement of which two or more parties have joint control.	SFRS(I) 1-28.3, SFRS(I) 11.A
joint control	The contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.	SFRS(I) 1-28.3, SFRS(I) 11.A
joint operation	A joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.	SFRS(I) 11.A
joint operator	A party to a joint operation that has joint control of that joint operation.	SFRS(I) 11.A
joint venture	A joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.	SFRS(I) 1-28.3, SFRS(I) 11.A
joint venturer	A party to a joint venture that has joint control of the joint venture.	SFRS(I) 1-28.3, SFRS(I) 11.A
key management personnel	Those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.	SFRS(I) 1-24.9
lease	A contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.	SFRS(I) 16.A
lease incentives	Payments made by a lessor to a lessee associated with a lease, or the reimbursement or assumption by a lessor of costs of a lessee.	SFRS(I) 16.A

Glossary

lease modification	<p>A change in the scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease (for example, adding or terminating the right to use one or more underlying assets, or extending or shortening the contractual lease term).</p>	SFRS(I) 16.A
lease payments	<p>Payments made by a lessee to a lessor relating to the right to use an underlying asset during the lease term, comprising the following:</p> <ul style="list-style-type: none">(a) fixed payments (including in-substance fixed payments), less any lease incentives;(b) variable lease payments that depend on an index or a rate;(c) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and(d) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. <p>For the lessee, lease payments also include amounts expected to be payable by the lessee under residual value guarantees. Lease payments do not include payments allocated to non-lease components of a contract, unless the lessee elects to combine non-lease components with a lease component and to account for them as a single lease component.</p> <p>For the lessor, lease payments also include any residual value guarantees provided to the lessor by the lessee, a party related to the lessee or a third party unrelated to the lessor that is financially capable of discharging the obligations under the guarantee. Lease payments do not include payments allocated to non-lease components.</p>	SFRS(I) 16.A
lease term	<p>The non-cancellable period for which a lessee has the right to use an underlying asset, together with both:</p> <ul style="list-style-type: none">(a) periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and(b) periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.	SFRS(I) 16.A
legal obligation	<p>An obligation that derives from:</p> <ul style="list-style-type: none">(a) a contract (through its explicit or implicit terms);(b) legislation; or(c) other operation of law.	SFRS(I) 1-37.10

Glossary

lessee	An entity that obtains the right to use an underlying asset for a period of time in exchange for consideration.	SFRS(I) 16.A
lessee's incremental borrowing rate	The rate of interest that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.	SFRS(I) 16.A
lessor	An entity that provides the right to use an underlying asset for a period of time in exchange for consideration.	SFRS(I) 16.A
Level 1 inputs	Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	SFRS(I) 13.A
Level 2 inputs	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.	SFRS(I) 13.A
Level 3 inputs	Unobservable inputs for the asset or liability.	SFRS(I) 13.A
liability	A present obligation of the entity arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.	SFRS(I) 1-37.10
liability	A present obligation of the entity to transfer an economic resource as a result of past events.	CF.4.26
liability for incurred claims	<p>An entity's obligation to:</p> <ul style="list-style-type: none"> (a) investigate and pay valid claims for insured events that have already occurred, including events that have occurred but for which claims have not been reported, and other incurred insurance expenses; and (b) pay amounts that are not included in (a) and that relate to: <ul style="list-style-type: none"> (i) insurance contract services that have already been provided; or (ii) any investment components or other amounts that are not related to the provision of insurance contract services and that are not in the liability for remaining coverage. 	SFRS(I) 17.A

Glossary

liability for remaining coverage	<p>An entity's obligation to:</p> <ul style="list-style-type: none"> (a) investigate and pay valid claims under existing insurance contracts for insured events that have not yet occurred (ie the obligation that relates to the unexpired portion of the insurance coverage); and (b) pay amounts under existing insurance contracts that are not included in (a) and that relate to: <ul style="list-style-type: none"> (i) insurance contract services not yet provided (ie the obligations that relate to future provision of insurance contract services); or (ii) any investment components or other amounts that are not related to the provision of insurance contract services and that have not been transferred to the liability for incurred claims. 	SFRS(I) 17.A
lifetime expected credit losses	The expected credit losses that result from all possible default events over the expected life of a financial instrument.	SFRS(I) 9.A
liquidity risk	The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.	SFRS(I) 7.A
loans payable	Financial liabilities other than short-term trade payables on normal credit terms.	SFRS(I) 7.A
loss allowance	The allowance for expected credit losses on financial assets measured in accordance with paragraph 4.1.2, lease receivables and contract assets, the accumulated impairment amount for financial assets measured in accordance with paragraph 4.1.2A and the provision for expected credit losses on loan commitments and financial guarantee contracts.	SFRS(I) 9.A
market approach	A valuation technique that uses prices and other relevant information generated by market transactions involving identical or comparable (ie similar) assets, liabilities or a group of assets and liabilities, such as a business.	SFRS(I) 13.A

Glossary

market condition	<p>A performance condition upon which the exercise price, vesting or exercisability of an equity instrument depends that is related to the market price (or value) of the entity's equity instruments (or the equity instruments of another entity in the same group), such as:</p> <ul style="list-style-type: none"> (a) attaining a specified share price or a specified amount of intrinsic value of a share option; or (b) achieving a specified target that is based on the market price (or value) of the entity's equity instruments (or the equity instruments of another entity in the same group) relative to an index of market prices of equity instruments of other entities. <p>A market condition requires the counterparty to complete a specified period of service (ie a service condition); the service requirement can be explicit or implicit.</p>	SFRS(I) 2.A
market-corroborated inputs	Inputs that are derived principally from or corroborated by observable market data by correlation or other means.	SFRS(I) 13.A
market participant	<p>Buyers and sellers in the principal (or most advantageous) market for the asset or liability that have all of the following characteristics:</p> <ul style="list-style-type: none"> (a) They are independent of each other, ie they are not related parties as defined in SFRS(I) 1-24, although the price in a related party transaction may be used as an input to a fair value measurement if the entity has evidence that the transaction was entered into at market terms. (b) They are knowledgeable, having a reasonable understanding about the asset or liability and the transaction using all available information, including information that might be obtained through due diligence efforts that are usual and customary. (c) They are able to enter into a transaction for the asset or liability. (d) They are willing to enter into a transaction for the asset or liability, ie they are motivated but not forced or otherwise compelled to do so. 	SFRS(I) 13.A
market risk	The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.	SFRS(I) 7.A
material	Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.	SFRS(I) 1-1.7, (SFRS(I) 1-8.5)

Glossary

material information	Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial reports make on the basis of those reports, which provide financial information about a specific reporting entity.	CF.2.11, (PS 2.5)
measure	The result of applying a measurement basis to an asset or liability and related income and expenses.	CF.6.1
measurement basis	An identified feature—for example, historical cost, fair value or fulfilment value—of an item being measured.	CF.6.1
measurement date	The date at which the fair value of the equity instruments granted is measured for the purposes of this SFRS(I). For transactions with employees and others providing similar services, the measurement date is grant date. For transactions with parties other than employees (and those providing similar services), the measurement date is the date the entity obtains the goods or the counterparty renders service.	SFRS(I) 2.A
measurement uncertainty	Uncertainty that arises when monetary amounts in financial reports cannot be observed directly and must instead be estimated.	CF.2.19
minority interest	See 'non-controlling interest'.	
modification gain or loss	The amount arising from adjusting the gross carrying amount of a financial asset to reflect the renegotiated or modified contractual cash flows. The entity recalculates the gross carrying amount of a financial asset as the present value of the estimated future cash payments or receipts through the expected life of the renegotiated or modified financial asset that are discounted at the financial asset's original effective interest rate (or the original credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets) or, when applicable, the revised effective interest rate calculated in accordance with paragraph 6.5.10. When estimating the expected cash flows of a financial asset, an entity shall consider all contractual terms of the financial asset (for example, prepayment, call and similar options) but shall not consider the expected credit losses, unless the financial asset is a purchased or originated credit-impaired financial asset, in which case an entity shall also consider the initial expected credit losses that were considered when calculating the original credit-adjusted effective interest rate.	SFRS(I) 9.A
monetary assets	Money held and assets to be received in fixed or determinable amounts of money.	SFRS(I) 1-38.8
monetary items	Units of currency held and assets and liabilities to be received or paid in a fixed or determinable number of units of currency.	SFRS(I) 1-21.8
monetary items	Money held and items to be received or paid in money.	SFRS(I) 1-29.12

Glossary

most advantageous market	The market that maximises the amount that would be received to sell the asset or minimises the amount that would be paid to transfer the liability, after taking into account transaction costs and transport costs.	SFRS(I) 13.A
multi-employer (benefit) plans	<p>Defined contribution plans (other than state plans) or defined benefit plans (other than state plans) that:</p> <p>(a) pool the assets contributed by various entities that are not under common control; and</p> <p>(b) use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees concerned.</p>	SFRS(I) 1-19.8
mutual entity	An entity, other than an investor-owned entity, that provides dividends, lower costs or other economic benefits directly to its owners, members or participants. For example, a mutual insurance company, a credit union and a co-operative entity are all mutual entities.	SFRS(I) 3.A
net assets available for benefits	The assets of a plan less liabilities other than the actuarial present value of promised retirement benefits.	SFRS(I) 1-26.8
net defined benefit liability (asset)	The deficit or surplus, adjusted for any effects of limiting a net defined benefit asset to the asset ceiling.	SFRS(I) 1-19.8
net interest on the net defined benefit liability (asset)	The change during the period in the net defined benefit liability (asset) that arises from the passage of time.	SFRS(I) 1-19.8
net investment in a foreign operation	The amount of the reporting entity's interest in the net assets of that operation.	SFRS(I) 1-21.8
net investment in the lease	The gross investment in the lease discounted at the interest rate implicit in the lease.	SFRS(I) 16.A
net realisable value	<p>The estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.</p> <p>Net realisable value refers to the net amount that an entity expects to realise from the sale of inventory in the ordinary course of business. Fair value reflects the amount for which the same inventory could be exchanged between knowledgeable and willing buyers and sellers in the marketplace. The former is an entity specific value; the latter is not. Net realisable value for inventories may not equal fair value less costs to sell.</p>	SFRS(I) 1-2.6–7
non-adjusting events after the reporting period	See 'events after the reporting period'.	

Glossary

non-controlling interest	Equity in a subsidiary not attributable, directly or indirectly, to a parent.	SFRS(I) 3.A, SFRS(I) 10.A
non-current asset	An asset that does not meet the definition of a current asset.	SFRS(I) 5.A
non-performance risk	The risk that an entity will not fulfil an obligation. Non-performance risk includes, but may not be limited to, the entity's own credit risk.	SFRS(I) 13.A
notes	Notes contain information in addition to that presented in the statement of financial position, statement of comprehensive income, separate income statement (if presented), statement of changes in equity and statement of cash flows. Notes provide narrative descriptions or disaggregations of items presented in those statements and information about items that do not qualify for recognition in those statements.	SFRS(I) 1-1.7
obligating event	An event that creates a legal or constructive obligation that results in an entity having no realistic alternative to settling that obligation.	SFRS(I) 1-37.10
observable inputs	Inputs that are developed using market data, such as publicly available information about actual events or transactions, and that reflect the assumptions that market participants would use when pricing the asset or liability.	SFRS(I) 13.A
offsetting	Grouping an asset and liability that are recognised and measured as separate units of account into a single net amount in the statement of financial position.	CF.7.10
onerous contract	A contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.	SFRS(I) 1-37.10
opening SFRS(I) statement of financial position	An entity's statement of financial position at the date of transition to SFRS(I)s.	SFRS(I) 1.A
operating activities	The principal revenue producing activities of an entity and other activities that are not investing or financing activities.	SFRS(I) 1-7.6
operating lease	A lease that does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.	SFRS(I) 16.A
optional lease payments	Payments to be made by a lessee to a lessor for the right to use an underlying asset during periods covered by an option to extend or terminate a lease that are not included in the lease term.	SFRS(I) 16.A

Glossary

operating segment	An operating segment is a component of an entity: <ul style="list-style-type: none"> (a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), (b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and (c) for which discrete financial information is available. 	SFRS(I) 8.A
options, warrants and their equivalents	Financial instruments that give the holder the right to purchase ordinary shares.	SFRS(I) 1-33.5
orderly transaction	A transaction that assumes exposure to the market for a period before the measurement date to allow for marketing activities that are usual and customary for transactions involving such assets or liabilities; it is not a forced transaction (eg a forced liquidation or distress sale).	SFRS(I) 13.A
ordinary equity holders	Holders of ordinary shares.	SFRS(I) 1-33.5–7
ordinary share	An equity instrument that is subordinate to all other classes of equity instruments.	SFRS(I) 1-33.5
other comprehensive income	Items of income and expense (including reclassification adjustments) that are not recognised in profit or loss as required or permitted by other SFRS(I)s.	SFRS(I) 1-1.7
other long-term employee benefits	All employee benefits other than short-term employee benefits, post-employment benefits and termination benefits.	SFRS(I) 1-19.8
other price risk	The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.	SFRS(I) 7.A
outcome uncertainty	Uncertainty about the amount or timing of any inflow or outflow of economic benefits that will result from an asset or liability.	CF.6.61
owner-occupied property	Property held (by the owner or by the lessee as a right-of-use asset) for use in the production or supply of goods or services or for administrative purposes.	SFRS(I) 1-40.5
owners	Holders of instruments classified as equity.	SFRS(I) 1-1.7

Glossary

owners	In SFRS(I) 3, owners is used broadly to include holders of equity interests of investor-owned entities and owners or members of, or participants in, mutual entities.	SFRS(I) 3.A
parent	An entity that controls one or more entities.	SFRS(I) 10.A
participants	The members of a retirement benefit plan and others who are entitled to benefits under the plan.	SFRS(I) 1-26.8
party to a joint arrangement	An entity that participates in a joint arrangement, regardless of whether that entity has joint control of the arrangement.	SFRS(I) 11.A
past due	A financial asset is past due when a counterparty has failed to make a payment when contractually due.	SFRS(I) 9.A
past service cost	The change in the present value of the defined benefit obligation for employee service in prior periods, resulting from a plan amendment (the introduction or withdrawal of, or change to, a defined benefit plan) or a curtailment (a significant reduction by the entity in the number of employees covered by a plan).	SFRS(I) 1-19.8
performance condition	<p>A vesting condition that requires:</p> <ul style="list-style-type: none"> (a) the counterparty to complete a specified period of service (ie a service condition); the service requirement can be explicit or implicit; and (b) specified performance target(s) to be met while the counterparty is rendering the service required in (a). <p>The period of achieving the performance target(s):</p> <ul style="list-style-type: none"> (a) shall not extend beyond the end of the service period; and (b) may start before the service period on the condition that the commencement date of the performance target is not substantially before the commencement of the service period. <p>A performance target is defined by reference to:</p> <ul style="list-style-type: none"> (a) the entity's own operations (or activities) or the operations or activities of another entity in the same group (ie a non-market condition); or (b) the price (or value) of the entity's equity instruments or the equity instruments of another entity in the same group (including shares and share options) (ie a market condition). <p>A performance target might relate either to the performance of the entity as a whole or to some part of the entity (or part of the group), such as a division or an individual employee.</p>	SFRS(I) 2.A

Glossary

performance obligation	A promise in a contract with a customer to transfer to the customer either: (a) a good or service (or a bundle of goods or services) that is distinct; or (b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.	SFRS(I) 15.A
period of use	The total period of time that an asset is used to fulfil a contract with a customer (including any non-consecutive periods of time).	SFRS(I) 16.A
plan assets (of an employee benefit plan)	Comprise: (a) assets held by a long-term employee benefit fund; and (b) qualifying insurance policies.	SFRS(I) 1-19.8
policyholder	A party that has a right to compensation under an insurance contract if an insured event occurs.	SFRS(I) 17.A
portfolio of insurance contracts	Insurance contracts subject to similar risks and managed together.	SFRS(I) 17.A
post-employment benefits	Employee benefits (other than termination benefits and short-term employee benefits) that are payable after the completion of employment.	SFRS(I) 1-19.8
post-employment benefit plans	Formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.	SFRS(I) 1-19.8
potential ordinary share	A financial instrument or other contract that may entitle its holder to ordinary shares.	SFRS(I) 1-33.5
potential to produce economic benefits	Within an economic resource, a feature that already exists and that, in at least one circumstance, would produce for the entity economic benefits beyond those available to all other parties.	CF.4.14
power	Existing rights that give the current ability to direct the relevant activities.	SFRS(I) 10.A
presentation currency	The currency in which the financial statements are presented.	SFRS(I) 1-21.8
present value of a defined benefit obligation	The present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.	SFRS(I) 1-19.8
previous GAAP	The basis of accounting that a first-time adopter used immediately before adopting SFRS(I)s.	SFRS(I) 1.A, SFRS(I) 14.A

Glossary

primary users (of general purpose financial reports)	Existing and potential investors, lenders and other creditors.	CF.1.2
principal market	The market with the greatest volume and level of activity for the asset or liability.	SFRS(I) 13.A
prior period errors	<p>Omissions from, and misstatements in, the entity's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that:</p> <p>(a) was available when financial statements for those periods were authorised for issue; and</p> <p>(b) could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.</p> <p>Such errors include the effects of mathematical mistakes, mistakes in applying accounting policies, oversights or misinterpretations of facts, and fraud.</p>	SFRS(I) 1-8.5
probable	More likely than not.	SFRS(I) 5.A, SFRS(I) 1-37.23
profit or loss	The total of income less expenses, excluding the components of other comprehensive income.	SFRS(I) 1-1.7
property, plant and equipment	<p>Tangible items that:</p> <p>(a) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and</p> <p>(b) are expected to be used during more than one period.</p>	SFRS(I) 1-16.6
prospective application	<p>Prospective application of a change in accounting policy and of recognising the effect of a change in an accounting estimate, respectively, are:</p> <p>(a) applying the new accounting policy to transactions, other events and conditions occurring after the date as at which the policy is changed; and</p> <p>(b) recognising the effect of the change in the accounting estimate in the current and future periods affected by the change.</p>	SFRS(I) 1-8.5
protective rights	Rights designed to protect the interest of the party holding those rights without giving that party power over the entity to which those rights relate.	SFRS(I) 10.A
provision	A liability of uncertain timing or amount.	SFRS(I) 1-37.10

Glossary

prudence	The exercise of caution when making judgements under conditions of uncertainty. The exercise of prudence means that assets and income are not overstated and liabilities and expenses are not understated. Equally, the exercise of prudence does not allow for the understatement of assets or income or the overstatement of liabilities or expenses.	CF.2.16
purchased or originated credit-impaired financial asset	Purchased or originated financial asset(s) that are credit-impaired on initial recognition.	SFRS(I) 9.A
put options (on ordinary shares)	Contracts that give the holder the right to sell ordinary shares at a specified price for a given period.	SFRS(I) 1-33.5
puttable instrument	A financial instrument that gives the holder the right to put the instrument back to the issuer for cash or another financial asset or is automatically put back to the issuer on the occurrence of an uncertain future event or the death or retirement of the instrument holder.	SFRS(I) 1-32.11
qualifying asset	An asset that necessarily takes a substantial period of time to get ready for its intended use or sale.	SFRS(I) 1-23.5
qualifying insurance policy	<p>An insurance policy issued by an insurer that is not a related party (as defined in SFRS(I) 1-24) of the reporting entity, if the proceeds of the policy:</p> <ul style="list-style-type: none"> (a) can be used only to pay or fund employee benefits under a defined benefit plan; (b) are not available to the reporting entity's own creditors (even in bankruptcy) and cannot be paid to the reporting entity, unless either: <ul style="list-style-type: none"> (i) the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or (ii) the proceeds are returned to the reporting entity to reimburse it for employee benefits already paid. 	SFRS(I) 1-19.8
rate-regulated activities	An entity's activities that are subject to rate regulation.	SFRS(I) 14.A
rate regulation	A framework for establishing the prices that can be charged to customers for goods or services and that framework is subject to oversight and/or approval by a rate regulator.	SFRS(I) 14.A
rate regulator	An authorised body that is empowered by statute or regulation to establish the rate or a range of rates that bind an entity. The rate regulator may be a third-party body or a related party of the entity, including the entity's own governing board, if that body is required by statute or regulation to set rates both in the interest of the customers and to ensure the overall financial viability of the entity.	SFRS(I) 14.A

Glossary

reclassification adjustments	Amounts reclassified to profit or loss in the current period that were recognised in other comprehensive income in the current or previous periods.	SFRS(I) 1-1.7
reclassification date	The first day of the first reporting period following the change in business model that results in an entity reclassifying financial assets.	SFRS(I) 9.A
recoverable amount	The higher of an asset's (or cash generating unit's) fair value less costs of disposal and its value in use.	SFRS(I) 1-16.6, SFRS(I) 1-36.6, SFRS(I) 5.A
recognition	The process of capturing for inclusion in the statement of financial position or the statement(s) of financial performance an item that meets the definition of one of the elements of financial statements—an asset, a liability, equity, income or expenses. Recognition involves depicting the item in one of those statements—either alone or in aggregation with other items—in words and by a monetary amount, and including that amount in one or more totals in that statement.	CF.5.1
regular way purchase or sale	A purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.	SFRS(I) 9.A
regulatory deferral account balance	The balance of any expense (or income) account that would not be recognised as an asset or a liability in accordance with other Standards, but that qualifies for deferral because it is included, or is expected to be included, by the rate regulator in establishing the rate(s) that can be charged to customers.	SFRS(I) 14.A
reinsurance contract	An insurance contract issued by one entity (the reinsurer) to compensate another entity for claims arising from one or more insurance contracts issued by that other entity (underlying contracts).	SFRS(I) 17.A

Glossary

related party	<p>A person or entity that is related to the entity that is preparing its financial statements (in SFRS(I) 1-24 referred to as the 'reporting entity').</p> <p>(a) A person or a close member of that person's family is related to a reporting entity if that person:</p> <ul style="list-style-type: none">(i) has control or joint control over the reporting entity;(ii) has significant influence over the reporting entity; or(iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. <p>(b) An entity is related to a reporting entity if any of the following conditions applies:</p> <ul style="list-style-type: none">(i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).(iii) Both entities are joint ventures of the same third party.(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.(v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.(vi) The entity is controlled or jointly controlled by a person identified in (a).(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.	SFRS(I) 1-24.9
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Glossary

related party transaction	A transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.	SFRS(I) 1-24.9
relevant activities	For the purpose of SFRS(I) 10, relevant activities are activities of the investee that significantly affect the investee's returns.	SFRS(I) 10.A
reload feature	A feature that provides for an automatic grant of additional share options whenever the option holder exercises previously granted options using the entity's shares, rather than cash, to satisfy the exercise price.	SFRS(I) 2.A
reload option	A new share option granted when a share is used to satisfy the exercise price of a previous share option.	SFRS(I) 2.A
remeasurement of the net defined benefit liability (asset)	Comprises: <ul style="list-style-type: none"> (a) actuarial gains and losses; (b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and (c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset). 	SFRS(I) 1-19.8
removal rights	Rights to deprive the decision maker of its decision-making authority.	SFRS(I) 10.A
reportable segment	An operating segment for which SFRS(I) 8 requires information to be disclosed.	SFRS(I) 8.11
reporting entity	An entity that is required, or chooses, to prepare general purpose financial statements.	CF.3.10
research	Original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge and understanding.	SFRS(I) 1-38.8
residual value guarantee	A guarantee made to a lessor by a party unrelated to the lessor that the value (or part of the value) of an underlying asset at the end of a lease will be at least a specified amount.	SFRS(I) 16.A
residual value (of an asset)	The estimated amount that an entity would currently obtain from disposal of an asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.	SFRS(I) 1-16.6, (SFRS(I) 1-38.8)
restructuring	A programme that is planned and controlled by management, and materially changes either: <ul style="list-style-type: none"> (a) the scope of a business undertaken by an entity; or (b) the manner in which that business is conducted. 	SFRS(I) 1-37.10

Glossary

retirement benefit plans	Arrangements whereby an entity provides benefits for its employees on or after termination of service (either in the form of an annual income or as a lump sum) when such benefits, or the employer's contributions towards them, can be determined or estimated in advance of retirement from the provisions of a document or from the entity's practices. (See also 'post-employment benefit plans'.)	SFRS(I) 1-26.8
retrospective application	Applying a new accounting policy to transactions, other events and conditions as if that policy had always been applied.	SFRS(I) 1-8.5
retrospective restatement	Correcting the recognition, measurement and disclosure of amounts of elements of financial statements as if a prior period error had never occurred.	SFRS(I) 1-8.5
return on plan assets (of an employee benefit plan)	Interest, dividends and other revenue derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less: <ul style="list-style-type: none"> (a) any cost of managing plan assets; and (b) any tax payable by the plan itself, other than tax included in the actuarial assumptions used to measure the present value of the defined benefit obligation. 	SFRS(I) 1-19.8
revenue	Income arising in the course of an entity's ordinary activities.	SFRS(I) 15.A
right-of-use asset	An asset that represents a lessee's right to use an underlying asset for the lease term.	SFRS(I) 16.A
risk adjustment for non-financial risk	The compensation an entity requires for bearing the uncertainty about the amount and timing of the cash flows that arises from non-financial risk as the entity fulfils insurance contracts.	SFRS(I) 17.A
risk premium	Compensation sought by risk-averse market participants for bearing the uncertainty inherent in the cash flows of an asset or a liability. Also referred to as a 'risk adjustment'.	SFRS(I) 13.A
separate financial statements	Those presented by an entity in which the entity could elect, subject to the requirements in SFRS(I) 1-27, to account for its investments in subsidiaries, joint ventures and associates either at cost, in accordance with SFRS(I) 9 <i>Financial Instruments</i> , or using the equity method as described in SFRS(I) 1-28 <i>Investments in Associates and Joint Ventures</i> .	SFRS(I) 1-27.4
separate vehicle	A separately identifiable financial structure, including separate legal entities or entities recognised by statute, regardless of whether those entities have a legal personality.	SFRS(I) 11.A

Glossary

service condition	A vesting condition that requires the counterparty to complete a specified period of service during which services are provided to the entity. If the counterparty, regardless of the reason, ceases to provide service during the vesting period, it has failed to satisfy the condition. A service condition does not require a performance target to be met.	SFRS(I) 2.A
service cost	Comprises: <ul style="list-style-type: none"> (a) current service cost; (b) past service cost; and (c) any gain or loss on settlement. 	SFRS(I) 1-19.8
settlement (of employee benefit obligations)	A transaction that eliminates all further legal or constructive obligation for part or all of the benefits provided under a defined benefit plan, other than a payment of benefits to, or on behalf of, employees that is set out in the terms of the plan and included in the actuarial assumptions.	SFRS(I) 1-19.8
share-based payment arrangement	An agreement between the entity or another group ⁵ entity or any shareholder of the group entity and another party (including an employee) that entitles the other party to receive <ul style="list-style-type: none"> (a) cash or other assets of the entity for amounts that are based on the price (or value) of equity instruments (including shares or share options) of the entity or another group entity, or (b) equity instruments (including shares or share options) of the entity or another group entity, <p>provided the specified vesting conditions, if any, are met.</p>	SFRS(I) 2.A
share-based payment transaction	A transaction in which the entity <ul style="list-style-type: none"> (a) receives goods or services from the supplier of those goods or services (including an employee) in a share-based payment arrangement, or (b) incurs an obligation to settle the transaction with the supplier in a share-based payment arrangement when another group entity receives those goods or services. 	SFRS(I) 2.A
share option	A contract that gives the holder the right, but not the obligation, to subscribe to the entity's shares at a fixed or determinable price for a specific period of time.	SFRS(I) 2.A
short-term employee benefits	Employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service.	SFRS(I) 1-19.8

⁵ A 'group' is defined in Appendix A of SFRS(I) 10 *Consolidated Financial Statements* as 'a parent and its subsidiaries'.

Glossary

short-term lease	A lease that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease.	SFRS(I) 16.A
significant influence	The power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.	SFRS(I) 1-28.3
Singapore Financial Reporting Standards (International) (SFRS(I)s)	Standards and Interpretations issued by the Accounting Standards Committee ⁶ . They comprise: (a) Singapore Financial Reporting Standards (International); and (b) SFRS(I) Interpretations.	SFRS(I) 1-1.7, SFRS(I) 1-8.5, SFRS(I) 1.A
spot exchange rate	The exchange rate for immediate delivery.	SFRS(I) 1-21.8
stand-alone selling price (of a good or service)	The price at which an entity would sell a promised good or service separately to a customer.	SFRS(I) 15.A
structured entity	An entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. Paragraphs B22–B24 of SFRS(I) 12 provide further information about structured entities.	SFRS(I) 12.A
sublease	A transaction for which an underlying asset is re-leased by a lessee ('intermediate lessor') to a third party, and the lease ('head lease') between the head lessor and lessee remains in effect.	SFRS(I) 16.A
subsidiary	An entity that is controlled by another entity.	SFRS(I) 10.A
tax base of an asset or liability	The amount attributed to that asset or liability for tax purposes.	SFRS(I) 1-12.5
tax expense (tax income)	The aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax. Tax expense (tax income) comprises current tax expense (current tax income) and deferred tax expense (deferred tax income).	SFRS(I) 1-12.5, SFRS(I) 1-12.6
taxable profit (tax loss)	The profit (loss) for a period, determined in accordance with the rules established by the taxation authorities, upon which income taxes are payable (recoverable).	SFRS(I) 1-12.5

⁶ Pursuant to the Accountancy Functions (Consolidation) Act 2022, any accounting standards made or formulated or deemed to have been made or formulated, and any practice directions issued or deemed to have been issued, by the Accounting Standards Council before 1 April 2023, and which have not been revoked before that date, shall continue in force after that date as if made or formulated or issued by the Accounting Standards Committee after that date.

Glossary

taxable temporary differences	Temporary differences that will result in taxable amounts in determining taxable profit (tax loss) of future periods when the carrying amount of the asset or liability is recovered or settled.	SFRS(I) 1-12.5
temporary differences	Differences between the carrying amount of an asset or liability in the statement of financial position and its tax base. Temporary differences may be either: <ul style="list-style-type: none"> (a) taxable temporary differences; or (b) deductible temporary differences. 	SFRS(I) 1-12.5
termination benefits	Employee benefits provided in exchange for the termination of an employee's employment as a result of either: <ul style="list-style-type: none"> (a) an entity's decision to terminate an employee's employment before the normal retirement date; or (b) an employee's decision to accept an offer of benefits in exchange for the termination of employment. 	SFRS(I) 1-19.8
total comprehensive income	The change in equity during a period resulting from transactions and other events, other than those changes resulting from transactions with owners in their capacity as owners.	SFRS(I) 1-1.7
transaction costs	The costs to sell an asset or transfer a liability in the principal (or most advantageous) market for the asset or liability that are directly attributable to the disposal of the asset or the transfer of the liability and meet both of the following criteria: <ul style="list-style-type: none"> (a) They result directly from and are essential to that transaction. (b) They would not have been incurred by the entity had the decision to sell the asset or transfer the liability not been made (similar to costs to sell, as defined in SFRS(I) 5). 	SFRS(I) 13.A
transaction costs (financial instruments)	Incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability (see paragraph B5.4.8 of SFRS(I) 9). An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.	SFRS(I) 9.A
transaction price (for a contract with a customer)	The amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.	SFRS(I) 15.A

Glossary

transitioning entity	An entity that presents its first SFRS(I) financial statements, and that presented its annual financial statements in the most recent previous year that contained an explicit and unreserved statement of compliance with International Financial Reporting Standards (IFRSs).	SFRS(I) 1.A, SFRS(I) 14.A
transport costs	The costs that would be incurred to transport an asset from its current location to its principal (or most advantageous) market.	SFRS(I) 13.A
unconsolidated financial statements	Financial statements of a reporting entity that is the parent alone.	CF.3.11
underlying asset	An asset that is the subject of a lease, for which the right to use that asset has been provided by a lessor to a lessee.	SFRS(I) 16.A
underlying items	Items that determine some of the amounts payable to a policyholder. Underlying items can comprise any items; for example, a reference portfolio of assets, the net assets of the entity, or a specified subset of the net assets of the entity.	SFRS(I) 17.A
unearned finance income	The difference between: (a) the gross investment in the lease, and (b) the net investment in the lease.	SFRS(I) 16.A
unguaranteed residual value	That portion of the residual value of the underlying asset, the realisation of which by a lessor is not assured or is guaranteed solely by a party related to the lessor.	SFRS(I) 16.A
unit of account	The level at which an asset or a liability is aggregated or disaggregated in a SFRS(I) for recognition purposes.	SFRS(I) 13.A
unit of account	The right or the group of rights, the obligation or the group of obligations, or the group of rights and obligations, to which recognition criteria and measurement concepts are applied.	CF.4.48
unobservable inputs	Inputs for which market data are not available and that are developed using the best information available about the assumptions that market participants would use when pricing the asset or liability.	SFRS(I) 13.A
useful financial information	Financial information that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the reporting entity. To be useful, financial information must be relevant and faithfully represent what it purports to represent.	CF.1.2, CF.2.4

Glossary

useful life	<p>Either:</p> <p>(a) the period over which an asset is expected to be available for use by an entity; or</p> <p>(b) the number of production or similar units expected to be obtained from the asset by the entity.</p>	<p>SFRS(I) 1-16.6, SFRS(I) 1-36.6, SFRS(I) 1-38.8 SFRS(I) 16.A</p>
users (of general purpose financial reports)	<p>See primary users (of general purpose financial reports).</p>	
value in use	<p>The present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.</p>	<p>SFRS(I) 5.A</p>
value in use	<p>The present value of the future cash flows expected to be derived from an asset or cash generating unit.</p>	<p>SFRS(I) 1-36.6</p>
variable lease payments	<p>The portion of payments made by a lessee to a lessor for the right to use an underlying asset during the lease term that varies because of changes in facts or circumstances occurring after the commencement date, other than the passage of time.</p>	<p>SFRS(I) 16.A</p>
vest	<p>To become an entitlement. Under a share-based payment arrangement, a counterparty's right to receive cash, other assets or equity instruments of the entity vests when the counterparty's entitlement is no longer conditional on the satisfaction of any vesting conditions.</p>	<p>SFRS(I) 2.A</p>
vested benefits	<p>Benefits, the rights to which, under the conditions of a retirement benefit plan, are not conditional on continued employment.</p>	<p>SFRS(I) 1-26.8</p>
vesting conditions	<p>A condition that determines whether the entity receives the services that entitle the counterparty to receive cash, other assets or equity instruments of the entity, under a share-based payment arrangement. A vesting condition is either a service condition or a performance condition.</p>	<p>SFRS(I) 2.A</p>
vesting period	<p>The period during which all the specified vesting conditions of a share-based payment arrangement are to be satisfied.</p>	<p>SFRS(I) 2.A</p>
weighted average number of ordinary shares outstanding during the period	<p>The number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares bought back or issued during the period multiplied by a time weighting factor.</p>	<p>SFRS(I) 1-33.20</p>