

Filing Made Simple: Revised XBRL Filing Requirements and Financial Reporting Reliefs

Update on Business Registry and Regulatory Developments by ACRA

Elicia Ong

Senior Analyst, Financial Information Department

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AGENDA



1- Filing of FS under Revised XBRL



2- Applications for Financial Reporting Reliefs

3

Filing of FS under Revised XBRL

Revised XBRL requirements



Introduced on 16 May 2020 for voluntary adoption

Mandatory from ~~1 Jan 2021~~ **1 May 2021**



No further extension

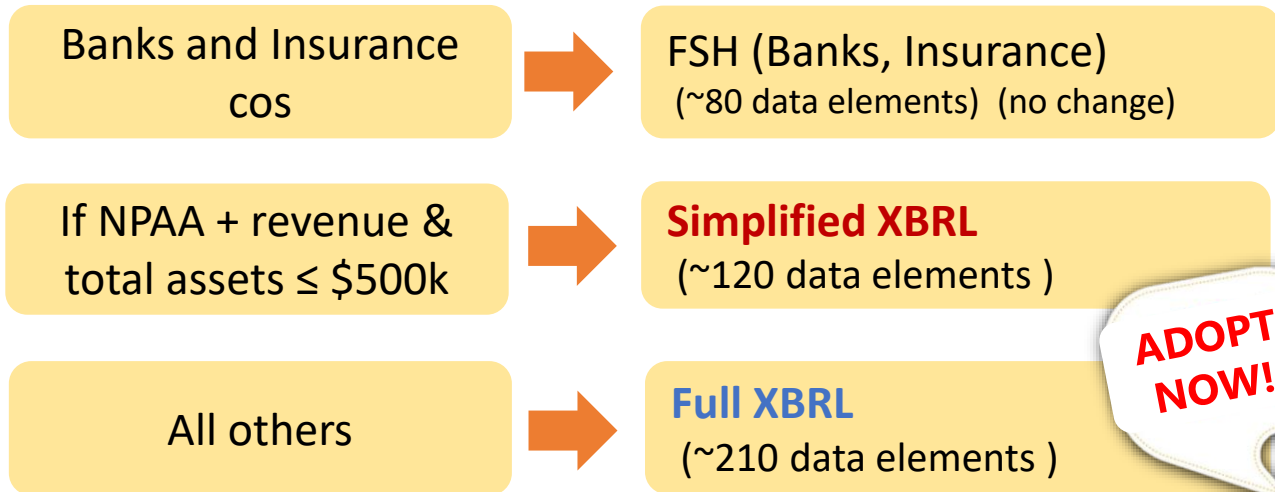


In Jan 2021, close to **40%** filings is based on revised XBRL requirements

Revised XBRL requirements

Filing format depends on:

- Industry (no change)
- **Non-publicly accountable (“NPAA”)[#] & Size**



**ADOPT
NOW!**

[#] NPAA are generally not listed companies or financial institutions. Details in [ACRA website](#).

Size criteria

Revenue and total assets \leq S\$500k



Assessed based on **Financial Statements (FS)** that **should have been prepared under the law:**

- a. Regardless number of months covered in FS
- b. if a parent, based on consolidated FS unless exempted from preparing consolidated FS

Who will benefit ?

| Type of company | Revised requirements |
|--|--|
| FS in foreign accounting standards | Continue to file FS in PDF, but no longer need to file XBRL FSH |
| Non-EPCs that meet NPAA and size criteria | File 70% fewer data elements under Simplified XBRL (~120 data elements) <ul style="list-style-type: none">• <i>No longer need to file ~410 data elements under current Full XBRL</i> |
| Non-EPCs that <u>did</u> not meet NPAA and size criteria | File 50% fewer data elements under (revised) Full XBRL (~210 data elements) <ul style="list-style-type: none">• <i>No longer need to file ~410 data elements under current Full XBRL</i> |

~51k (82%) of cos that file XBRL will benefit from the revisions

Who will file more?

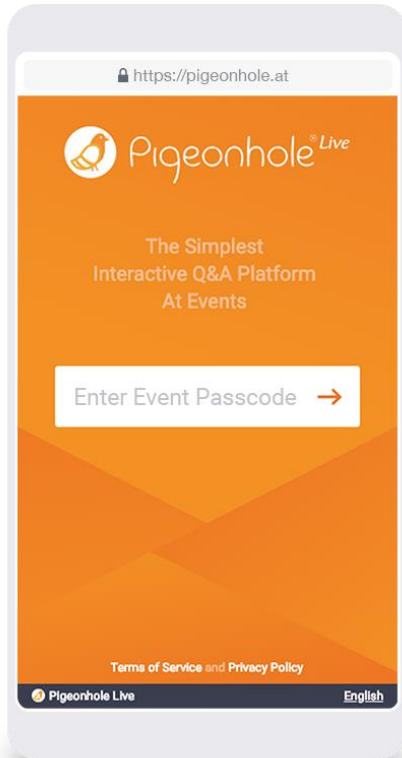
| Type of company | Revised requirements |
|--|---|
| Solvent exempt private companies (“EPC”) | May voluntarily file in PDF or XBRL (no change) <ul style="list-style-type: none">• If opt to file in XBRL, filing format depends on whether NPAA and size (no longer able to choose FSH) |
| Insolvent EPCs | Must file FS in XBRL (no change). <ul style="list-style-type: none">• Filing format depends on whether NPAA and size |

EPC did not meet NPAA and size criteria to file Full XBRL (no longer able to choose FSH (General) - 50 data elements)

Status quo

| Type of company | Revised requirements |
|---|---------------------------------------|
| SG banking and insurance companies regulated by MAS | Continue to file XBRL FSH + FS in PDF |
| SG companies limited by guarantee | Continue to file FS in PDF |
| Foreign co with SG Branch | Continue to file FS in PDF |

Poll Question



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Poll #1

Financial statements (FS)

Revenue

Cost of goods sold

Selling expense

General & administrative
expenses

...

XBRL template in Prep Tool

Revenue

Employee benefits expense

Depreciation expense

Repairs and maintenance
expense

Sales and marketing expenses

...

**The P&L format in the FS is different from that in XBRL template.
What should I do?**

1. Fill in the revenue field, leave other fields blank
2. Search for the info elsewhere in the FS

Poll #1 - Answer



Financial Statements

Note

Revenue

Cost of goods sold

Selling expense

General & administrative
expenses

Interest expense

5

5

Note 5 – Expenses by nature

Depreciation

Advertising cost

Transportation cost

Research expense

Raw materials and finished goods

Other expense

XBRL template

Revenue

Other income

Employee benefits expense

Depreciation expense

Repairs and maintenance
expense

Sales and marketing

Other expenses

...

Poll #2



XBRL template

Statements of cash flows

Net cash flows generated from
(used in) operating activities

Net cash flows from (used in)
investing activities

Net cash flows from (used in)
financing activities

**I can't find the statement of cash flows in the FS.
What should I do?**

1. Leave the fields blank
2. Indicate 0 in the fields



Poll #2 - Answer

XBRL template

Statements of cash flows

Net cash flows generated from (used in) operating activities

0

Net cash flows from (used in) investing activities

0

Net cash flows from (used in) financing activities

0



Indicate 0 in the fields.
Else, you will encounter validation error
(set to prevent accidental omission)

Poll #3

Balance sheet

Note

Asset

Non-Current Assets

Property, plant and equipment

Right-of-use assets

8

Total non-current assets

...

Elements in XBRL template

Non-current asset

Property, plant and equipment

Investment properties, non-current

Goodwill, non-current

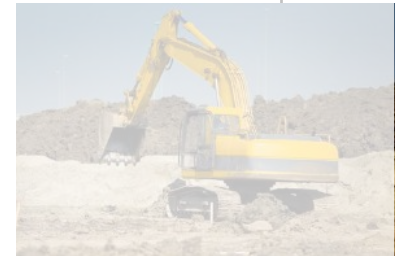
Intangible assets (excluding goodwill), non-current

Other non-financial assets, non-current

...

**I can't find a data field for right-of-use assets.
What should I do?**

1. Classify under "other non-financial assets, non current"
2. Classify based on their nature



Poll #3 - Answer

Note 8 Right-of-use assets

| | Plant and machinery | Intangible assets |
|--------------------------------------|------------------------|----------------------|
| Group Cost | | |
| At Jan 1, 2019 | xxx | xxx |
| Additions | xxx | xxx |
| At Dec 31, 2019 | xxx | xxx |
| Accumulated depreciations | | |
| At Jan 1, 2019 | xxx | xxx |
| Depreciation | xxx | xxx |
| At Dec 31, 2019 | xxx | xxx |
| Carrying amount: | | |
| At Dec 31, 2019 | 1,241 | 3,999 |

Refer to **note**,
Likely can find their
nature there.
If not disclosed, ask
the accountant!



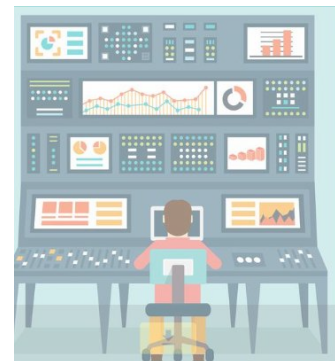
Poll #4

Error Message

Breakdown of the total value should be provided.

**I receive this error message when validating XBRL FS.
What should I do?**

1. Apply for exemption
2. Click the links below the error message and fill the fields



Poll #4 - Answer

Error Message

Breakdown of the total value should be provided.

Element(s) to check

Total profit (loss), net of taxation for the year (fromto_20190701_20190731) = -2612 (Millions)

Total profit (loss), net of taxation for the year (fromto_20190601_20190630) = 10977974 (Millions)

Property, plant and equipment, non-current (asof_20190630) = 8439 (Millions)

Net book value at beginning of period (asof_20190630) = 8439 (Millions)

Income statement

Profit (loss), attributable to

Total profit (loss), net of
taxation, attributable to
owners of company

Total profit (loss), net of
taxation, attributable to non-
controlling interests



Note –Property, plant and
equipment or Intangible
assets

Analysis of net book value by
measurement basis

At cost

At valuation



Poll #5

In “note – related party”, we ask for “revenue from related parties” and “purchases from related parties”. Which of the following meet the definition of revenue and purchase?

| | Related party transactions |
|---|---|
| A | Sales of goods and / service to fellow subsidiary |
| B | Purchase of materials from holding corporation |
| C | Management fees to holding corporation |
| D | Sale of assets to related corporation |
| E | Payments made on behalf and reimbursed by the immediate holding corporation |

1. A and B
2. A, B and C
3. All of the above

Poll #5 - Answer



Only those **Trade**
in nature.



Related party transactions

- A** Sales of goods and / service to fellow subsidiary
- B** Purchase of materials from holding corporation
- C** Management fees to holding corporation
- D** Sale of assets to related corporation
- E** Payments made on behalf and reimbursed by the immediate holding corporation

Poll #6

I have downloaded the new version (v3) of XBRL preparation tool to prepare revised XBRL file. Can it populate prior year numbers from XBRL file prepared using older version (v2.7)?

1. Yes, fully
2. Yes, partially
3. No



Poll #6 - Answer

Version 2.7

Revenue

Sale of goods
Rendering of services
Revenue from construction contracts
Royalty income
Management fees
Interest income
...

Elements are mapped unless significant changes (e.g. revenue note due to new accounting standard)

Revised elements in version 3

Revenue

Revenue recognised at a point in time – properties
Revenue recognised at a point in time – goods (excluding properties)
Revenue recognised at a point in time – services
Revenue recognised over time – properties
Revenue recognised over time – construction contracts (excluding properties)
Revenue recognised over time – services
Revenue – others
Total revenue



Always check prior year numbers

2

Applications for Financial Reporting Reliefs

Filing of FS by foreign co

A foreign company (“FCo”) must file annually:

- FCo’s financial statements (“FS”)
- Singapore branch’s (“SG branch”) FS



No need to apply if...

FS is required by law in place of its incorporation or formation to be prepared in accordance with **accounting standards that are**

similar to Singapore Accounting Standards (i.e. IFRS)

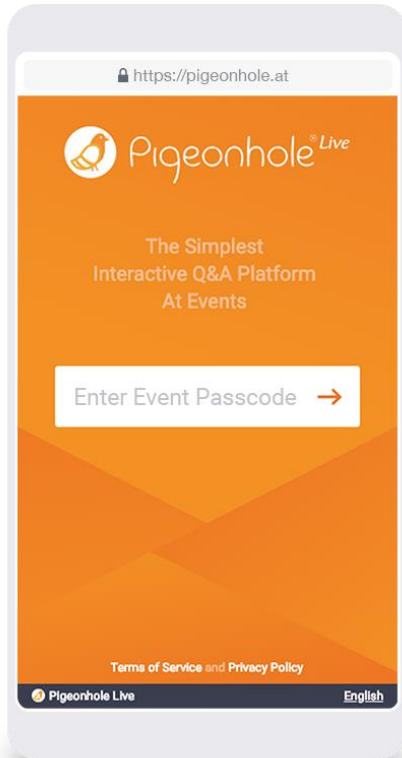
or

acceptable to the Registrar,



Expanded to include accounting standards in place of incorporation or formation

Poll Question



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Poll #7



UK companies house

FCo prepared FS based on UK GAAP (based on UK law) and filed that with the UK Companies House. What should FCo do if it wants to file the same FS with ACRA?

1. Apply for a relief before filing the FS with ACRA
2. File the FS directly without the need for a relief

Poll #7 - Answer



UK companies house

ACRA has liberalised to accept FS prepared in accordance to accounting standards required by law in the place of incorporation. No application is required.

FCo to directly file its UK GAAP FS as part of its Annual Filing.

Poll #8



**My FCo prepares its FS in foreign languages.
What do I file with ACRA?**

1. Translated FS in English
2. Translated FS in English and FS in foreign languages

Poll #8 - Answer



Where FCo's FS is not in English, translate the **full** set of FS to English.

File **both** sets of FS in the Annual Filing.



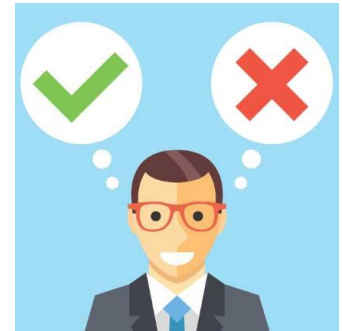
Poll #9

| FCo | \$ |
|------------------|-----------|
| Revenue | - |
| Salaries | - |
| Admin expense | (500) |
| Interest expense | (5) |
| Net loss | (505) |

| SG branch | \$ |
|------------------|-----------|
| Revenue | 500 |
| Salaries | (300) |
| Admin expense | (200) |
| Interest expense | - |
| Net loss | - |

What is wrong with my FCo's accounts?

1. Nothing, it looks fine to me.
2. FCo accounts should include Singapore branch numbers.



Poll #9 - Answer



| FCo | \$ | \$ | SG branch | \$ |
|------------------|-------|-------|--------------------|-------|
| Revenue | - | 500 | Revenue | 500 |
| Salaries | - | (300) | Salaries | (300) |
| Admin expense | (500) | (700) | Admin expense | (200) |
| Interest expense | (5) | (5) | Interest expense | - |
| Net loss | (505) | (505) | Net loss | - |

FCo's accounts must include the branch numbers. For profit or loss arising out of the company's operation in Singapore, SG branch must still keep separate books.

Poll #10

Is FCo required to lodge its directors' particulars with ACRA?

1. Yes
2. No



BOARD OF DIRECTORS

Poll #10 - Answer

FCo must lodge directors' particulars with ACRA and update within 30 days of change.

If you apply for relief, ACRA will check the identity of the director who signs the statement of declaration to our Register etc.

If not updated timely, you will receive outcome later!



BOARD OF DIRECTORS

Obtain all info before applying

ACCOUNTING AND CORPORATE
REGULATORY AUTHORITY



- Click links in this website for checklist
- Make sure you have all information (with completed structured form) before applying
 - > ACRA may reject application if you are unable to provide outstanding documents for more than two weeks
 - > No refund on application fee
- Repealed Practice Direction 6 of 2015.



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