



PREPARATION AND FILING OF FINANCIAL STATEMENTS WITH ACCOUNTING & CORPORATE REGULATORY AUTHORITY ("ACRA") IN XBRL USING FS MANAGER

With effect from 1 November 2007, a Singapore incorporated company, whether unlimited or limited by shares, is required to file its financial statements in XBRL format with ACRA.

To assist you in understanding what is XBRL we have appended below the commonly asked questions and answers for your easy reference.

1) What is XBRL?

XBRL stands for *eXtensible Business Reporting Language*. XBRL is a language used in computers to present financial statements such that they can be retrieved from online records and transferred directly to users such as auditors, regulators and financial analysts for various purposes.

2) Which are the Financial Periods Affected?

A company will file its financial statements in XBRL format only if the following criteria are applicable:

- (a) the financial statements ends on or after 30 April 2007; and
- (b) the company is filing its Annual Returns on or after 1 November 2007.

ACRA will not be requiring companies to file out-dated financial statements in XBRL format.

3) Which Categories of Companies are not required to file their accounts in XBRL format?

The new filing requirement will not apply to:

- (a) companies limited by guarantee;
- (b) foreign companies and their local branches;
- (c) banks, insurance companies and finance companies whose activities are regulated by the Monetary Authority of Singapore;
- (d) companies that are allowed by law to prepare accounts in accordance with accounting standards other than the Singapore Financial Reporting Standards or the International Financial Reporting Standards; and
- (e) Solvent exempt private companies ("EPCs") will continue to be exempted from filing their financial statements with ACRA.

Insolvent EPC and EPCs that are required by law to file financial statements with ACRA will also do so in XBRL format.



4) What are the Filing Options available?

With effect from 1 November 2007, a company, when filing its Annual Returns, will have a choice between the following 2 options:

- (a) filing its full set of financial statements in XBRL format ("Option A"); or
- (b) filing only its balance sheet and income statement in XBRL format ("Option B").

The arrangement under Option B is applicable from 1 November 2007 to 31 October 2008. ACRA gives the 2 filing options so that users could get used to FS Manager. A company which chooses Option B will be required to file a PDF copy of its financial statements in addition to the balance sheet and income statement in XBRL format.

5) Where can we get a copy of the FS Manager?

ACRA has provided FS Manager which is a free online tool provided as part of BizFile to help companies prepare and manage financial statements in XBRL format. Preparers of companies' accounts can access the Bizfile website <http://www.bizfile.gov.sg>.

6) What are Pre-requisite for Preparers?

Directors should ensure that the preparers of the financial statements possess the requisite accounting knowledge to prepare the financial statements to be submitted to ACRA through the FS Manager.

7) Who is responsible for the Correctness and Accuracy of Information?

Directors of the companies will continue to be responsible for correctness and accuracy of financial statements in XBRL format filed with ACRA. Directors are therefore advised to check the information to be filed before authorising their company filers to submit the information to ACRA when filing the Annual Returns.





We have also appended below the following suggested usage steps for your reference if you are opting to file the full set of financial statements in XBRL format.

SUGGESTED USAGE STEPS FOR FULL XBRL USING FS MANAGER

Step 1

- Company prepares a set of Financial Statements in XBRL format using FS Manager
- Company forwards this set of Financial Statements to the Auditor (if one is appointed)

Step 2

- If the auditor is appointed, the auditor will review Financial Statements (preferably using FS Manager) and communicates changes (if any) to the company.
- Company makes amendments (if any) to the Financial Statements in XBRL format using FS Manager and forwards finalised Financial Statements in XBRL format to auditor.
- Company prints the finalised copy of the Financial Statements using FS Manager for the company's director(s)' approval.

Step 3

- Director(s) signs on the printed hard copy of the Financial Statements and submits to auditor.

Step 4

- Auditor signs on the auditor's report and returns the hard copy audited Financial Statements back to the company.

Step 5

- The Company Secretary will be given both the hard copy audited Financial Statements and Financial Statements in XBRL format to prepare the papers for the company's AGM.

Step 6

- Presentation of the audited Financial Statements at company's AGM.

Step 7

- Filer verifies the Financial Statements and files the approved/audited Financial Statements in XBRL format through Bizfile.

