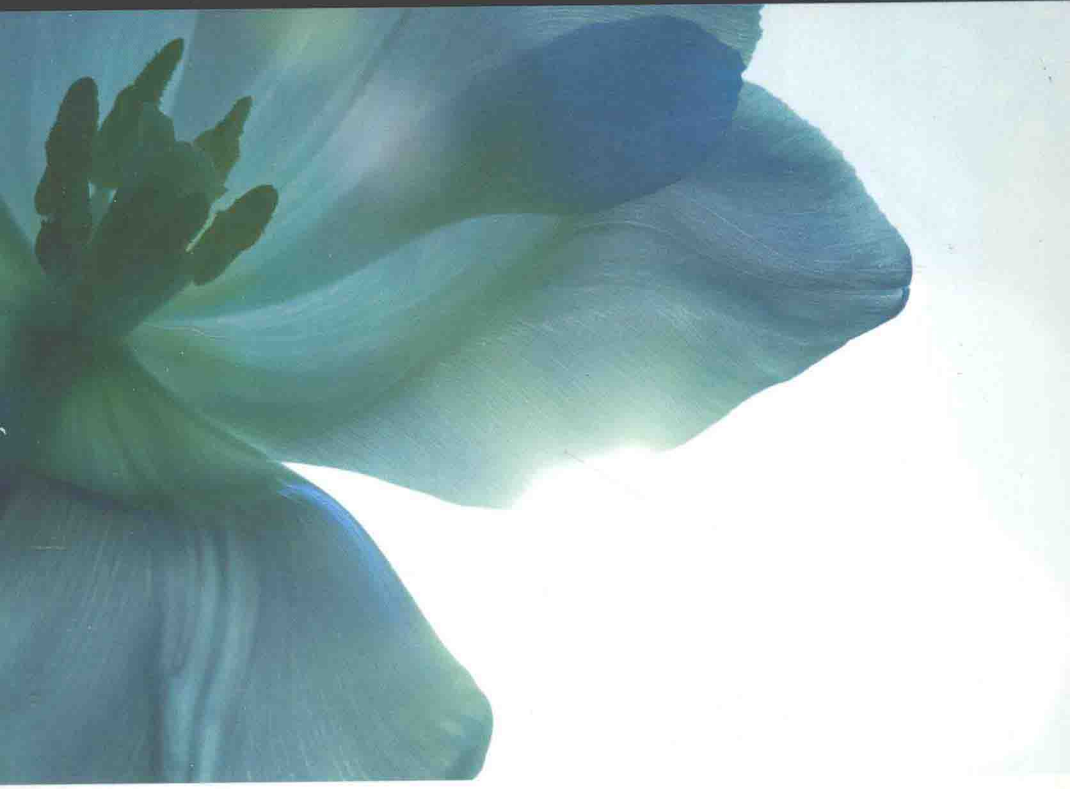
Ng Eng Juan



A Practical Guide to Singapore Financial Reporting Standard for Small Entities

CCH
a Wolters Kluwer business

CCH
a Wolters Kluwer business

A Practical Guide to Singapore Financial Reporting Standard for Small Entities

Ng Eng Juan
Associate Professor
Nanyang Business School
Nanyang Technological University

Disclaimer

Published by CCH Asia Pte Limited

Printed by Seng Lee Press Pte Ltd

ISBN 978-981-4359-07-8

ABOUT CCH ASIA PTE LIMITED

CCH is a member of the Wolters Kluwer group, a leading global publishing company active in many countries. For more than a century, CCH has been providing its subscribers with the highest standard of reporting for which the CCH group of companies has an established worldwide reputation.

CCH loose-leaf publications keep professionals and business people up to date with developments in a wide range of topics including taxation, business and company law, employment and human resources management.

What distinguishes CCH publications is the effective combination of accuracy, authority, practicability and ease of reference. This is achieved by having leading practitioners work on publications, presenting the information in a highly readable format, and using comprehensive indexes and other information locators.

CCH Asia Pte Limited publishes a range of books and loose-leaf reporters for Singapore, Malaysia, Hong Kong, China, Japan and India, and will continue to expand its range of publications to serve the information needs of its subscribers in the Asian region.

For enquiries contact your local CCH office.

CCH Asia Pte Limited (Registration number: 199703606K)
8 Chang Charn Road, #03-00 Link (THM) Building, Singapore 159637
Telephone: (65) 6225 2555
Customer Service Hotline: 800 6162 161
Facsimile: 800 6162 176
Email address: support@cch.com.sg
Website: www.cch.com.sg

Commerce Clearing House (Malaysia) Sdn Bhd (216303-M)
Suite 9.3, 9th Floor Menara Weld, 76 Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia
Telephone: (603) 2052 4688
Customer Service Hotline: 1800 181 151
Facsimile: 1800 181 173
E-mail address: support@cch.com.my
Website: www.cch.com.my

CCH Hong Kong Limited
Room 1608, 16/F, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong
Telephone: (852) 2526 7606
Customer Service Hotline: (852) 2526 7614
Facsimile: (852) 2521 7874
E-mail address: support@cch.com.hk
Website: http://www.cch.com.hk

Beijing Wolters Kluwer Asia Pacific Information Technology Co. Ltd (Beijing Office)
Suite 2503, Tower A, TYG Centre, C2 North Road, East 3rd Ring Road, Chaoyang District, Beijing, P.R. China 100027
Telephone: (8610) 5863 7888
Customer Service Hotline: 400 066 5518
Facsimile: 400 066 5518
E-mail: support@cchchina.com.cn
Website: www.cchchina.com.cn

Beijing Wolters Kluwer Asia Pacific Information Technology Co. Ltd (Shanghai Office)
Suite 15B&C, China Resource Times Square, 500 Zhang Yang Road, Pudong, Shanghai, P.R. China 200122
Telephone: (86 21) 5836 8999
Customer Service Hotline: 400 066 5518
Facsimile: 400 066 5518
E-mail: support@cchchina.com.cn
Website: www.cchchina.com.cn

Wolters Kluwer India Pvt. Ltd.
10th Floor, Tower C, Building No. 10, Phase – II, DLF Cyber City, Gurgaon, Haryana, India – 122002
Telephone: (91 124) 496 0999
Facsimile: (91 124) 496 0888
E-mail: support@cchindia.co.in
Website: www.cchindia.co.in

CCH Japan Limited
Akasaka Shasta East 1F, 4-2-19, Akasaka, Minato-ku, Tokyo 107-0052, Japan
Telephone: (81 3) 6234 3980
Facsimile: (81 3) 6234 3989
E-mail: support@cch.co.jp
Website: www.cch-japan.jp

ABOUT THE AUTHOR

Associate Professor Ng Eng Juan graduated with a B Ec (first class honours) from Universiti Malaya and MBA from University of Southern California. He is a fellow of the Institute of Certified Public Accountants of Singapore (ICPAS) and a member of the Malaysian Institute of Certified Public Accountants (MICPA). He has also passed the uniformed examinations of the American Institute of Certified Public Accountants (AICPA).

Prof Ng has had many years of working experience in an international public accounting firm. He is currently with the Nanyang Business School of the Nanyang Technological University, teaching financial accounting courses in the B Acc and MBA programmes. Over the years, he has won several teaching awards, including the "NBS Teacher of the Year" and "Nanyang Award for Excellence in Teaching".

Prof Ng is actively involved in the accounting profession. He has been a member of the Accounting Standards Committee and China Committee of ICPAS for many years, and has served as external examiner/advisor to several accounting professional/degree programmes in Singapore, UK and China. He also provides consultancy services to public accounting firms and other organisations and conducts regular executive development programmes for accountants and managers and was awarded "CPE Trainer of the Year" by ICPAS.

Prof Ng's current research interests are in the area of accounting standards and practices. Among his publications are more than 20 professional accounting books including "Consolidated Financial Statements", "Cash Flow Statements", "Accounting for Income Taxes", "A Practical Guide to Financial Reporting Standards (Malaysia)", and "A Practical Guide to Financial Reporting Standards (Singapore)".

PREFACE

The Accounting Standards Council (ASC) is vested with the function of accounting standards setting in Singapore. The accounting standards issued by the ASC, which are based on the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), are referred to as the Singapore Financial Reporting Standards (SFRS). The SFRS are applicable to all reporting entities (except the government and statutory boards) in Singapore.

In November 2010, the ASC issued the Singapore Financial Reporting Standard for Small Entities (SFRS/SE) which is available for use by small entities only. The SFRS/SE is based on the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SME) which was issued by the IASB to provide a simpler alternative set of accounting standards for small and medium-sized entities, as the full IFRS issued by the IASB are deemed to be too complex and too cumbersome for non-listed SME.

The SFRS/SE is available for use by small entities in Singapore in publishing their general purpose financial statements for financial reporting periods beginning on or after 1 January 2011.

This book explains and illustrates both the theoretical and the practical aspects of the SFRS/SE in an easy-to-read style and with easy-to-follow illustrations.

Each section of the SFRS/SE is explained and illustrated in a separate chapter in this book. Also, at the end of each chapter, a comparison is made between the section of the SFRS/SE and the corresponding SFRS, and the differences highlighted.

This book is a comprehensive guide to the SFRS/SE. It is written based on many years of teaching, research and practical experience.

It is hoped that this book will serve as a valuable source of reference for accounting practitioners in Singapore.

Ng Eng Juan

May 2011

TABLE OF CONTENTS

Page

EXPANDED TABLE OF CONTENTS

Page

Page

Page

Page

Page