



Financial Reporting in Singapore

2024 Roundup

January 2025

2024 Roundup Highlights

As we start off 2025, it is time to take stock and reflect on the developments in 2024 to plan for the financial reporting seasons ahead. Many business are still grappling with the ongoing uncertainties in the global macroeconomic and geopolitical environment. Changes in laws and regulations on income taxes, climate change actions, together with new requirements on financial and sustainability reporting, are also high impact topics that C-suites of organisations need to address. Investors and regulators are expecting entities to be transparent in how they are dealing with this challenging landscape.

Globally, Deloitte published [iGAAP in Focus Closing Out – Areas of Focus for Financial and Sustainability Reporting](#), setting out financial and broader corporate reporting issues that may be relevant under the current business environment, highlighting areas of regulatory focus, recent changes in IFRS® Accounting Standards, and the growing investors' demand for consistent, comparable, and timely sustainability-related information. The publication will be a useful read for accounting and finance professionals who seek to keep themselves updated on international developments and the applicable topics relevant to the upcoming financial reporting seasons.

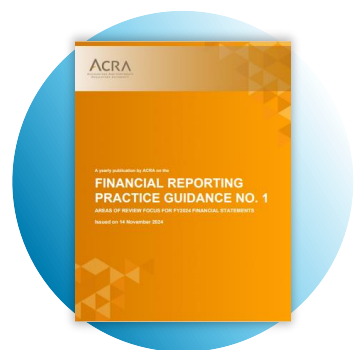
Supplementing the global publication, we have curated a roundup of changes to financial reporting framework in Singapore for the year 2024, calling out those matters that we believe are worthy of attention locally, including regulatory review focus areas and corporate reporting topics that would likely be relevant to entities in Singapore. Where applicable, we have included links to our Deloitte publication series and other respective sources for more details on the topics. The content in this publication is based on information available up to 31 December 2024.

Content

Hot topics for FY2024	1
SFRS(I)s effective for annual reporting periods beginning on or after 1 January 2024	2
Agenda Decisions by IFRS Interpretations® Committee	3
SFRS(I)s effective for annual reporting periods beginning after 1 January 2024	4
Sustainability reporting developments	5
Resources	7

It is recommended that readers seek appropriate professional advice regarding the application of the content to their specific situation and circumstances. This publication should not be relied upon as a substitute for such professional advice. While all reasonable care has been taken in the preparation of this booklet, Deloitte Singapore accepts no responsibility for any errors it might contain, whether caused by negligence or otherwise, or for any loss, howsoever caused, incurred by any person as a result of relying on it.

Hot topics for FY2024



[Financial Reporting Practice Guidance \(FRPG\) No. 1 of 2024: Areas of Review Focus for FY2024 Financial Statements \(FS\) under ACRA's Financial Reporting Surveillance Programme](#)

In November 2024, the Accounting and Corporate Regulatory Authority (ACRA) issued the FRPG to guide directors, especially those in Audit Committees (ACs), in reviewing FS. ACs are advised to be vigilant about the current and anticipated market shifts, their potential risks and opportunities, and how these factors may impact the FS.

Shifting macroeconomic uncertainties

- Expected credit losses (ECL)
- Impairment
- Fair value measurement
- Business acquisition

Climate-related considerations

- Connectivity between sustainability reporting and financial reporting
- Accounting and disclosure of renewable energy projects and emission schemes
- Impairment of non-financial assets

Spotlight on specific accounting standards

- Amendments to SFRS(I) 1-12 *International Tax Reform – Pillar Two Model Rules* related to Base Erosion and Profit Shifting (BEPS) Pillar Two
- Scope of SFRS(I) 17 *Insurance Contracts*
- The upcoming SFRS(I) 18 *Presentation and Disclosure in Financial Statements*

Development of new accounting standards

- SFRS(I)s effective for annual reporting periods beginning on 1 January 2024 and 1 January 2025

Emerging hot topics

Financial impacts from recent changes in tax laws and climate-related actions, amongst others, are emerging topics with increased regulatory focus.

Pillar Two Model Rules

Entities will need to monitor the legislative process in jurisdictions in which they operate and assess whether the Pillar Two legislation has been enacted (or substantively enacted) and pro-actively assess known or estimated future Pillar Two tax exposures to meet the disclosure requirements under the amendments to SFRS(I) 1-12 related to BEPS Pillar Two.

As at December 31, 2024, Singapore has enacted the Multinational Enterprise (Minimum Tax) Act 2024 and published the related subsidiary legislations to implement the Global Anti-Base Erosion Model Rules (Pillar Two) relating to top-up tax under the Income Inclusion Rule (IIR) and the Domestic Top-up Tax (DTT), both which will take effect from January 1, 2025.

Refer to the [Deloitte Singapore Illustrative Financial Statements 2024](#) for further guidance and illustration of disclosures related to Pillar Two income taxes.

Climate-related considerations

As more entities begin to use carbon credits to meet their carbon emission reduction goals, the Institute of Singapore Chartered Accountants (ISCA) [FRB 11 Accounting for Carbon Credits: From the perspective of a buyer / holder](#) provides guidance on key accounting considerations under SFRS(I) for voluntary purchases of carbon credits.

The [Deloitte Singapore Illustrative Financial Statements 2024](#) included an Appendix highlighting the possible areas that could be affected by climate change and also featured selected illustrative note disclosures on risks and uncertainties arising from climate change.

New accounting standards

Entities should also pay attention to the implementation of recently effective accounting pronouncements, and plan ahead for the upcoming ones. Further details are shared in subsequent pages.

SFRS(I)s effective for annual reporting periods beginning on or after 1 January 2024

Revised pronouncements

[Amendments to SFRS\(I\) 16: Lease Liability in a Sale and Leaseback](#)

[Amendments to SFRS\(I\) 1-1: Classification of Liabilities as Current or Non-current](#)

[Amendments to SFRS\(I\) 1-1: Non-current Liabilities with Covenants](#)

[Amendments to SFRS\(I\) 1-7 and SFRS\(I\) 7: Supplier Finance Arrangements](#)

Effective date

1 January 2024

1 January 2024

1 January 2024

1 January 2024

[Amendments to SFRS\(I\) 1-1: Classification of Liabilities as Current or Non-current and Amendments to SFRS\(I\) 1-1: Non-current Liabilities with Covenants](#)

The 2020 amendments clarify that the classification of liabilities as current or non-current is based on the rights that are in existence at the end of the reporting period and is unaffected by expectations about whether the rights to defer settlement of a liability will be exercised.

The 2022 amendments specify that only covenants that an entity must comply with on or before the end of the reporting period affect classification of the liability as current or non-current. Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date.

If the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period.

This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

In 2020, ISCA issued [Financial Reporting Bulletin \(FRB\) 3 Classification of Liabilities as Current or Non-current \(Amendments to SFRS\(I\) 1-1\)](#) to provide guidance on understanding the amendments and their application to commonly encountered scenarios in Singapore. FRB 3 was subsequently revised in 2024 to incorporate the requirements in the above SFRS(I) 1-1 amendments.

Overview of selected pronouncements

[Amendments to SFRS\(I\) 1-7 and SFRS\(I\) 7: Supplier Finance Arrangements](#)

The amendments require an entity to provide qualitative and quantitative information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows and the entity's exposure to liquidity risk. In addition, SFRS(I) 7 was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

Specific transition reliefs are included for the first annual reporting period in which an entity applies the amendments.

Refer to the [Deloitte Singapore Illustrative Financial Statements 2024](#) for an illustration of the supplier finance arrangements.

Agenda Decisions by IFRS Interpretations Committee

IFRS Interpretations® Committee (Committee) Agenda Decisions (AD) issued in 2024

Entities applying SFRS(I), which is based on the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB®), should consider the impact of Agenda Decisions published by the Committee on their financial statements. Where a change in accounting policy is required, an entity must account for the change applying SFRS(I) 1-8 and consider the related disclosures required leading up to the implementation of the change.

Agenda Decisions finalised from 1 January 2024 to date

[Merger between a Parent and Its Subsidiary in Separate Financial Statements \(IAS 27\)](#)

[Payments Contingent on Continued Employment during Handover Periods \(IFRS 3\)](#)

[Climate-related Commitments \(IAS 37\)](#)

[Disclosure of Revenues and Expenses for Reportable Segments \(IFRS 8\)](#)

Finalised

January 2024

April 2024

April 2024

July 2024

Overview of selected recent Committee agenda decisions

[Climate-related Commitments \(IAS 37 Provisions, Contingent Liabilities and Contingent Assets\)](#)

The AD is relevant to entities which make a commitment to reduce or offset its future greenhouse gas (GHG) emissions. An entity must consider whether a public announcement made in relation to its commitment would create a valid expectation that it will fulfil those obligation, resulting in a constructive obligation and whether it meets the criteria of IAS 37 for recognising as a provision. The entity should also consider disclosures to help users of the financial statements understand the significant judgements made and any key sources of estimation uncertainty.

[Disclosure of Revenues and Expenses for Reportable Segments \(IFRS 8 Operating Segments\)](#)

The AD considers the requirement in IFRS 8.23(f) to disclose, for each reportable segment, material items of income and expense disclosed in accordance with IAS 1.97.

The AD is relevant to entities that

- Include material items of income and expense in the measure of segment profit or loss reviewed by the chief operating decision maker (even if they are not separately provided to or reviewed by the CODM); or
- Provide information on such material items to the CODM (even if they are not included in the measure of segment profit or loss).

Entities should consider whether the information disclosed in their segment information is consistent with the explanatory material in the AD and to evaluate whether additional segmental disclosures are needed.

SFRS(I)s effective for annual reporting periods beginning after 1 January 2024

New and revised pronouncements

SFRS(I) 1-8 *Accounting Policies, Changes in Accounting Estimates and Errors* requires entities to consider and disclose potential impact of new and revised SFRS(I) that have been issued but not yet effective. The list includes pronouncements issued up to 31 December 2024.

New and revised pronouncements

[Amendments to SFRS\(I\) 1-21: *Lack of Exchangeability*](#)

Effective date

1 January 2025

[Amendments to SFRS\(I\) 9 and SFRS\(I\) 7: *Amendments to the Classification and Measurement of Financial Instruments*](#)

1 January 2026

[Annual Improvements to SFRS\(I\)s–Volume 11](#)

1 January 2026

[Amendments to SFRS\(I\) 9 and SFRS\(I\) 7: *Contracts Referencing Nature-dependent Electricity*](#)

1 January 2026

[SFRS\(I\) 18 *Presentation and Disclosure in Financial Statements*](#)

1 January 2027

[SFRS\(I\) 19 *Subsidiaries without Public Accountability: Disclosures*](#)

1 January 2027

[Amendments to SFRS\(I\) 10 and SFRS\(I\) 1-28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*](#)

Deferred

Overview of selected pronouncements

[SFRS\(I\) 18 *Presentation and Disclosure in Financial Statements*](#)

SFRS(I) 18 replaces SFRS(I) 1-1 *Presentation of Financial Statements* and it carries forward many of the requirements in SFRS(I) 1-1 unchanged and complements them with new requirements, including:

- Presenting income and expense items in specified categories (operating, investing, financing, income taxes and discontinued operations) and defined subtotals in the statement of profit or loss
- Providing disclosures on management-defined performance measures (MPMs) in a single note to the financial statements
- Enhanced guidance on aggregation and disaggregation of information.

It is important for entities to start thinking about the implications on how they communicate financial performance and planning for its implementation including:

- Changes to internal process and information systems;
- Training for staff and management; and
- Communicating changes to internal and external parties.

SFRS(I) 18 is an area of focus in [ACRA's FRPG No. 1 of 2024](#). The new standard is applied retrospectively and requires the exercise of judgement in its application. Entities should start their preparation process early to be ready for the transition to SFRS(I) 18.

[SFRS\(I\) 19 *Subsidiaries without Public Accountability: Disclosures*](#)

SFRS(I) 19 permits an eligible subsidiary to provide reduced disclosures when applying SFRS(I)s in its financial statements. A subsidiary is eligible if it does not have public accountability and its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with SFRS(I)s or IFRS Accounting Standards.

Sustainability reporting developments



ACRA and SGX RegCo provided details of mandatory climate reporting for listed issuers and large non-listed companies

In February 2024, after considering the feedback from the public consultation on mandatory climate-related disclosures (CRD), the recommendations from the Sustainability Reporting Advisory Committee (SRAC) were accepted by the ACRA and Singapore Exchange Regulation (SGX RegCo) with some refinements.

Mandatory climate reporting will be required for listed issuers and large non-listed companies (large NLCos - annual revenue of at least \$1 billion and total assets of at least \$500 million).

ACRA will review the experience of listed issuers and large NLCos before introducing reporting requirements for other companies.

SGX RegCo has amended the [Listing Rules](#) after conducting a public consultation on the proposed changes to implement the recommendations.

SGX RegCo to start incorporating IFRS® Sustainability Disclosure Standards into climate reporting rules

In September 2024, SGX RegCo enhanced its sustainability reporting regime and will require issuers to incorporate the climate-related requirements in the Sustainability Disclosure Standards issued by the International Sustainability Standards Board (ISSB™).

SGX RegCo will review issuers' experience and readiness before establishing the implementation roadmap for reporting Scope 3 GHG emissions.

Baseline reporting practice

FY
2025

Climate reporting on a mandatory basis that starts incorporating climate-related requirements in the IFRS Sustainability Disclosure Standards (requirement on Scope 3 GHG emissions is under review and not yet implemented).

Other primary components of a sustainability report to be disclosed on a comply or explain basis.

Timeline to issue sustainability report

- No later than 4 months after end of FY; or
- No later than 5 months after end of FY where external assurance has been conducted on the sustainability report.

FY
2026

Primary components of a sustainability report to be disclosed on a mandatory basis.

Timeline to issue sustainability report

- To be issued with the annual report; or
- No later than 5 months after end of FY where external assurance has been conducted on the sustainability report.

Expectation that large issuers will be required to report on Scope 3 GHG emissions.

Sustainability reporting developments

ISCA Illustrative Sustainability Report

In October 2024, with the support of the Singapore Exchange Regulation and ISCA's Sustainability and Climate Change Committee, ISCA developed an illustrative sustainability report (SR).

The illustrative SR illustrates how an entity might apply the climate-related requirements in IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* (IFRS S1) and IFRS S2 *Climate-related Disclosures* (IFRS S2) requirements concurrently with the Global Reporting Initiative (GRI) Standards, Singapore Exchange Securities Trading Limited (SGX-ST) Listing Rules 711A, 711B, Practice Note 7.6 Sustainability Reporting Guide and the SGX Core Environment, Social and Governance (ESG) Metrics. This report also references the Sustainability Accounting Standards Board (SASB) real estate sector-specific standards (Volume 36 – Real Estate).

The illustrative SR also includes guidance on key transition reliefs and mechanisms to facilitate application.

iGAAP in Focus Closing Out – Areas of Focus for Financial and Sustainability Reporting

The publication includes updates of recent international developments on sustainability reporting and considerations on climate-related risks in financial statements.

Climate-related considerations is an area of focus in [ACRA's FRPG No. 1 of 2024](#).





[IFRS Illustrative Financial Statements 2024](#) illustrates the presentation and disclosure requirements of IFRS Accounting Standards.



[iGAAP in Focus — Closing Out](#) sets out financial and sustainability reporting issues relevant in view of the current economic and geopolitical environment.



[IFRS Illustrative Financial Statements for Banks 2024](#) illustrates the presentation and disclosure requirements for a bank of IFRS Accounting Standards.



[IFRS in your pocket 2024](#) is a comprehensive summary of the current IFRS Accounting Standards and Interpretations along with details of the projects on the standard-setting agenda of the IASB and ISSB.

Other resources

[Deloitte Accounting Research Tool](#) is a comprehensive library of accounting and financial disclosure literature.

[IAS Plus](#) provides IFRS Accounting Standards related e-Learning modules, newsletters, model financial statements, disclosure checklists and a wealth of information on ongoing projects and issues.

[IFRS on Point](#) highlights critical financial and sustainability reporting developments and IFRS-related news on a monthly basis.



Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte Asia Pacific Limited is a company limited by guarantee and a member firm of DTTL. Members of Deloitte Asia Pacific Limited and their related entities, each of which is a separate and independent legal entity, provide services from more than 100 cities across the region, including Auckland, Bangkok, Beijing, Bengaluru, Hanoi, Hong Kong, Jakarta, Kuala Lumpur, Manila, Melbourne, Mumbai, New Delhi, Osaka, Seoul, Shanghai, Singapore, Sydney, Taipei and Tokyo.

About Deloitte Singapore

In Singapore, audit and assurance services are provided by Deloitte & Touche LLP and other services (where applicable) may be carried out by its subsidiaries and/or affiliates. Deloitte & Touche LLP (Unique entity number: T08LL0721A) is a limited liability partnership registered in Singapore under the Limited Liability Partnerships Act 2005

This communication contains general information only, and none of DTTL, its global network of member firms or their related entities is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication.