

---

## **PREFACE TO INTERPRETATIONS OF STATUTORY BOARD FINANCIAL REPORTING STANDARDS**

---

1. The objective of the INT SB-FRSs is to enhance the rigorous application and comparability of financial statements that are prepared using Statutory Board Financial Reporting Standards ("SB-FRSs") by interpreting potentially contentious accounting issues.
2. Interpretations issued by the Accountant-General are part of the authoritative literature (see SB-FRS 1, Presentation of Financial Statements). Therefore, financial statements should not be described as complying with Statutory Board Financial Reporting Standards unless they comply with all the requirements of each applicable SB-FRS, INT SB-FRS and SB-FRS Guidance Note issued by the Accountant-General. When a Statutory Board has not adopted an INT SB-FRS which has been prescribed by the Accountant-General but has yet become mandatory, the Statutory Board is encouraged to disclose the nature of the future change in accounting policy and an estimate of the effect on its net profit or loss and financial position, or a statement that such an estimate has not been made.
3. Like the SB-FRSs, the INT SB-FRSs are intended to be as concise as the nature of a particular topic allows rather than detailing rules dealing with every conceivable circumstance. The SB-FRS concentrates on essentials and it endeavours not to make accounting requirements so complex that they cannot be applied effectively. Above all, the application of the INT SB-FRSs should be guided by the spirit and reasoning behind the SB-FRS Framework, the SB-FRSs and the INT SB-FRSs themselves.
4. The Accountant-General welcomes the submission of interpretative issues from all interested parties. The Accountant-General considers the following criteria for taking issues on its agenda:
  - the issue should involve an interpretation of an existing SB-FRS within the context of the SB-FRS Framework;
  - the issue should have practical and widespread relevance;
  - the issue should relate to a specific fact pattern; and
  - significantly divergent interpretations must either be emerging or already exist in practice.
5. Contentious cases brought to the Accountant-General can lead to the issuance of an INT SB-FRS, which is applicable on a general basis. Information on the latest INT SB-FRS developments is available on the Internet: <http://www.assb.gov.sg>.