



**THE STATUTES OF THE REPUBLIC OF SINGAPORE**

**ACCOUNTING STANDARDS ACT**

**(CHAPTER 2B)**

**(Original Enactment: Act 39 of 2007)**

**REVISED EDITION 2008**

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# Accounting Standards Act

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## Section

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An Act to establish the Accounting Standards Council to issue accounting standards applicable to companies and other incorporated and unincorporated bodies, to provide for accounting standards applicable to statutory bodies with a public function and for matters connected therewith.

[1st November 2007]

## PART I

### PRELIMINARY

#### Short title

1. This Act may be cited as the Accounting Standards Act.

#### Interpretation

2. In this Act, unless the context otherwise requires —

“accounting standard” means —

- (a) an accounting standard made or formulated by the Council under Part III; or
- (b) an accounting standard for statutory bodies established by the Accountant-General under Part IV;

“Chairman” means the Chairman of the Council appointed under section 4(1)(a), and includes any temporary Chairman of the Council if so appointed;

“company” means any company incorporated under the Companies Act (Cap. 50) or any corresponding previous written law, and includes a foreign company registered under Division 2 of Part XI of that Act in respect of its operations in Singapore;

“Council” means the Accounting Standards Council established under section 3;

“making or formulating”, in relation to any accounting standard, includes amending and revoking the accounting standard;

“member”, in relation to the Council, means a member of the Council and includes the Chairman thereof;

“Minister” means the Minister charged with the responsibility for finance;

“statutory body” means a body —

- (a) established or constituted by or under a public Act;
- (b) that has a public function; and
- (c) whose annual report and audited financial statements are required by written law to be presented to Parliament.

## PART II

### ACCOUNTING STANDARDS COUNCIL

#### **Establishment and functions of Accounting Standards Council**

3.—(1) There shall be established a body to be known as the Accounting Standards Council whose functions shall be —

- (a) to make or formulate statements of standard accounting practice (referred to in this Act as accounting standards) applicable to companies for the purposes of the Companies Act (Cap. 50); and
- (b) to make or formulate accounting standards applicable to such other entities as are specified in section 8(1).

(2) In addition to the functions imposed by subsection (1), the Council may undertake such other functions (not incompatible with those specified in subsection (1)) as the Minister may, by order published in the *Gazette*, assign to the Council and, in so doing —

- (a) the Council shall be deemed to be fulfilling the purposes of this Act; and
- (b) the provisions of this Act shall apply to the Council in respect of those functions.

### **Constitution of Council**

4.—(1) The Council shall consist of the following members, all of whom shall be appointed by the Minister:

(a) a Chairman; and

(b) at least 10 but not more than 15 other members.

(2) A person shall not be appointed as a member of the Council unless the person's knowledge of, or experience in, business, accounting, law or government or other relevant fields qualifies him for the appointment.

(3) The Chairman and other members of the Council shall each hold office for such period (not exceeding 2 years) and on such terms and conditions as the Minister may determine, and shall be eligible for reappointment.

(4) The Minister may appoint any member of the Council to be a temporary Chairman during the temporary incapacity from illness or otherwise, or during the temporary absence from Singapore, of the Chairman.

(5) The Minister may, at any time, revoke the appointment of the Chairman or any other member of the Council if he considers such revocation necessary in the interest of the effective performance of the functions of the Council under this Act or in the public interest.

(6) A member of the Council may resign from his office at any time by giving not less than one month's notice in writing to the Minister.

(7) If any vacancy occurs in the membership of the Council, the Minister may, subject to subsections (1) and (2), appoint a person to fill the vacancy.

### **Meetings and proceedings of Council**

5.—(1) The Council shall meet for the despatch of business at such times and places as the Chairman may from time to time appoint.

(2) At every meeting of the Council, one half of the number of its members shall constitute a quorum.

(3) The Chairman shall preside at all meetings of the Council, but if the Chairman is absent from a meeting —

(a) the temporary Chairman; or

(b) if there is no temporary Chairman, such member as the members present may elect,

shall preside at that meeting.

(4) Subject to the provisions of this Act, the Council may regulate its own proceedings.

### **Appointment of committees and delegation of powers**

6.—(1) The Council may, in its discretion, appoint from among its own members or from among other persons such number of committees as it thinks fit for purposes which, in the opinion of the Council, would be more expediently carried out or managed by means of such committees.

(2) The chairman of every committee appointed under subsection (1) shall be a member of the Council.

(3) The Council may, subject to such conditions or restrictions as it thinks fit, delegate —

(a) to any of its members; or

(b) to any committee appointed by it under subsection (1),

any of the functions or powers of the Council under this Act or any other written law, except the power of delegation conferred by this section.

(4) Any function or power delegated under subsection (3) to any member or committee may be performed or exercised by that member or committee in the name and on behalf of the Council.

(5) No delegation under this section shall prevent the performance or exercise of any function or power by the Council.

### **Directions by Minister**

7. The Minister may give to the Council such directions, not inconsistent with the provisions of this Act, as he thinks fit as to the

performance of its functions and the exercise of its powers, and the Council shall comply with such directions.

### PART III

## ACCOUNTING STANDARDS FOR COMPANIES AND OTHER ENTITIES

### Accounting standards

**8.**—(1) Accounting standards made or formulated by the Council may be expressed to apply —

- (a) to all companies or specified classes or descriptions of companies;
- (b) to all co-operative societies registered under the Co-operative Societies Act (Cap. 62) or specified classes or descriptions of such co-operative societies;
- (c) to all societies registered under the Societies Act (Cap. 311) or specified classes or descriptions of such societies; and
- (d) to all charities registered, and all institutions of a public character approved or deemed approved, under the Charities Act (Cap. 37) or specified classes or descriptions of such charities or institutions of a public character.

(2) Such accounting standards may be of general or specially limited application, and differ according to differences in time, place or circumstance.

(3) The Council may, from time to time, issue practice directions on the interpretation of the accounting standards made or formulated under this Part and on matters relating to them and their use in Singapore.

(4) An accounting standard that was in force under section 200A\* of the Companies Act (Cap. 50) immediately before 1st November 2007, and any practice directions issued by the Accounting Standards Committee under that section, shall continue in force after that date as

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\*Section 200A of the Companies Act (Cap. 50) was repealed by the Accounting Standards Act 2007 (Act 39 of 2007).

if they had been made or formulated by the Council under this Part after that date.

### **Manner of making, etc., accounting standards**

**9.—(1)** In making or formulating accounting standards, the Council shall have the following objects:

- (a) the development of accounting standards that require the provision of financial information that —
    - (i) assists directors of companies and officers of other entities referred to in section 8(1) to discharge their duties and obligations in relation to financial reporting under the Companies Act or any other written law;
    - (ii) is relevant to assessing performance, financial position, financing and investment;
    - (iii) is relevant and reliable;
    - (iv) facilitates comparability; and
    - (v) is readily understandable; and
  - (b) to maintain investor confidence in the Singapore economy (including its capital markets).
- (2) In making or formulating accounting standards, the Council —
- (a) shall have regard to the suitability of a proposed accounting standard for different types of entities referred to in section 8(1);
  - (b) may apply different accounting requirements to the different types of entities; and
  - (c) shall ensure that there are appropriate accounting standards for each type of entity that must comply with accounting standards.
- (3) A failure to comply with this Part in relation to the making or formulation of an accounting standard shall not affect the validity of the standard.



**Evidence of text of accounting standards**

**10.—(1)** Where an accounting standard is made or formulated by the Council under this Part, the Council shall —

- (a) publish a notice of the making or formulation of the accounting standard in such manner as will secure adequate publicity for such making or formulation;
- (b) specify in the notice referred to in paragraph (a) —
  - (i) the date of such making or formulation;
  - (ii) the class or description of company or other entity specified in section 8(1) or otherwise in respect of which the accounting standard is made or formulated; and
  - (iii) the place at and the time during which the accounting standard which is the subject of the notice may be inspected; and
- (c) ensure that, so long as the accounting standard remains in force, copies of that accounting standard, and of all amendments to that accounting standard, are available for inspection by members of the public free of charge, and for purchase by members of the public at a reasonable price.

(2) No accounting standard, no amendment thereto and no revocation thereof shall have any force or effect as an accounting standard under this Act or for the purposes of any other written law until the notice relating thereto is published in accordance with subsection (1).

(3) Without affecting any other method of proof, in any proceedings under any written law —

- (a) the production of a document purporting to be a copy of a notice published by the Council under subsection (1)(a) shall be proof of such a notice until the contrary is proved; and
- (b) the production of a document purporting to be an accounting standard made or formulated by the Council as in force at a specified time, or an amendment or a

revocation by the Council of such an accounting standard, and to be the subject of a notice under subsection (1)(a), and that is certified by the Chairman under his hand to be a true copy of or extract from any accounting standard made or formulated, amended or revoked by the Council, shall be proof, until the contrary is proved, that —

- (i) the specified accounting standard or the amendment thereto was in force at that time or the revoked accounting standard was not in force, as the case may be; and
- (ii) the text set out in the document is the text of the accounting standard.

#### PART IV

### ACCOUNTING STANDARDS FOR STATUTORY BODIES

#### **Accountant-General to establish accounting standards**

**11.—**(1) The Accountant-General may establish one or more accounting standards about the following:

- (a) the statements of standard accounting practice applicable to statutory bodies; and
- (b) the content of financial statements and annual reports required to be prepared by statutory bodies.

(2) Before establishing an accounting standard under subsection (1), the Accountant-General shall have regard to relevant accounting standards issued by the Council under this Act or by any appropriate professional bodies.

(3) The Accountant-General may establish an accounting standard under this Part —

- (a) by issuing the text of an accounting standard, which may or may not be an accounting standard made or formulated by the Council under Part III; or

(b) by modifying the text of any accounting standard referred to in paragraph (a) to the extent necessary to take account of the legal or institutional environment for statutory bodies.

(4) An accounting standard established under subsection (1) shall apply to such periods as may be specified in the standard.

### **Statutory bodies to comply with accounting standards**

**12.** The accounts and financial statements of every statutory body specified in the Schedule shall be prepared in compliance with such accounting standards as are established under this Part and notified in writing to the statutory body by the Accountant-General.

## **PART V**

### **MISCELLANEOUS**

#### **Amendment of Schedule**

**13.—**(1) The Minister may, by order published in the *Gazette*, amend the Schedule.

(2) Every order made under subsection (1) shall be presented to Parliament as soon as possible after publication in the *Gazette*.

#### **Rules**

**14.** The Minister may make rules for carrying out the purposes and provisions of this Act, including rules for or with respect to all or any of the following matters:

- (a) the holding of meetings by the Council, the notice to be given of such meetings and the proceedings thereat, the keeping of minutes, and the custody, production and inspection of such minutes;
- (b) the opening, keeping, closing and auditing of the Council's accounts.

## THE SCHEDULE

Sections 12 and 13(1)

## STATUTORY BODIES

<i>First column</i>	<i>Second column</i>
<i>Statutory body</i>	<i>Act under which established or constituted</i>
1. Accounting and Corporate Regulatory Authority	Accounting and Corporate Regulatory Authority Act (Chapter 2A)
2. Agency for Science, Technology and Research	Agency for Science, Technology and Research Act (Chapter 5A)
3. Agri-food and Veterinary Authority	Agri-food and Veterinary Authority Act (Chapter 5)
4. Building and Construction Authority	Building and Construction Authority Act (Chapter 30A)
5. Casino Regulatory Authority of Singapore	Casino Control Act (Chapter 33A)
6. Central Provident Fund Board	Central Provident Fund Act (Chapter 36)
7. Civil Aviation Authority of Singapore	Civil Aviation Authority of Singapore Act 2009
8. Civil Service College	Civil Service College Act (Chapter 45)
9. Competition and Consumer Commission of Singapore	Competition Act (Chapter 50B)
9A. SkillsFuture Singapore Agency	SkillsFuture Singapore Agency Act 2016
9B. Council for Estate Agencies	Estate Agents Act 2010
10. Defence Science and Technology Agency	Defence Science and Technology Agency Act (Chapter 75A)
11. Economic Development Board	Economic Development Board Act (Chapter 85)
12. Energy Market Authority of Singapore	Energy Market Authority of Singapore Act (Chapter 92B)

THE SCHEDULE — *continued*

12A. Government Technology Agency	Government Technology Agency Act 2016
13. Health Promotion Board	Health Promotion Board Act (Chapter 122B)
14. Health Sciences Authority	Health Sciences Authority Act (Chapter 122C)
15. Housing and Development Board	Housing and Development Act (Chapter 129)
16. Info-communications Media Development Authority	Info-communications Media Development Authority Act 2016
17. Inland Revenue Authority of Singapore	Inland Revenue Authority of Singapore Act (Chapter 138A)
18. [ <i>Deleted by Act 23 of 2015 wef 12/08/2015</i> ]	
19. Institute of Technical Education, Singapore	Institute of Technical Education Act (Chapter 141A)
20. Intellectual Property Office of Singapore	Intellectual Property Office of Singapore Act (Chapter 140)
21. Enterprise Singapore Board	Enterprise Singapore Board Act 2018
21A. ISEAS – Yusof Ishak Institute	ISEAS – Yusof Ishak Institute Act (Chapter 141)
22. Jurong Town Corporation	Jurong Town Corporation Act (Chapter 150)
23. Land Transport Authority of Singapore	Land Transport Authority of Singapore Act (Chapter 158A)
24. Majlis Ugama Islam, Singapura	Administration of Muslim Law Act (Chapter 3)
25. Maritime and Port Authority of Singapore	Maritime and Port Authority of Singapore Act (Chapter 170A)
26. [ <i>Deleted by Act 22 of 2016 wef 01/10/2016</i> ]	
27. Nanyang Polytechnic	Nanyang Polytechnic Act (Chapter 191A)
28. National Arts Council	National Arts Council Act (Chapter 193A)

THE SCHEDULE — *continued*

29. National Council of Social Service	National Council of Social Service Act (Chapter 195A)
30. National Environment Agency	National Environment Agency Act (Chapter 195)
31. National Heritage Board	National Heritage Board Act (Chapter 196A)
32. National Library Board	National Library Board Act (Chapter 197)
33. National Parks Board	National Parks Board Act (Chapter 198A)
34. Ngee Ann Polytechnic	Ngee Ann Polytechnic Act (Chapter 207)
35. People's Association	People's Association Act (Chapter 227)
36. Productivity Fund Administration Board	National Productivity Fund Act 2010 (Act 26 of 2010)
37. Public Transport Council	Public Transport Council Act (Chapter 259B)
38. Public Utilities Board	Public Utilities Act (Chapter 261)
39. Republic Polytechnic	Republic Polytechnic Act (Chapter 270)
40. Science Centre Board	Science Centre Act (Chapter 286)
41. Sentosa Development Corporation	Sentosa Development Corporation Act (Chapter 291)
42. Singapore Corporation of Rehabilitative Enterprises	Singapore Corporation of Rehabilitative Enterprises Act (Chapter 298)
43. Singapore Examinations and Assessment Board	Singapore Examinations and Assessment Board Act (Chapter 299A)
44. Singapore Labour Foundation	Singapore Labour Foundation Act (Chapter 302)
45. Singapore Land Authority	Singapore Land Authority Act (Chapter 301)
46. Singapore Polytechnic	Singapore Polytechnic Act (Chapter 303)
47. Singapore Sports Council	Singapore Sports Council Act (Chapter 305)
48. Singapore Totalisator Board	Singapore Totalisator Board Act (Chapter 305A)
49. Singapore Tourism Board	Singapore Tourism Board Act (Chapter 305B)

THE SCHEDULE — *continued*

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|---|--|
| 50. Workforce Singapore Agency                          | Workforce Singapore Agency Act (Chapter 305D)    |
| 51. [ <i>Deleted by Act 10 of 2018 wef 01/04/2018</i> ] |  |
| 52. Temasek Polytechnic                                 | Temasek Polytechnic Act (Chapter 323A)           |
| 53. Urban Redevelopment Authority                       | Urban Redevelopment Authority Act (Chapter 340). |

*[Act 10 of 2018 wef 01/04/2018]*

*[Act 20 of 2016 wef 04/10/2016]*

*[Act 24 of 2016 wef 03/10/2016]*

*[Act 22 of 2016 wef 01/10/2016]*

*[Act 23 of 2016 wef 01/10/2016]*

*[Act 23 of 2015 wef 12/08/2015]*

*[S 587/2009 wef 01/12/2009]*

*[25/2010 wef 22/10/2010]*

*[S 615/2010 wef 01/11/2010]*

*[17/2009 wef 01/07/2009]*

*[16/2009 wef 01/07/2009]*

LEGISLATIVE HISTORY  
ACCOUNTING STANDARDS ACT  
(CHAPTER 2B)

This Legislative History is provided for the convenience of users of the Accounting Standards Act. It is not part of the Act.

**1. Act 39 of 2007 — Accounting Standards Act 2007**

Date of First Reading	:	16 July 2007 (Bill No. 27/2007 published on 17 July 2007)
Date of Second and Third Readings	:	27 August 2007
Date of commencement	:	1 November 2007

**2. 2008 Revised Edition — Accounting Standards Act**

Date of operation	:	31 July 2008
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**3. Act 16 of 2009 — Preservation of Monuments Act 2009**  
(Consequential amendments made by)

Date of First Reading	:	23 March 2009 (Bill No. 9/2009 published on 23 March 2009)
Date of Second and Third Readings	:	13 April 2009
Date of commencement	:	1 July 2009

**4. Act 17 of 2009 — Civil Aviation Authority of Singapore Act 2009**  
(Consequential amendments made by)

Date of First Reading	:	23 March 2009 (Bill No. 10/2009 published on 23 March 2009)
Date of Second and Third Readings	:	13 April 2009
Dates of commencement	:	1st July 2009

**5. G. N. No. S 587/2009 — Accounting Standards Act (Amendment of  
Schedule) Order 2009**

Date of commencement	:	1 December 2009
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**6. Act 25 of 2010 — Estate Agents Act 2010**

(Consequential amendments made by)

- Date of First Reading : 16 August 2010  
(Bill No. 19/2010 published on  
16 August 2010)
- Date of Second and Third Readings : 15 September 2010
- Date of commencement : 22 October 2010

**7. G. N. No. S 615/2010 — Accounting Standards Act (Amendment of Schedule) Order 2010**

- Date of commencement : 1 November 2010

**8. Act 23 of 2015 — Institute of Southeast Asian Studies (Amendment) Act 2015**

- Date of First Reading : 11 May 2015 (Bill No. 20/2015  
published on 11 May 2015)
- Date of Second and Third Readings : 14 July 2015
- Date of commencement : 12 August 2015

**9. Act 23 of 2016 — Government Technology Agency Act 2016**

- Date of First Reading : 11 July 2016 (Bill No. 22/2016  
published on 11 July 2016)
- Date of Second and Third Readings : 16 August 2016
- Date of commencement : 1 October 2016

**10. Act 22 of 2016 — Info-communications Media Development Authority Act 2016**

- Date of First Reading : 11 July 2016 (Bill No. 21/2016  
published on 11 July 2016)
- Date of Second Reading : 16 August 2016
- Date of Third Reading : 17 September 2016
- Date of commencement : 1 October 2016

**11. Act 24 of 2016 — SkillsFuture Singapore Agency Act 2016**

- Date of First Reading : 11 July 2016 (Bill No. 24/2016  
published on 11 July 2016)
- Date of Second and Third Readings : 16 August 2016
- Date of commencement : 3 October 2016

**12. Act 20 of 2016 — Singapore Workforce Development Agency  
(Amendment) Act 2016**

Date of First Reading	:	11 July 2016 (Bill No. 19/2016 published on 11 July 2016)
Date of Second and Third Readings	:	16 August 2016
Date of commencement	:	4 October 2016

**13. Act 10 of 2018 — Enterprise Singapore Board Act 2018**

Date of First Reading	:	8 January 2018 (Bill No. 3/2018 published on 8 January 2018)
Date of Second and Third Readings	:	5 February 2018
Date of commencement	:	1 April 2018