The movement toward International Financial Reporting Standards (IFRS) as a single set of globally accepted accounting standards is quickly gathering momentum. IFRS is rapidly gaining acceptance globally, spurring companies throughout the world to assess the potential implications and benefits of adopting these standards.

Many Singapore companies operate globally, either as headquarters with significant operations overseas, or as part of foreign multinational companies. With such globalised economy, the IFRS has played an important and beneficial role in meeting the needs for cross border financial reporting. Currently, the local accounting standards - Singapore Financial Reporting Standards (FRS) are closely modeled after the IFRS, with minor modifications. By 2012, all Singapore incorporated companies listed on the Singapore Exchange will fully adopt the IFRS as their primary accounting framework. While Singapore companies are already familiar with the IFRS, on-going developments and enhancements to the IFRS will continue to require efforts to implement.

The implementation of IFRS, a principle-based set of standards, is not just about changing accounting policies. For multinational companies, ensuring that IFRS is applied in a globally consistent manner instead of an amalgam of local versions may involve significant efforts around the creation of policies, the modifications of systems, and the training of personnel. With the use of IFRS, companies, auditors, regulators, and users will need to adapt to an accounting and financial reporting framework that requires more judgment and less reliance on detailed rules and bright lines. Companies will be required to understand base principles and objectives, how judgments are made, and how they are applied.

Implementing IFRS has an impact on all aspects of a company, including financial reporting systems, internal controls, taxes, treasury, management compensation, cash management, and legal, among others. It requires a transformation that involves employees, processes, and systems.

While implementation of high-quality financial reporting standards is challenging, when planned and managed properly, the conversion can bring about substantial improvements in the performance of the finance function, streamline the statutory financial reporting process globally, enhance controls, and reduce costs, as it affords:

- Standardised and improved accounting and financial reporting policies
- Heightened efficiency in the use and availability of resources
- Enhanced controls
- Improved cash management
GIOS professionals have a track record of working with companies to achieve global consistency in their financial reporting policies and practices and to seize the opportunities IFRS offers. These member firm professionals have extensive experience in helping clients plan and execute complex and challenging IFRS first time implementation, and can provide assistance with all facets of the implementation process, helping companies:

- Evaluate the potential impacts of IFRS
- Assess readiness for IFRS conversions
- Prepare a detailed implementation plan
- Implement an IFRS conversion, providing support with:
  - Project management
  - Technical research
  - Training
- Develop a plan for sustainability
- Address the implications of IFRS in such areas as treasury, tax, financial operations, technology, and valuation
- Design and implement state of the art control frameworks, efficient information technology architecture and data flow, and fast close methodologies
- Streamline statutory financial reporting processes globally

By leveraging our previous lessons learned and the experience of the global member firms, our IFRS methodology is structured to address the broad implications of IFRS.

As part of Deloitte’s network of member firms with full service accounting, tax and consulting capabilities, we are uniquely prepared to assist companies implement all aspects of their IFRS strategy.