

Web reporting on finances to get easier

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COMPANIES here will soon be able to save time and money with a new computing standard developed by a global consortium for Web-based financial reporting.

Such a method will mean financial information is "reusable", making the lives of those in the financial-information supply chain — investors and analysts — easier, according to the Institute of Certified Public Accountants (ICPAS).

The local accounting body is working with the global accounting community to finalise the dictionary of terms or "tags", based on international accounting standards in Singapore.

ICPAS council member Tang Kok Kwai said: "The panel of experts is finalising the first draft for release, for comments and usage by companies in the commercial and industrial sector."

Add-ons will be developed to cater for more specialised companies, such as banks, over the next year.

Using this new Web-based standard frees up an analyst from keying in details from financial statements into a spreadsheet when he compares different companies' performances.

According to Mr Tang, using a standard software such as Microsoft Excel, once the financial statements are in this format, financial data as well as financial information — for example, directors' pay — can also be extracted.

"Banks will find it extremely useful, too. For the purposes of credit control, using the standard will remove the necessity of having to key in again the details from their borrowers' financial statements," he said.

Companies will benefit from this "tagging" of data as, from a single database, they can compile data and recast them into any format they want.

For example, the data can be presented in different formats to suit presentations, for management review of sales, or even for human-resource purposes.

Even preparing consolidated accounts will be easier, Mr Tang said. Once it is approved, the Singapore taxonomy — a dictionary of financial terms — will be available on the ICPAS website at www.icpas.com.sg

He said: "By the end of the year, we hope the larger listed companies will have adopted this Web-based standard."