



Grant Thornton

An instinct for growth™

COVID-19: Managing financial reporting challenges of CFOs

Solutions for continuous robust compliance



With the ongoing circuit breaker in Singapore due to Coronavirus disease (COVID-19) pandemic, financial reporting processes of many companies have been disrupted. We, at Grant Thornton Singapore, can help you meet your compliance needs while you focus on what's most important for your business in these unprecedented times.



Understanding your priorities



Focus on operational continuity

- Focus on 'zero disruption' in operations
- Continuous communication with suppliers, customers and capital providers
- Manage personnel issues



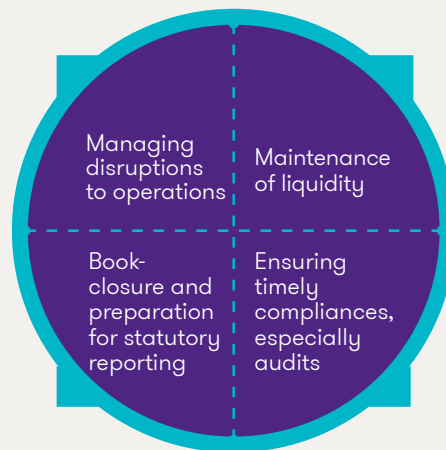
Maintenance of liquidity

- Delayed payments from customers
- Identification of alternative sources of raw materials or new vendors
- Debt servicing and compliance with debt covenants



Financial reporting

- Limited bandwidth of finance teams due to slowdown in operational processes
- Coordination with teams at remote locations - units/plants
- Estimating impact of COVID-19 and preparing financial statements accordingly



Timely compliances

- Resolve audit issues identified in previous periods
- Coordinate audit process, including preparation of audit schedules
- Engage in technical discussions on impact of COVID-19

Accounting matters arising due to COVID-19

Impairment

- ECL allowance for financial assets
- Impairment of property, plant and equipment and other assets

Revenues

- Penalties due to delays in performance
- Impact on quantity discounts due to low demand
- Increase in sales returns

Going concern

- Debt repayment concerns
- Decline in forecasted cash flows



Fair valuation

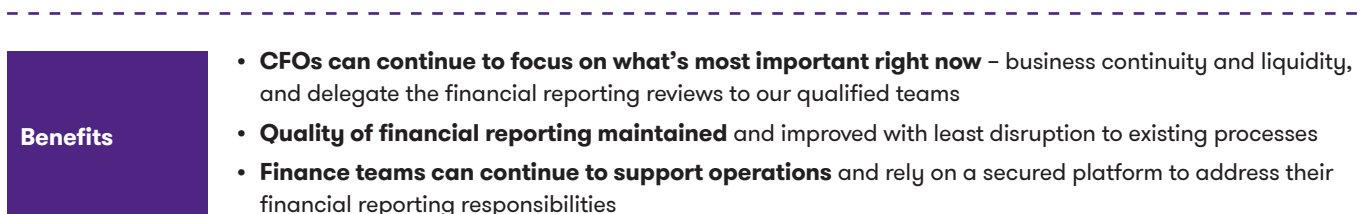
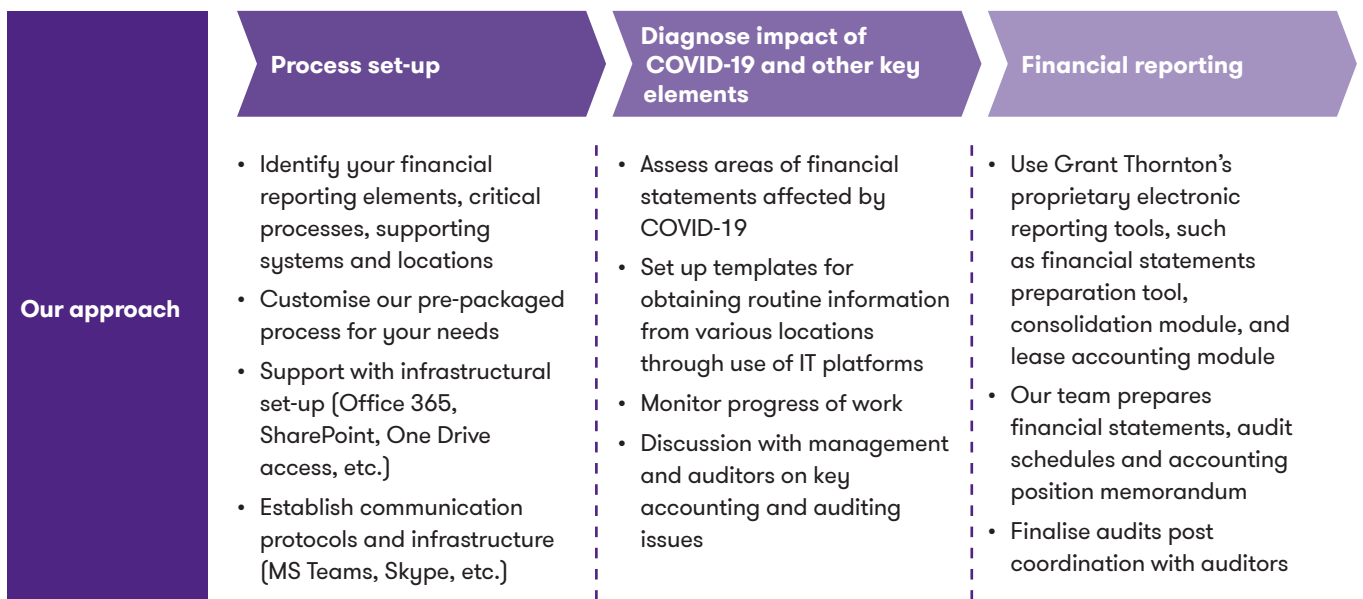
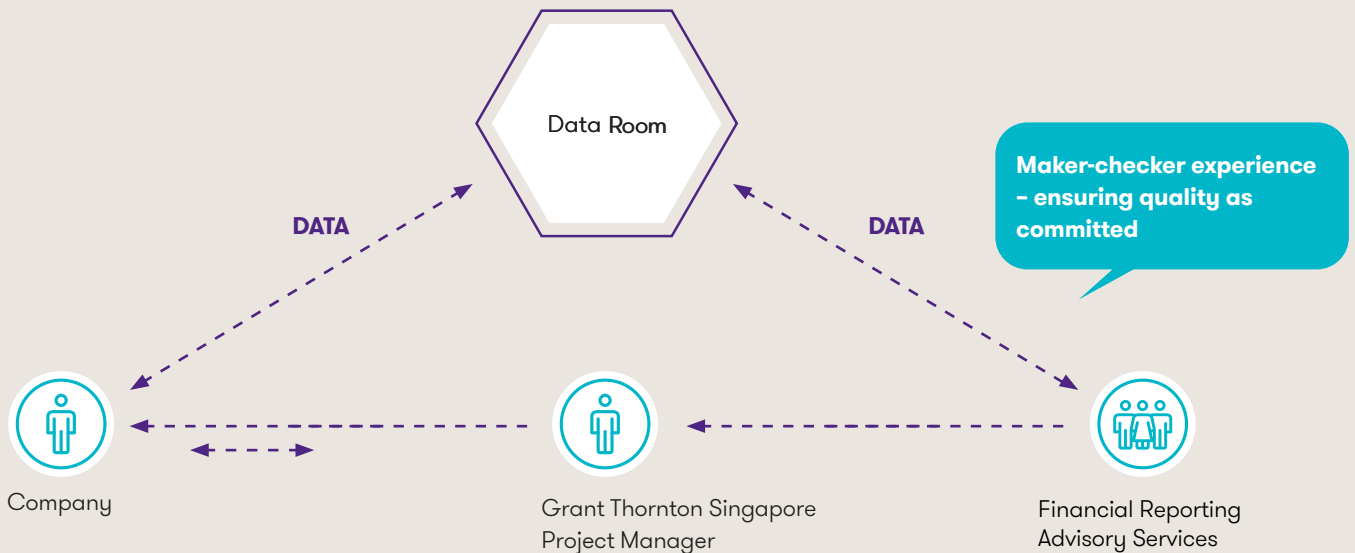
- Investments carried at fair value through profit and loss
- Net realisable value of inventories
- Effectiveness testing of hedging relationships

Provisions/asset write downs

- Potential restructuring plans
- Recoverability of deferred tax assets
- Provisions for onerous contracts
- Insurance claims under "loss of profits" policies

Here's how Grant Thornton can manage your financial reporting process

Our financial reporting teams are trained in handling the best available cloud-based computing solutions, so that the circuit breaker does not affect our work and your financial reporting



Contact us

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