RESPONSIVE IN A CHANGING WORLD

How ACRA's persistence in innovation and commitment to meet its customers' needs have made Singapore one of the best places to do business in the world.

ACRA

Accounting And Corporate Regulatory Authority

ANNUAL REPORT 2010/11

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FOREWORD
Chairman's Message

RESPONSIVE IN A CHANGING WORLD

Singapore enjoys the distinction of being the world's easiest place for starting and doing business. Our city-state retained its Number 1 position for the fifth year running on the World Bank's Ease of Doing Business Index 2011, and was regarded as having the best business environment in Asia-Pacific and worldwide by the EIU Business Environment Ranking 2009.

But we cannot rest on our laurels. The global business landscape is constantly being re-shaped by new forces and influences. We need to be nimble and agile to anticipate and respond to new trends. At the same time, we need to tread a fine balance between our regulatory mission and pro-enterprise orientation.

Last year, we made significant progress in the review of the Companies Act, supported by a joint secretariat comprising the Attorney-General's Chambers and ACRA. The Steering Committee has since completed its work and submitted its report with over 217 recommendations to the Minister for Finance. Other business legislation including the Business Registration Act and Accountancy Act are also reviewed, to ensure that they remain relevant and keep up with the best practices internationally.

The Ministry of Finance accepted the recommendations of the Committee to Develop the Accountancy Sector in 2010. ACRA is supporting the Pro-Tem Singapore Accountancy Council (SAC) in drawing up the blueprint to transform Singapore into a leading global accountancy hub for Asia-Pacific. The Pro-Tem SAC is in the final stages of setting out the governing framework and implementation roadmap. Upon its formation, the SAC will set about its task to raise sector-wide professional capabilities and strengthen the international outlook for the accountancy profession.

We continued to make improvements to BizFile – ACRA's electronic online filing and information retrieval portal. When ACRA launched the BizFile system in 2003, it revolutionised the business registration process by radically reducing registration time and costs. Today, BizFile has expanded to include a spectrum of over 300 e-services ranging from the registration of business entities, notification of changes, to directory search, purchase of information and many more. These are accessible round the clock from anywhere in the world, and includes a suite of value-added services offered through integration with multiple agencies.

To meet the increasingly complex needs of the business community, ACRA will embark on the development of the next generation of BizFile, which will replace the current system. The new BizFile will be able to better meet the future needs of both ACRA as well as the business community. With the ongoing reviews of the Companies Act and the Business Registration Act, a new BizFile will also be timely to cater to the new legislative requirements. Advancement in technological innovation has also made available more efficient technological platforms which the new BizFile System could leverage to deliver better, faster services as well as more intuitive user interfaces for our customers.

The global financial crisis and corporate misdeeds in the past year highlighted the critical role of accounting and reporting standards in ensuring good governance and maintaining investor confidence. There is also rising expectation for the accountancy profession to continue to exercise vigilance and professional scepticism to sustain high audit quality.

As the regulator of the auditing profession, ACRA has made strides in raising audit quality through targeted regulation and facilitation. ACRA will continue to promote a better understanding of the importance of maintaining high quality of audit, and of how public accountants can enhance the value of quality audit. These efforts will strengthen Singapore's position as an international financial and trusted business centre, supported by a vibrant and flourishing accountancy sector.

ACRA's early adoption of the eXtensible Business Reporting Language (XBRL) for financial reporting had helped the local business community reap the advantages of XBRL-enabled services. In collaboration with commercial-sector partners, ACRA launched Open Analytics and Singapore Financial Direct – both online analytical and benchmarking tools that leverage the XBRL financial information submitted to ACRA to enhance the business decision-making process of the business community.

FY2010/2011 was a year of significant progress for ACRA. This was in no small measure because of the support of our partners in the business and accounting communities. In addition, it was the dedication and hard work of the ACRA staff that made these advances possible. With your continued support, we are confident that we can help foster a responsive and trusted regulatory environment for businesses and public accountants.

Ms Chan Lai Fung
Chairman

PREFACE
Chief Executive's Message

A VALUED PARTNER TO OUR STAKEHOLDERS

ACRA has always strived to be a valued partner to our stakeholders. Over the years, we have ensured that we continue to stay relevant to the business and accounting communities by keeping our ears to the ground.

As a responsive business registrar and business reporting and auditing regulator, we recognise that the support and endorsement of our stakeholders are key to the success of our goal of ensuring that Singapore's business environment continues to be the best and most trusted in the world.

To stay attuned to business needs and maintain strong relationships with our stakeholders, regular dialogue sessions and focus group discussions are organised, involving business owners, corporate secretariats, lawyers, accounting and audit professionals as well as professional bodies, who provided us with first-hand perspectives on how our policies and processes could be further streamlined and improved. Through such engagements, we develop a sound understanding of our stakeholders' concerns, and enhance ACRA's visibility as an engaged partner of the business community.

We have also established various touch-points to make it easier for our customers to reach us. Our call centre, interactive web service, enquiry counters, hotline and email to the Quality Service Manager as well as our corporate website are particularly effective in allowing us to assess our service quality and the reaction to new initiatives to identify rooms for improvement. These touch-points are part of a holistic Customer Relationship Management system that is aimed at engaging our customers and enhancing their experience.

Smoothening the Path for Businesses

With the insights into the challenges and issues faced by businesses, we have introduced several new initiatives to help companies conduct their business and meet regulatory obligations with ease. To facilitate business, we launched a value-added service where newly registered business can proceed to open a Corporate Bank Account immediately after successful registration with ACRA. The Colour-Coded Compliance Rating system and Certificate of Compliance were introduced to recognise companies which practise timely compliance; while new automated reminders sent to prompt company directors to hold Annual General Meetings (AGMs) and file annual returns on time are just some examples of business-friendly initiatives aimed at encouraging higher voluntary compliance.

We also explored ways to unlock the value of the financial and business information in our repository, which would enhance the decision-making process for the business community. Two online financial analysis tools that leverage static XBRL financial statements that companies file with ACRA were launched under the Business Financials in XBRL (BizFinx) initiative, transforming such data into interactive and dynamic information that the business community could tap into. Leveraging our partnership with the local media, we tap into ACRA's treasure trove of information to provide regular statistical updates and trend analyses on the business climate in Singapore for the benefit of the business community, as well as publish articles to raise awareness on key issues that impact the business community at large.

Proactive Engagement with Stakeholders

We have always believed that stronger engagement with our stakeholders will lead to better compliance and customer experience, and hence a more robust business environment in Singapore. The recent review of the Companies Act availed an apt platform for ACRA to involve its stakeholders on the reform journey and address their issues and concerns. As the secretariat supporting the Steering Committee, ACRA launched various public consultations with representative professional bodies and organisations, academicians as well as the business community and members of the public to solicit comments and suggestions on the ongoing legislative reforms. We also created opportunities for stakeholders to provide feedback and receive updates on the progress of other reforms, including the reviews of the Business Registration Act and the Regulatory Framework of Foreign Entities undertaken by ACRA.

In April 2010, together with the Institute of Certified Public Accountants of Singapore (ICPAS), we consulted the public on the viability of a proposed Public Practice Programme (PPP) to help accountants registering to be public accountants in managing the challenges of the profession with integrity and professionalism. Following the strong support from respondents, a PPP was developed by ICPAS under the oversight of ACRA's Public Accountants Oversight Committee. Completion of the PPP is now one of the requirements for registration as a public accountant.

Building Confidence in Financial Reporting and Auditing

A high level of audit quality is imperative for Singapore's development into a leading global accountancy hub and to support a trusted business environment in Singapore. To this end, ACRA conducts rigorous regulatory oversight of the public accountancy profession to safeguard public interest. Our regular engagements with key stakeholders in the business community have enabled us to raise awareness on risks identified in financial reporting and auditing, providing the investing public with a strong basis for confidence in the quality of Singapore's audit reports and corporate financial information.

In 2010, ACRA partnered the Association of Chartered Certified accountants (ACCA) to survey Audit Committee Chairmen to better understand their perception of the value of audit. The findings from the qualitative interview sessions and the recommendations were shared at ACRA's Public Accountants Conference 2010. ACRA also collaborated with the Singapore Exchange Limited to issue a guidance to assist audit committees in the evaluation of work performed by their external auditors so that they can get more value out of the audit. The Guidance serves as a catalyst for better engagement between Audit Committees and the public accountancy profession, and contributes towards the delivery of a high-quality outcome to an external audit.

To further reinforce confidence in audit quality, we benchmark our regulatory work with international regulatory practices and standards. As a founding member of the International Forum of Independent Audit Regulators (IFIAR) since its inception in 2006, ACRA has engaged with international regulators from more than 30 jurisdictions. These engagements have helped instil confidence in the robustness of our regulatory framework. In March 2011, Singapore became one of the first batch of 10 countries to be formerly recognised by the European Commission for its auditor oversight system as being equivalent to that of the EU member states. The affirmation of ACRA's auditor oversight programme means audit regulators in individual EU member states can now establish cooperative arrangements with ACRA, with a view to relying on ACRA's oversight of Singapore audit firms that audit companies listed in the EU member states.

We have also continued to build on our strong international network through our membership in the Corporate Registers Forum to strengthen ACRA's role as a world-class facilitator. In May 2011, ACRA successfully hosted the 7th Annual CRF Conference, attended by some 200 delegates from 46 jurisdictions. Our officers were also invited to present at the World Bank workshops globally, as well as share their experience at international events.

Developing a Sound Understanding of Stakeholders' Needs

In FY2011, we will be embarking on a Stakeholders Needs Analysis study to collate both qualitative and quantitative data that will allow us to better address the current and future needs of our stakeholders. The target participants of the study will include owners of business entities, corporate secretariats, lawyers, public accountants, partners such as the professional bodies, service providers and government agencies, as well as the general public – both local and foreign – who are looking to start a business in Singapore. Findings from the study will allow us to capitalise on our strengths, close the expectation-performance gaps, and identify ways to better serve the business community.

We will also continue to build on our efforts to achieve optimum voluntary compliance through enhancing awareness and educating stakeholders. ACRA will be launching a new handbook for company directors to help aspiring and new directors better understand their statutory duties in order to better fulfil their role and obligations as directors. The initiative will complement ACRA's current enforcement strategy to put in place a trusted regulatory framework, and improve currency of the information kept in the public registers.

I would like to take this opportunity to express my appreciation to our stakeholders and customers for their invaluable feedback and support in the past year. We sincerely welcome you to continue to share your views and suggestions with us. My thanks also go to our Board Members for their stewardship and guidance, and to our ACRA staff for their commitment to building a trusted regulatory environment for businesses and public accountants in Singapore.

Ms Juthika Ramanathan
Chief Executive

ABOUT ACRA

The Accounting and Corporate Regulatory Authority, Singapore (ACRA) is the national regulator of businesses and public accountants in Singapore. It was formed on 1 April 2004, following the merger of the former Registry of Companies and Businesses (RCB) and the Public Accountants' Board (PAB).

As a regulator and facilitator, ACRA constantly strives to create a vibrant, trusted and secure environment for businesses, and to make Singapore truly the best place for doing business.

ACRA develops a responsive and trusted pro-enterprise environment through the following key functions:

Regulating Businesses

ACRA plays a leading role in making Singapore a trusted and attractive place to do business by administering the Accountants Act, the Business Registration Act, the Companies Act, the Limited Liability Partnerships Act and the Limited Partnerships Act.

Advising on Regulatory Policies

Working closely with business entities and public accountants, ACRA's proximity with the ground makes it a key player to advise the Government in shaping and refining regulations and policies pertaining to Singapore's business environment and accountancy sector.

Creating a Dynamic Business Environment

By facilitating the ease of starting, doing and growing businesses in Singapore, ACRA creates a truly vibrant business environment for both entrepreneurs and investors. This is strengthened by ACRA's initiatives to develop the accountancy sector, resulting in the internationally trusted business and financial hub that Singapore has evolved to become today.

Maintaining Excellence in Auditing and Financial Reporting

ACRA is committed to promote a high standard of auditing and corporate financial reporting in Singapore, and this has helped to build confidence in the nation's corporate financial reports and integrity of its economic ecosystem.

Becoming an Effective Force Supporting the Market

Through active involvement in international engagements and maintaining strong relations with its international counterparts, ACRA is kept updated of the worldwide developments and initiatives, and thereby maintaining its forefront position in the international arena.

BOARD MEMBERS

Mr Yap Chee Keong

Ms Kristin Elizabeth Paulson

Mr Dilhan Pillay Sandrasegara

Mr Thean Lip Ping

Mr Ong Yew Huat

Ms Chua Geok Wah

Mr Lawrence Kwan

Ms Chan Lai Fung
Chairman

Ms Juthika Ramanathan

Mr Gerard Ee Hock Kim

Dr Andrew Khoo

Mr Kon Yin Tong

Professor Pang Yang Hoong

Mr Lam Yi Young

Mr Sitoh Yih Pin

BOARD MEMBERS

Public Accountants Oversight Committee

Chairman:

Mr Thean Lip Ping

Members:

Ms Chua Geok Wah
Mr Yap Chee Keong
Mr Kon Yin Tong
Mr Ong Yew Huat
Mr Sitoh Yih Pin
Mr Gerard Ee Hock Kim

Audit Committee

Chairman:

Mr Ong Yew Huat

Members:

Mr Lawrence Kwan
Mr Kon Yin Tong
Prof Pang Yang Hoong

Human Resource Committee

Chairman:

Mr Lam Yi Young

Members:

Ms Juthika Ramanathan
Prof Pang Yang Hoong
Dr Andrew Khoo
Mr Gerard Ee Hock Kim

Strategic Planning And Policy Committee

Chairman:

Ms Chan Lai Fung

Members:

Ms Juthika Ramanathan
Mr Thean Lip Ping
Ms Kristin Elizabeth Paulson
Mr Dilhan Pillay Sandrasegara
Mr Yap Chee Keong

Our Vision

Singapore: The trusted and best place for business

Our Mission

To provide a responsive and trusted regulatory environment for businesses and public accountants.

Our Corporate Values

We believe in upholding the following corporate values in our daily work. We are guided by ACRA's corporate values, known as '**I-ACRA**':

- **I**ntegrity - we are honest, upright and impartial in everything we do as individuals and as an organisation
- **A**lert & Agile - we are vigilant and responsive to the needs of our stakeholders
- **C**ollaborative - we work with our stakeholders to achieve common goals
- **R**espect - we value and respect our stakeholders
- **A**dd Value - we make a positive difference for our stakeholders

ABOUT OUR DIVISIONS

Accountancy Development Division

The Accountancy Development Division (ADD) facilitates the development of the accountancy sector through the work of the Pro-Tem Singapore Accountancy Council (Pro-Tem SAC) and its four sub-committees; namely:

- the Singapore Accountancy Qualification Programme (QP) sub-committee;
- the Accountacy Services Research Centre (ASRC) and Accountanct Sector Development Fund (ASDF) sub-committee;
- the Chief Financial Officers (CFO) sub-committee; and
- the Centres of Excellence (CoEx) sub-committee.

Audit Division

The Audit Division (AD) reports to the Audit Committee (AC) and assists the ACRA Board by performing independent and objective financial reviews of ACRA. Its critical role includes determining recommendations to improve internal quality control mechanisms, so as to aid ACRA in realising its full competencies.

Business Facilitation Division

The Business Facilitation Division (BFD) oversees the registration of business entities, i.e. sole proprietorships/partnerships, local companies, foreign branches, limited partnerships and limited liability partnerships in Singapore.

The BFD also manages the registration of documents, notices, and returns filed by business entities through its electronic filing system, BizFile. The division participates regularly in outreach events organised by ACRA and other agencies. These events serve as a platform for public education for the business community and aspiring entrepreneurs.

Business Information and Technology Department

The Business Information and Technology Department (BITD) sets strategic directions for the 4 divisions under its purview namely the Information Resource Division, Information Technology Strategy Division, Financial Information Division and the Project Office. It aligns the divisions' initiatives and facilitates synergy across other divisions within ACRA on matters related to IT systems and quality of information to meet the strategic outcome set by the organization.

Client Engagement and Communications Division

The Client Engagement and Communications Division (CECD) delivers value to the business community by providing customers with a one-stop and effective interface for queries and dealings with ACRA. Besides focusing on effective corporate communication strategies to advance the image of ACRA, the division also acts as a bridge between the organisation and its stakeholders through various engagement initiatives.

The division conducts research and statistical analysis providing current trend analyses on key business issues and trends in Singapore, to empower businesses in gaining a better understanding of current issues impacting the marketplace. The mining and analysis of transactional data and customers' feedback also enables ACRA to continuously review and improve its service delivery processes, and fine-tune its policies and framework to provide a business-friendly environment. The CECD organises several key events throughout the year to promote greater awareness about the roles of ACRA, thereby enhancing the Authority's visibility as a proactive partner of the business community.

Enforcement Division

The Enforcement Division (ED) oversees the general compliance in the disclosure of corporate and financial information of businesses, raising of stakeholders' competence with targeted training and creating awareness of relevant rules through public education. ED's aim is to achieve voluntary compliance through its initiatives and programmes.

MANAGEMENT

Shirlynn Loo
Head
Accountancy
Development

Ho Shee Yan
Head
Audit

K Latha
Head
Business
Facilitation

Vivien Chow
Head
Client Engagement
and Communication

William Lee
Head
Enforcement

Dave Lau
Head
Finance

Li Chong Jin
Deputy Director
Strategy and
External Relations

Julia Tay
Director/
Chief Inspector
Profession
Oversight

Juthika Ramanathan
Chief Executive

Muhammad Hidhir Abdul Majid
Deputy Chief Executive
Legal & Enforcement

Bernice Quek
Director
Business
Information and
Technology

Terence Ong
Head
General
Counsel

Sia Su Chun
Head
Financial
Information

Wee Puay Hwa
Head
Human Resource

Loy Wei Sun
Head
Information
Resource

Manoj Abraham
Head
Information
Technology Strategy

Toh Wee San
Head
Legal Policy
& Reform

Chng-Lee Soon Gim
Head
Management
Services

ABOUT OUR DIVISIONS (CONTINUED)

However, ED will not hesitate to take swift and just enforcement action against recalcitrants, where necessary. The division comprises three units to carry out its various functions – the Summons & Warrants Processing Unit, the Strategic Enforcement Unit and the Enforcement Policies and Strategy Unit.

The Summons & Warrants Processing Unit manages cases identified for prosecution, including warrant cases, and administers these cases for mention in Courts or for execution by the Warrant Enforcement Unit of the Police Force. The Strategic Enforcement Unit (SEU) undertakes focused and targeted enforcement based on the strategic plans and directions endorsed by ACRA, such as the active enforcement of non-filing of annual returns / declarations by businesses. In addition, SEU officers consider applications and legal representations made by the various businesses and individuals that ACRA regulates. The Enforcement Policies and Strategy Unit undertakes strategic studies and reviews on enforcement and develops appropriate policies and initiatives for implementation.

Finance Division

The Finance Division (FD) takes charge of all aspects of ACRA's budgetary decisions and accounting processes. Exercising financial prudence, the FD ensures optimal allocation of monetary resources to meet ACRA's operational needs and organisational objectives.

Financial Information Division

The Financial Information Division (FID) handles XBRL Financial Reporting and Standard Business Information Reporting (SBIR). It is responsible for the taxonomy vis-a-vis the accounting standards as well as the filing process and mechanism of financial reports. The SBIR is a multi-agency project with the objective of enabling a pro-enterprise financial reporting environment for businesses in Singapore.

Financial Reporting Regulations Department

High quality audit and corporate financial reporting are vital elements of a trusted business environment and pillars of aninternational financial centre. The Financial Reporting Regulations Department (FRRD) seeks to achieve this strategic outcome for ACRA and Singapore through regulatory roles in the areas of corporate financial reporting, auditor oversight, and policy review and formulation.In addition, the FRRD supports the Public Accountants Oversight Committee (PAOC) in the registration and regulation of public accountants and public accounting entities, and regulates the public accountancy profession in Singapore.

Governance Surveillance Division

The Governance Surveillance Division (GSD) oversees compliance and governance matters of registered business entities and investigates into alleged breaches of the various laws under ACRA's purview.

The officers handle all forms of complaints including governance related matters and breaches under the legislation administered by ACRA.

Human Resource Division

The Human Resource Division (HRD) works towards building ACRA's reputation as a choice employer. The HRD designs ACRA's HR structure to realise the organisation's full potential. The HRD's goals are aligned with ACRA's mission and strategic outcomes, and it focuses on every HR function, from recruiting officers to developing and retaining talent.

Information Resource Division

As custodians and managers of business information, the Information Resource Division (IRD) protects the integrity and preservation of data. The IRD also provides value-added services to meet the changing demands of the business community.

Being a trusted depository of records on registered business entities and public accountants in Singapore, the IRD facilitates business development through the provision of timely, accurate and consistent information.

The division constantly reviews information needs and provides value-added information to meet the changing demands of the business community. It has established strategic alliances with information service providers to meet the information needs of the fast-growing marketplace.

Information Technology Strategy Division

The Information Technology Strategy Division (ITSD) capitalises on the latest IT solutions and works closely with all divisions to facilitate ACRA's operations and service deliverables to the business community. The ITSD also advises ACRA regarding new IT initiatives in alignment with ACRA's strategic directions and Singapore's e-Government strategies.

Legal Services Division

The Legal Services Division (LSD) advances ACRA's mission and strategic goals by providing legal services with regard to ACRA's policies and operational matters. The division comprises two units – the General Counsel's Unit (GCU) and the Legal Policy and Reform Unit (LPRU). The units oversee two major areas of work.

The GCU provides sound and timely legal advice and services. This includes interpreting statutes, drafting and vetting legal documents, and liaising with external parties and lawyers on legal matters affecting ACRA. The unit also provides guidance to enforcement officers in their investigations and advises ACRA officers in disciplinary matters under the Accountants Act. In addition, the GCU represents ACRA in both criminal and civil proceedings. The second area of work, which is undertaken by the LPRU, involves reviewing business laws and formulating legal policies to meet evolving business needs, as well as educating the business community about such reforms.

The unit actively monitors and studies legal developments in Singapore and leading jurisdictions to further enhance Singapore's corporate regulatory framework, and improve the Republic's international competitiveness. The LPRU also served as the secretariat for the ACRA Board as well as one Board committee.

Management Services Division

The Management Services Division (MSD) provides support architecture to the organisation, managing ACRA's records, tangible assets and facilities, thereby creating favourable situations for ACRA to execute its strategic outcomes and activities. It also administers the Electronic Registry System (ERS), an automated workflow and document management system that aims to shorten turnaround time and improve ACRA's responsiveness to customers' written communication.

Project Office

The Project Office is a new set-up and its objective is to ensure proper project governance, consistency in end-to-end testing, quality check on system delivered. It also scans new developments in the market that may be useful as a service delivery channel for ACRA. It acts as the bridge between the IT project managers and the business divisions and ensures that new requirements do not conflict or corrupt existing information. It shall work closely with divisions to establish business benefits of change requests and perform post project reviews and follow ups. Over the next 2 years, its focus will be on the new generation BizFile project.

Strategy and External Relations Division

The Strategy and External Relations Division (SERD) is responsible for policy, strategy and external engagement matters relating to ACRA's oversight of the public accountancy profession as well as its broader involvement with the accountancy profession and sector.

CHAPTER 1

ROBUST FRAMEWORKS FOR A CHANGING WORLD

Singapore's business environment is among the best and most trusted in the world. As a regulator and business facilitator, ACRA has to strike a balance between meeting the demands from evolving business needs and the need to maintain a robust regulatory framework that safeguards public interest and promotes confidence.

In response to local needs and global trends, ACRA regularly reviews and refines its policies and legislation to ensure that they are able to support Singapore's growth as a global business hub. Regulatory reforms also help ensure that the business and accounting communities continue to thrive under a robust framework of integrity amid a changing business climate.

Efficient and Transparent Regulatory Framework for Companies and Foreign Entities

In October 2007, the Ministry of Finance (MOF) appointed a Steering Committee, chaired by former Attorney-General Professor Walter Woon, to review the Companies Act, which was enacted in 1967. The objective of the review is to build an efficient and transparent corporate regulatory framework that supports Singapore's growth as a global hub for businesses and investors. Ms Juthika Ramanathan, Chief Executive, ACRA, was a member of the Steering Committee, which was supported by a joint secretariat comprising the Attorney-General's Chambers (AGC) and ACRA. The Steering Committee has completed its work and submitted a report dated April 2011 to MOF.

The Companies Act also contains provisions relating to foreign companies. The Steering Committee took the view that the laws relating to the registration and regulation of foreign entities, namely branches of foreign corporations registered in Singapore, should be placed in a separate legislation to facilitate the streamlining of the Companies Act. There is no intent for any significant widening of the scope of regulation for foreign entities. The proposed standalone legislation will not regulate the operations of subsidiaries (incorporated in Singapore) of foreign companies, which will continue to be regulated under the Companies Act. ACRA has completed a review of the regulatory framework for foreign entities and issued a consultation paper on this subject matter.

MOF and ACRA launched a joint public consultation in June 2011 to invite the public to comment on the 217 recommendations made by the Steering Committee in its report and the 40 recommendations made by ACRA in its paper. In addition, ACRA also initiated reviews of filing issues, the penalty framework in respect of companies and groundwork required to migrate non-core company law out of the Companies Act. Relevant consultations had been and will be further carried out, if need be.

The above-said public consultations will close by September 2011, following which MOF and ACRA will proceed to the next phase of company law reform, i.e. adoption of policies and drafting of the relevant legislation.

- Providing an alternative to the formalities in the execution of documents
  One public consultation exercise was jointly organised by ACRA and AGC in November 2010 on the Supplementary Report on Formalities in the Execution of Documents: Amendments to Companies Act and Limited Liability Partnerships Act. The Report proposes amendments to the Companies Act and the Limited Liability Partnerships Act to allow such entities to execute documents by the signature of certain persons, as an alternative to execution under seal, and to make other related amendments.

  Under the proposed changes, a company will no longer need to have a common seal to execute documents as deeds. Instead, it will have the option of executing a document by affixing a common seal or by the signatures of certain officers of the company. The proposed changes will simplify the process of deed execution while preserving a level of adequate security.

Keeping the Business Registration Act Current

The Business Registration (BR) Act, which provides the basic framework to govern sole proprietorships and partnerships in Singapore, came into effect in 1974. Since then, it has had only piecemeal amendments, the last being in 2009. To keep pace with the present business environment and support Singapore's continuous development as a major commercial and financial centre, ACRA is spearheading a comprehensive review of the BR Act to update the legislation and enhance its relevance and currency.

A public consultation was launched in October 2010 on the comprehensive proposals to review the BR Act. Feedback was sought on the scope of regulation, including issues such as whether individuals trading in their own names and online businesses need to be registered. The public consultation attracted responses from the industry and public agencies. The views were collated and are currently being studied before recommendations are put up to MOF for consideration.

Promoting Corporate Governance

The Corporate Governance Council (CGC) was established in the first quarter of 2010 under the joint oversight of the Monetary Authority of Singapore (MAS), Singapore Exchange Limited and ACRA. The council – comprising members from the business community and stakeholder groups – aims to promote a high standard of corporate governance and cultivate ethical corporate culture and behaviour in Singapore, so as to boost investors' confidence and enhance the country's appeal as a trusted international financial centre. Supporting the council's mandate in its role as a part of the council's joint secretariat, ACRA is able to keep abreast of the latest corporate governance issues pertinent to reviews of relevant legislation such as the Companies Act.

Instituting A Culture of Voluntary Compliance

As a leading business registrar and an authoritative business reporting regulator, ACRA strives to maintain a timely and trusted register with accurate and up-to-date information while promoting a culture of voluntary compliance. In FY2010/2011, it introduced several new non-penal measures and public education initiatives to encourage companies to voluntarily comply with regulatory requirements as well as to acknowledge those that have made efforts to comply.

Mr Lok Vi Ming SC
Vice-President
The Law Society of Singapore

Improving the Regulatory Environment for Businesses

"As one of ACRA's key stakeholders, the Law Society of Singapore participates regularly in the dialogue sessions organised by ACRA as part of its stakeholder engagement. The Law Society is represented at these sessions by representatives of its Corporate Practice Committee, which comprises corporate legal practitioners from a wide spectrum of law practices.

ACRA regularly consults the Law Society on proposed legal reforms, such as the review of the Companies Act, and invites members of the Corporate Practice Committee to discuss the proposed reforms in greater depth in focus group meetings. ACRA also shares with the Law Society the findings on corporate compliance and processes to improve the efficiency of ACRA. The Law Society takes these consultations seriously, and a considered response is given to ACRA after deliberations by the Committee.

ACRA has been very responsive to its stakeholders' feedback and has taken into account many of the suggestions made by representatives of the Corporate Practice Committee. The focus group discussions organised by ACRA are also very useful and provided members with a communication platform where their queries and concerns are addressed immediately. The Law Society is also grateful to ACRA for involving it as early as possible in the consultation process on the initiatives to improve the regulatory environment for businesses in Singapore.

The Committee particularly appreciates the efforts made by ACRA in instilling a culture of voluntary compliance among companies and directors, such as through its initiative on Colour-Coded Compliance Rating and the Certificate of Compliance. ACRA's efforts have shown encouraging results of improvement in compliance. The Law Society will work closely with ACRA and other stakeholders to raise awareness of these initiatives among its members."

- Enhancing the Regulatory and Enforcement Framework
  ACRA undertook a holistic review of its regulatory and enforcement framework. The review refined the regulatory and enforcement approach across ACRA's various enforcement divisions to further realise ACRA's objective to achieve a high degree of voluntary compliance. The outcome would further enable ACRA officers to carry out regulation and enforcement activities effectively.

- Recognition for Timely Compliance
  Rolled out on 24 April 2010, the Colour-Coded Compliance Rating system was introduced to recognise companies with a good record for timely holding of Annual General Meetings (AGM), tabling up-to-date financial statements and timely filing of Annual Returns. Compliant companies receive a positive rating in the form of a green tick and are eligible for a Certificate of Compliance, while non-compliant companies are given a negative rating in the form of a red cross. The compliance rating and other relevant information for all locally incorporated companies are reflected on ACRA's free online Directory of Registered Entities for inspection by the public. While providing recognition to companies that are in compliance, the initiatives accord stakeholders with greater transparency on the companies' compliance status, as they are now better informed of the state of affairs of the companies' annual filings.

- Shorter Extension of Time
  To help companies plan ahead and make early arrangements to prepare their financial statements and hold their AGM promptly, the period for which companies could apply for extension of time to hold their AGMs and lay their financial statements at the AGM was reduced from a maximum of three to two months. The move aims to ensure that financial statements that are eventually filed are not outdated and are of value to shareholders.

- Early Reminder
  This new value-added End of Financial Year Notice for private and non-listed public companies was implemented on 12 April 2011. The Notice is sent to companies immediately after the closing of the companies' financial year-end, to prompt them of the necessary actions to meet regulatory requirements. Thanks to the new service, unlisted companies are now given a head-start of six months to plan ahead and prepare early for their AGM.

Bringing Foreign Companies' Annual Filing Up to Date

In February 2008 ACRA kick-started an exercise to monitor the annual filings of foreign companies, putting in place a Compliance Surveillance Programme to track and deal with defaulters who were late or had failed to submit their financial statements. The initiative came to fruition in February 2011, where annual filings by foreign companies were brought up to date and greatly improving the compliance rate for annual filings by foreign companies.

Collaboration with MAS to Handle Substantial Shareholding Breaches

ACRA began working with MAS in September 2008 to proactively remind companies to lodge their substantial shareholdings. This is in line with ACRA's goal to achieve optimal compliance and keep the business register up to date. Since the exercise began, ACRA has dealt with more than 3,400 backlog cases that have breached the reporting requirement.

ACRA regularly reviews and refines its policies and legislation to ensure that they continue to support Singapore's progress as a global business hub.

Reducing the Number of Outstanding Warrants of Arrest

To reduce the number of outstanding warrants of arrest, ACRA started the review in July 2009 with some 14,000 warrants of arrest on record. The outstanding warrants resulted from defendants being deceased or unable to rectify the offences because their companies were in adverse status. The outstanding warrants were categorised based on different groups of offenders for various actions to be taken. ACRA completed the exercise to clear the outstanding warrants by December 2010. In view of the associated higher enforcement and maintenance costs resulting from the roll-out of the new Criminal Procedural Code in January 2011, and the revision of the framework for the management of warrants of arrest, the review of outstanding warrants of arrest was timely as it allowed ACRA to minimise administrative costs while maintaining the currency of its register.

Developing the Accountancy Sector

The Committee to Develop the Accountancy Sector (CDAS) was established in October 2008 to undertake a fundamental review of the accountancy sector, so as to position Singapore as the leading international centre in Asia for accountancy services and professionals.

ACRA played a key role in providing secretariat and research support to CDAS, which submitted its final report to the Minister for Finance in April 2010. CDAS proposed 10 key recommendations to raise professional capabilities and to strengthen the international outlook of the sector. These included the establishment of a high-level Singapore Accountancy Council to take the lead in the transformation of Singapore into a leading global accountancy hub for the Asia-Pacific region by 2020; developing a Singapore branded post-university accountancy qualification; and developing a centre of excellence for specialisation pathways. The Ministry of Finance announced its acceptance of all the CDAS's recommendations in May 2010.

In September 2010 the Minister for Finance appointed 11 members to the Pro-Tem Singapore Accountancy Council (Pro-Tem SAC) to drive the implementation of the CDAS's recommendations. ACRA is supporting the Pro-Tem SAC in setting up the governing framework and implementation roadmap for the transformation of the accountancy sector.

Maintaining a Robust Regulatory Framework for Public Accountancy and Raising Professional Standards

The public accountancy profession plays a key role in providing assurance on financial statements used by various stakeholders. The confidence that can be placed on financial statements is in turn a key contributory factor towards the broader confidence of businesses and investors in Singapore's corporate environment. ACRA will continue to ensure that its regulatory framework remains robust, effective and up to date. A comprehensive review of the Accountants Act is currently underway and as part of the review, a series of targeted consultations with stakeholders as well as a general public consultation will be launched to seek feedback on the proposals.

Dr Ernest Kan
President
Institute of Certified Public Accountants of Singapore

Ensuring Audit Quality and Professionalism

"The Institute of Certified Public Accountants of Singapore (ICPAS) works closely with ACRA in many areas. From admission standards and continuing professional education to auditing standards, audit-quality monitoring and disciplinary action, our strategic collaboration helps to develop Singapore's accountancy sector.

ACRA has been proactive and responsive in implementing legislation and policies that cater to the changing needs of the accountancy profession. Through its work, ACRA has played a key role in making Singapore's accountancy profession synonymous with integrity, professionalism and expertise.

ACRA's responsiveness in enforcing disciplinary action against errant public accountants, for instance, has helped safeguard the reputation of the profession. This also complements ICPAS' work in promoting professional integrity through adherence to the Code of Professional Conduct and Ethics.

ICPAS collaborates with ACRA's Public Accountants Oversight Committee (PAOC) to elevate professional standards. Together with the PAOC, ICPAS sought public consultation and subsequently developed the Public Practice Programme for accountants who aspire to enter public practice in Singapore. ICPAS's Auditing and Assurance Standards Committee also develops Singapore's auditing and assurance standards under the oversight of the PAOC.

In support of ACRA's Practice Monitoring Programme (PMP), ICPAS conducts audit inspections on small and medium practitioners who audit only non-public interest entities. Accountancy professionals have given feedback that PMP has helped them to improve audit processes and documentation, enhance their knowledge and competence and raise audit quality.

In addition, members of the accountancy profession have also been able to contribute their feedback on regulatory and industry matters through the regular dialogue sessions that ICPAS holds with ACRA."

On the part of the profession, it is also imperative that public accountants uphold professional standards and keep abreast of the changing business and regulatory environment. To this end, ACRA has introduced a number of initiatives to help develop the profession.

- Revision of Continuing Professional Education Requirements for Public Accountants
  ACRA implemented a series of improvements to the Continuing Professional Education (CPE) framework for public accountants in the year in review. Starting from 1 January 2011, public accountants can fulfil their CPE obligations over a rolling three-year period instead of a single year. This revision gives public accountants more flexibility in managing their priorities and learning needs. The three-year period is also in line with international practices, such as that set by the International Federation of Accountants for its professional body members.

  ACRA's Public Accountants Oversight Committee (PAOC) has also enhanced the CPE syllabus. The revised CPE syllabus now features a tighter focus on the core areas of auditing, financial reporting standards and ethics to ensure that public accountants maintain current technical skills and professional knowledge. Public accountants also have more flexibility to select non-core areas that are pertinent to enhancing their own areas of expertise. Tailored requirements for public accountants who are judicial managers and approved liquidators are also available.

- Mandatory Public Practice Programme to Prepare Aspiring Public Accountants
  The Public Practice Programme (PPP) was developed by ICPAS under the oversight of the PAOC as a three-day training course to help prepare accountants who are registering to be public accountants for public practice responsibilities.

  The PPP provides public accountants with practical insights into planning a professional and ethical practice. It covers topics such as professional ethics and public interest; the commercial realities of running a public practice; and processes and procedures for efficient resource management and compliance with the standards. Attendance for the PPP became a pre-requisite for registration with ACRA to be a public accountant from 16 September 2010.

International Auditing Experience for Registration as Public Accountants

From 1 October 2010, accounting professionals who wish to register as public accountants in Singapore are able to take into account up to two years of relevant international practical experience towards the required three years of experience. This will facilitate the registration of experienced internationally trained auditors in Singapore. Previously ACRA recognised only practical experience gained in a Singapore public accountant's office. Applicants with international experience will still need to obtain at least one year of Singapore experience. The recognition of international experience is in line with a recommendation by CDAS after it sought feedback on a proposal to accord such recognition in its December 2009 Consultation Paper.

DID YOU KNOW?

What is Practice Monitoring Programme (PMP)?

Mandated through the Accountants Act, ACRA's **Practice Monitoring Programme** (PMP) is an important regulatory instrument for promoting **audit quality**. Audit quality is the cornerstone of market confidence in the reliability of the financial information with which business decisions are made.

PMP provides quality assurance to the market by ascertaining whether public accountants have complied with the prescribed auditing standards, methods, procedures and other requirements. This assurance gives users of financial reports increased confidence in audit opinions.

What are the types of firms reviewed under the PMP?

- **Firms that audit Public Interest Entities (PIE)**
  - Mainly Big Four and firms which are members or affiliates of international networks
  - Reviewed directly by ACRA
  - Review of SSQC1 controls as well as engagements

- **Firms that audit non-PIEs**
  - Mainly small- and medium-sized practices and sole practitioners
  - Reviewed by ICPAS under the regulatory oversight of ACRA
  - Current focus on the review of engagements

What does the scope of PMP reviews cover?

- Tone at the top/leadership
- Independence and ethics
- Acceptance and continuance of clients and engagements
- Human resource policies and procedures
- Engagement performance
- Monitoring
- Review of file engagements (public accountant level)

CHAPTER 2

PRO-ENTERPRISE INITIATIVES TO MEET CHANGING NEEDS

Mr Ho Meng Kit
Chief Executive Officer
Singapore Business Federation

Reaching Out to Enterprises

"The Singapore Business Federation (SBF) has been collaborating with ACRA since its inception in 2002. As one of ACRA's key stakeholders, SBF has been supporting ACRA's initiatives to promote a pro-business environment, providing positive endorsement when ACRA launched the Unique Entity Number initiative for businesses.

ACRA has supported SBF's bi-annual orientation programme for new members by actively sharing topics that affect businesses, such as compliance regulations for doing business in Singapore, getting access to information and pro-business and pro-enterprise efforts by ACRA.

ACRA has been very responsive to its stakeholders, especially in providing technological solutions such as BizFile, FS Manager and the more recent Open Analytics, to businesses. Our members have benefited from ACRA's various initiatives and services, including consultations and industry events. ACRA participated in SBF's outreach event to acquaint our members with the new filing requirements of annual accounts. It also shared updates at the focus group discussions on the review of the Companies Act, as well as a members' dialogue session on the *Guidance to Audit Committee on Evaluation of Quality of Work Performed by External Auditors* co-published by Singapore Exchange and ACRA."

ACRA aims to create a vibrant and responsive business environment that enables entrepreneurs and investors to start and do their business and at the same time comply with regulatory obligations with ease. As the first stop for new businesses, ACRA is constantly introducing new policies and initiatives and improving on existing policies and initiatives to facilitate lower business costs and greater convenience for the business community. These include continually strengthening its regulatory framework and collaborating with other agencies and organisations to simplify processes so that businesses can focus on growth and productivity.

Growth of Limited Partnerships

ACRA introduced Limited Partnerships (LP) in 2009 to expand the options available to businesses and investments. This was in addition to the principal business structures already available, such as sole proprietorships, general partnerships, companies and limited liability partnerships.

Comprising at least one general partner and one limited partner, an LP does not have a separate legal entity from its partners and thus cannot sue or own property in its own name. This business model allows the limited partner to enjoy limited liability within his agreed contribution to the LP while the general partner undertakes unlimited personal liability.

Since its inception, the number of LPs has experienced healthy growth, from 25 in 2009 to 60 in 2010. As a result of the structure of this business model, LPs serve as an attractive option for potential entrepreneurs who want to attract foreign investments from private equity and investment funds. This contributes towards supporting Singapore's continuous growth as a vibrant financial centre.

Providing Value-Added Services for Registrants

ACRA services are delivered through BizFile, its state-of-the-art online filing and information retrieval system that offers one of the fastest and simplest business registration procedures in the world. Bizfile is also a one-stop business facilitation portal with more than 300 e-services for the business community and a suite of value-added services available at the point of registration of a new business.

Following the launch of BizFile, ACRA periodically introduced value-added services aimed at facilitating a seamless process of starting a business in Singapore and saving time and costs for businesses. The value-added services currently available via BizFile include domain name reservation with the Singapore Network Information Centre, Goods and Services Tax registration with the Inland Revenue Authority of Singapore, subscription to the EnterpriseOne e-newsletter and activation of a customs account with Singapore Customs.

As part of its one-stop business facilitation efforts, ACRA recently introduced another value-added service for newly registered businesses to open a corporate bank account immediately after successful registration with ACRA. This pilot phase with DBS Bank was introduced on 24 February 2011 and has been well received by customers. ACRA is currently working on Phase 2 to expand the network to include more banks.

ACRA unlocks the value of financial data that it has in its depository by delivering it in an interactive and dynamic manner, thus supporting enterprises in their decision-making.

Enhancing the Business Information Platform

Amongst the first corporate registry in the world to adopt eXtensible Business Reporting Language (XBRL) for the filing of financial statements in 2007, ACRA has made great leaps in the use of XBRL for business reporting, laying the foundation for a pro-enterprise financial reporting environment for businesses in Singapore.

In 2010 ACRA launched several initiatives aimed at enhancing the quality of financial data reported in XBRL format. These included implementing new validation rules in FS Manager – the online preparation and filing tool – which would help companies minimise errors in their XBRL financial statements. To further enhance the accuracy of the financial data filed, ACRA embarked on limited reviews of the companies' financial statements submitted in XBRL, and notifications were sent to companies to inform them of errors found in their filings. These companies were required to file Notices of Errors if the errors were typographical or clerical, or to expunge them through court orders and re-file new documents.

In tandem with new developments in accounting standards, ACRA also began to review and enhance the current XBRL system and taxonomy under an XBRL Revamp Project. ACRA is working on a new XBRL taxonomy and will be upgrading its infrastructure to better address the needs of respective users of financial statements. The enhancement aims to help streamline the financial reporting and filing process to provide a seamless filing experience for the business community.

Interactive and Dynamic Information Delivery

ACRA is the central repository and source of financial and business information for all businesses and public accountants in Singapore, from the smallest to the largest. To support the business community in their decision-making process, ACRA aims to unlock the value of this information by delivering it in an interactive and dynamic manner.

One important means to do so is through the Business Financials in XBRL (BizFinx) initiative, which is aimed at transforming static information contained in the financial statements filed by companies into dynamic business intelligence.

Two financial analysis tools have been launched under the BizFinx initiative through public-private collaboration. The first was Open Analytics in January 2010. This was followed by Singapore Financials Direct in June the same year. Both tools enable the analysis of large volumes of standardised XBRL financial data in ACRA's depository.

Coupling live access to over 150,000 filings of financial information of public and private companies with analytics and benchmarking solutions, Open Analytics and Singapore Financials Direct have proven to be a boon to the business community by enabling better and quicker business decisions.

Timely and Accurate Data

In the business world, timely and accurate information is of utmost importance. To ensure the high standard and integrity of ACRA's data, a Data Governance and Quality Assurance Unit has been established. The unit oversees data policies, data quality, data management and risk management relating to data handling within ACRA and ensures that these are aligned with Whole-of-Government data management principles.

Besides instituting data policies, the unit also looks at the entire supply chain. It provides officers in charge with policies and guidelines, puts processes and procedures that uphold the high standards of data quality in place, and conducts assessment and audit to ensure that data quality is maintained efficiently throughout the data lifecycle.

Unleashing Useful Information for the Business Community

One of ACRA's roles as the custodian of the corporate repository is to make available useful and corporate and financial information on business entities for use by the public and business community. In 2009, ACRA collaborated with the *Business Times* to provide regular statistics updates and trend analyses on the business climate in Singapore. ACRA's rich database of corporate information served as a useful tool for the business community to gauge current market trends and identify new business opportunities.

To promote greater public awareness on its role as a regulator and business facilitator, ACRA provides regular editorial contributions to the bi-monthly *SME Magazine*. The articles covered key issues that impact the business community and pro-enterprise initiatives driven by ACRA. A listing of newly incorporated companies with issued capital of more than $200,000 and not more than $5 million served to facilitate networking within the business community.

DID YOU KNOW?

Leveraging Information for Business Decision-Making

iShop@ACRA is a one-stop shopping portal designed to meet the information needs of the business community.

Information available from iShop@ACRA

Data is collected during business registration and filing of subsequent changes by business entities with ACRA. These entities include sole proprietorships, partnerships, companies, limited liability partnerships, limited partnerships, public accounting firms, public accounting corporations and public accountants.

The collected data is categorised and packaged into various information products that can be purchased for purposes of business facilitation, research or decision-making.

List of products available for purchase

- Business Profile
- Business Profile with Certificate of Production
- Certificate of Good Standing
- Certificate of Compliance
- Register of Sole Proprietorship / Partnership / Company Documents
- People Profile
- Extracts or Microfiche of Forms / Documents Lodged
- Package Information (Standard & Customised Packages)
- Statistical Information
- Letter of Confirmation on Public Accountant / Public Accounting Firm / Public Accounting Corporation
- Subscription Based Information Services for Agencies
- Purchase of Information on Limited Partnerships

CHAPTER 3

CUTTING-EDGE INNOVATION TO RESPOND TO CHANGING TRENDS

The iPhone app for business information on the go helps meet the needs of members of the business community who are increasingly mobile.

In tandem with globalisation and technological advancements, the demands and needs of ACRA's stakeholders and the business community continue to evolve. ACRA innovates on and taps IT solutions to help raise its operational efficiency and service quality while meeting the needs of its customers and enabling them to achieve cost and time savings.

ACRA's One-Stop Business Facilitation suite of systems is an example of how the organisation leverages IT to facilitate the ease of doing business and establish a timely and trusted corporate register. The suite covers online transactions, business analytics, one-stop shop services, business data hub and real-time system-to-system services over the Web to serve ACRA's various customer segments effectively. To keep pace with the changing needs and expectations of the business community, ACRA continues to enhance its BizFile system through regular system upgrades to offer a more seamless process and complete with value-added services to meet varying needs.

Regulatory InvesTigation E-System (RITES)

Swift and proactive enforcement action is of paramount importance in helping ACRA put in place a trusted regulatory framework.

To enhance ACRA's enforcement and investigation capabilities, the Regulatory InvesTigation E-System (RITES) was implemented in June 2011. It is a one-stop integrated system adopting a paper-less concept to prevent, detect and take active remedial actions through its electronic case management, tasks, scheduling and reporting capabilities.

RITES is integrated with various systems such as the existing eBizcore database and the Electronic Registry System to harness information from internal and external sources. Information is registered into the system with every case managed through electronic investigation papers. It has numerous customised functions, such as statement-taking, tasks assignments, field investigation and e-appointments, each uniquely designed to improve efficiency and end-user experience, allowing users to complete their tasks within the shortest possible time. In addition, information stored in the system is intelligently used for reporting, identifying key risk areas and performing active surveillance used for strategic decision-making.

The implementation of RITES has enhanced the enforcement and investigation efforts to meet ACRA's mission and public expectations. There is a significantly faster turnaround time in the investigation process, thus raising ACRA's efficiency in addressing non-compliance matters.

Bryan Teh
Chief Executive Officer
Association of Small and Medium Enterprises

Bridging ACRA and SMEs

"As ACRA's professional partner, the Association of Small and Medium Enterprises (ASME) helps to link ACRA with the community of small and medium enterprises (SMEs). By leveraging ASME's network and activities, ACRA is able to update businesses on new initiatives and policies which may have an impact on the business environment, while garnering relevant feedback from the SME community.

ACRA has been very prompt and efficient in responding to its stakeholders. It has also taken a very proactive role in engaging its stakeholders and ensuring compliance.

The six-monthly dialogue sessions that ACRA holds with its professional partners provide a useful platform where ACRA engages its stakeholders to garner valuable feedback and build business awareness. The feedback can then be used as recommendations to the Government.

ACRA's responsiveness has enabled companies to be better informed of changes in policies and regulations that they have to adhere to. This enhances efficiency in their business operations.

The recent launch of the 'ACRA on the Go' iPhone application, for example, has also helped make its services more accessible and convenient. This initiative is certainly commendable, as it provides business owners with fuss-free access to information at their fingertips."

Customer Relationship Management System

ACRA rolled out an integrated Customer Relationship Management (CRM) system in FY2009 with the aim of enhancing customer experience, boosting the productivity of its officers and Helpdesk agents as well as enabling them to respond effectively to customers' queries.

The CRM system was further enhanced to better manage all customer communications channels in FY2010. Leveraging the latest CRM technology with customised 'customer-centric' features, the unified CRM integrates multiple customer touch-points under a single view to significantly minimise customer-handling time. The single repository system means that the officers can now track enquiries across all touch-points with a holistic view of all customer enquiries. Armed with this insight, the officers can provide a comprehensive reply without having the customers repeat their query or request.

The new Real-time Monitoring Dashboard feature in the CRM also allows officers to better monitor the performance of ACRA's call centre operations. Auto-alerts are triggered once the pre-specified thresholds for optimal performance have been reached, so that more agents can be activated to handle any sudden surge in calls, to ensure the consistent delivery of quality service.

By tapping cutting-edge innovation and enhancing its CRM, ACRA is able to achieve a win-win by responding to the needs of the customers more effectively while improving the efficiency of the Helpdesk agents and ACRA customer service officers. The results can be seen in the increase in the percentage of calls resolved during the customer's first encounter at the Helpdesk. This has significantly reduced the number of calls escalated to ACRA officers, translating into a direct cost saving of $20,517.30 in FY2010.

An Integrated Helpdesk System

To proactively engage customers who call the ACRA hotline, the Interactive Voice Response System (IVRS) was integrated with the Customer Relationship Management and SMS notification systems in 2010. This enables ACRA customers to be kept up to date on new initiatives, policy changes or system downtime via messages activated by the IVRS. In instances of service disruption, customers can also opt to be alerted by SMS once the system is up and running again.

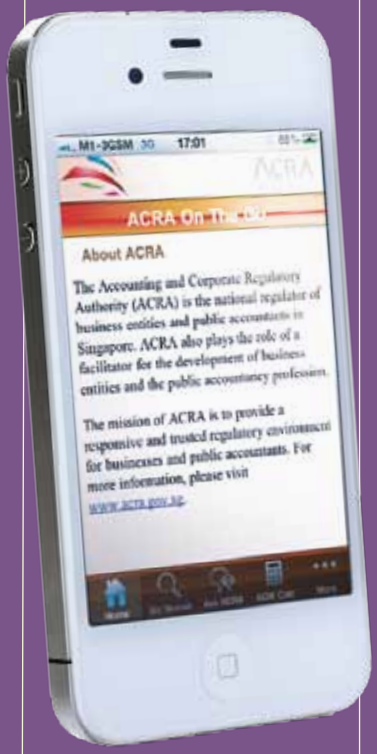
Launched in June 2011, the integrated system allows callers encountering similar issues to receive mass updates that update them on the issue status or advise them on work-around solutions. This feature not only proactively engages customers on the issue status but also maximises efficiency through mass notifications instead of individual notifications.

Currently, when a pre-specified threshold level of call traffic is reached, a message will be triggered to inform customers of the longer-than-expected waiting time. Customers have the option to hold, terminate the call or leave a voice mail. In the pipeline is an additional option for customers to input their mobile numbers for the Helpdesk to call them if they do not wish to hold on the line. Customers will receive an SMS notification after three failed attempts to reach them on the phone.

LEVERAGING TECHNOLOGY

iPhone App for Business Information On the Go

To meet the needs of members of the business community who are increasingly mobile, ACRA has developed an iPhone app for accessing its registry and other useful information on the move. The app has been available for public download from the Apple App Store free of charge since mid-April 2011.



The app includes ACRA's Bizfile with transactional and information retrieval services as well as AskACRA, with Frequently Asked Questions and answers. It also features a simplified version of the Directory Search on registered business entities. In addition, app users will be able to retrieve the Unique Entity Numbers of their business entities, for use in transactions with government agencies and in the application of commercial services such as the opening of corporate bank accounts.

The app also features an offline AGM calculator, which can calculate and provide a possible date for the next Annual General Meeting (AGM). The calculation is made based on factors such as the company type, the last AGM date and current accounts date.

Resource Booking System

The Resource Booking System enables ACRA staff to conveniently browse, check, search for and book resources such as meeting rooms, books and equipment. The system also provides reports with information such as on the usage level of the resources.

Visitor Management System

The Visitor Management System (VMS) has replaced manual visitor registration at the ACRA reception. Complete with search features, the VMS is able to pull out repeat visitors' information so they need not go through repeat registration. The system is also able to generate detailed reports of visitor information, such as why and when they visit, for tracking and statistical analysis.

E-Requisition System

Through the e-Requisition System, ACRA officers can submit their requisition requests online, thus reducing the time needed for store officers to consolidate requests. The system also updates the inventory stock items automatically and prompts for replenishment.

Enterprise Portal

To enable ACRA staff to work better and more effectively, the Enterprise Portal was launched in 2010, providing a web-based information platform where ACRA staff can communicate, share resources and collaborate on projects.

The one-stop portal provides easy access to multiple applications, where staff can book meeting room facilities, register for courses, request for stationery items, keep track of visitors, share staff movement, monitor individual learning needs and keep up to date on the latest events and news within ACRA. The portal also serves as a virtual data warehouse where divisions could upload and create access to allow sharing of information pertaining to their respective area of work.

Having a single portal to house information, resources and applications has helped to boost the productivity of ACRA staff, as it reduces the time needed for information gathering by staff in the course of their work. The Enterprise Portal provides all staff with a common view to shared information and resources, thus reducing the dependency on a few key staff for provision of information or the booking of resources.

iShop Announcement Message Facility

As part of ACRA's continuous improvement to better serve its customers, an Announcement Message facility was rolled out for iShop, ACRA's online business data shopping portal, in January 2011.

The facility enables ACRA to provide swift notification to its customers when iShop services are temporarily unavailable, with the service disruption announcement published within one minute upon request. By reducing the lag time, ACRA can better manage customers' expectations and enhance their shopping experience during their visit to the iShop portal. The system also allows for predefined messages as well as seasonal greetings to be published according to a pre-set schedule, enabling staff to save time and work more effectively. Cost savings are achieved with fewer customer enquiries on service delivery and refunds.

CHAPTER 4

ENHANCED AWARENESS TO FULFIL CHANGING DEMANDS

Mr Lawrence Kwan
Chairman
Singapore Association of the Institute of Chartered Secretaries and Administrators

Promoting Compliance and a Pro-Business Environment

"The engagement between the Singapore Association of the Institute of Chartered Secretaries and Administrators (SAICSA) and ACRA goes back a long way. We aim to promote timely compliance and a pro-business environment through our collaboration with ACRA.

Over the years, ACRA has shown great efforts in engaging its stakeholders in response to the changing local and global business landscapes. SAICSA and ACRA collaborate in a number of ways. These include holding regular dialogue sessions, such as the ACRA-SAICSA dialogue session and the Professional Bodies Dialogue sessions, to share feedback from our members and the business community. Through such engagement platforms, we have provided useful and relevant feedback on matters such as the reform of the Companies Act and the introduction of the Limited Liability Partnership legislation. We have also submitted representation to ACRA's consultation papers on legislation and policy reforms, and helped to disseminate ACRA's guidelines and updates to our members and the business community.

As ACRA's strategic partner, SAICSA also has the opportunity to be involved in ACRA's industry events, such as the Essentials for Business seminars, Public Accountant Conferences and Start-up Conferences. We have also supported ACRA for its *Regulatory and Business Guide for Start Ups* and the *Directors' Handbook* with written contributions.

Apart from the above initiatives, ACRA has also tapped technological advancements to facilitate easier and faster ways of company incorporation and adhering to global financial reporting standards, such as with BizFile and financial reporting in eXtensible Business Reporting Language (XBRL).

ACRA's responsiveness has created greater awareness in the business community of the need to observe and practise a high level of compliance. It has also been prompt in responding to queries raised by practitioners and the users of its services."

Active engagement with key stakeholders and the business community is integral to ACRA's provision of an efficient and effective corporate regulatory environment, to support Singapore's growth as a global hub for both business and investment. Against a backdrop of rapidly evolving corporate and business landscapes, there is an increasing need for ACRA to address the information needs of the business community so as to promote transparency and improvement in information flow.

To keep pace with the changing demands of our stakeholders, ACRA evaluates its stakeholders' engagement framework on an annual basis through a rigorous process of review, rethink and reinvention. The assessment enables ACRA to fine-tune its framework to encompass the needs of new stakeholders; review its existing suite of public engagement and outreach activities to assess effectiveness; and develop new activities or modify existing ones to maximise outcomes from the engagement.

ACRA's stakeholders' engagement framework is premised on its suite of consultation, public education and outreach programmes to create a pro-enterprise environment, build business awareness and compliance. These communication platforms allow ACRA to keep its ears to the ground and address the concerns and interests of its stakeholders and, in the process, strengthen its relationships with the business community.

Consultation – in the form of focus groups and dialogues sessions with stakeholders – plays a critical part in ACRA's legal reform and improvement initiatives. Following the appointment of a Steering Committee by the Ministry of Finance to undertake a thorough review of the Companies Act, ACRA conducted regular dialogue sessions with its broad and diverse group of stakeholders to keep them updated on the reform and seek their views on policies and processes that may have an impact on the business community.

Dialogue Sessions with Stakeholders

ACRA kick-started its active stakeholders' engagement in 2010 with a dialogue session held on 9 April 2010, attended by members of the business community, public accountants, lawyers and corporate secretaries. In addition to updates on the ongoing reforms of business legislation, the participants were also informed of the roll-outs of various ACRA initiatives, including the Colour-Coded Compliances Rating and the Certificate of Compliance, which are aimed at promoting compliance of timely and accurate disclosures of corporate and financial information.

At two dialogue sessions held on 8 July 2010 and 13 January 2011, members of the Singapore Association of the Institute of Chartered Secretaries and Administrators (SAICSA) and ACRA discussed issues that may have an impact on the administration of companies. The participants were updated on ACRA's continuing efforts in striking off defunct companies to maintain an up-to-date corporate register, as well as initiatives on training for company secretaries. Valuable feedback garnered during the communication sessions also enabled ACRA to keep tabs on the needs of the business community and act in tandem with the changing business environment and conditions.

Dialogue sessions are important communication platforms that ACRA provides to get feedback from its stakeholders and keep them updated on regulatory reforms.

ACRA holds regular six-monthly dialogue sessions with the Law Society of Singapore, one of the key partners in ACRA's regulatory objectives. At the dialogue sessions organised on 21 July 2010 and 9 March 2011, ACRA provided updates on the ongoing Companies Act Reform and the ACRA-led review of the regulatory framework for foreign entities. The Law Society of Singapore also provided valuable comments and insights on the relevant law reform proposals.

The six-monthly dialogue session with professional partners was held on 27 January 2011, attended by representatives from 14 professional bodies, including the Association of Banks in Singapore, Association of Chartered Certified Accountants and Singapore Institute of Directors. The event allowed ACRA to reach out to the members of its professional partners and tap their perspectives on issues of mutual interest. With the feedback and suggestions garnered, ACRA was able to further improve its services. The stakeholders were also updated on the developments of the regulation of the auditing profession, ACRA's law reforms, implementation of XBRL and initiatives to promote compliance.

ACRA works closely with the Institute of Certified Public Accountants of Singapore (ICPAS) to ensure high audit quality and a robust public accountancy sector in Singapore. At three dialogue sessions held on 14 May 2010, 21 October 2010 and 10 February 2011, ACRA's senior management and ICPAS's office bearers and council members exchanged views on key initiatives on financial reporting and public accountancy practice. These included the Practice Monitoring Programme, Public Practice Programme and the professional accountancy qualification. With feedback gathered at these consultation sessions, ACRA is able to continuously refine its legislation and policies to keep in step with the changes in the public accountancy profession.

Seeking Public Inputs

As a responsive regulator, ACRA actively solicits feedback from the public and interested parties on any proposed changes to the legislation or regulatory framework which may have an impact on the business and accountancy communities. The engagement platform, usually in the form of public consultation exercises, enables ACRA to effectively communicate the proposed changes to members of the public and provide the information necessary for those who are keen to share feedback.

In 2010, three public consultation exercises were held to seek public opinions. The first, organised in collaboration with ICPAS, was held between April and May 2010 on the proposed three-day Public Practice Programme (PPP) for those seeking to become public accountants and enter public practice in Singapore. In November, the public was consulted as part of the review of the Business Registration Act (Cap. 32) on the proposed amendments to the Act. In December, ACRA and the Attorney-General's Chambers held a joint consultation to invite feedback on the Supplementary Report on Formalities in the Execution of Documents, under the Amendments to Companies Act and Limited Liability Partnerships Act.

Ms Chew Mok Lee
Group Director, Entrepreneurship & Innovation
SPRING Singapore

Helping Start-ups and Enterprises Grow

"SPRING Singapore is the enterprise development agency responsible for helping Singapore enterprises grow. SPRING manages the EnterpriseOne portal, which provides comprehensive information on government assistance programmes, regulations and e-services for businesses from 52 partners, including ACRA. Specifically, potential entrepreneurs can find out more about how to start a business on the EnterpriseOne portal.

Both SPRING and ACRA share a common goal in providing a pro-business environment for entrepreneurs. SPRING works closely with ACRA on developing useful content on the EnterpriseOne portal for entrepreneurs and start-ups, and on providing answers to queries related to starting and registering a business, to smoothen the path for aspiring entrepreneurs.

In addition, SPRING is the secretariat for the Action Community for Entrepreneurship (ACE), which is a movement that involves both the private and public sectors to create a more entrepreneurial environment in Singapore. ACE is the strategic partner for ACRA's annual Start-up Enterprise Conference. We also collaborated on the production of a guide, which provides basic business and regulatory information to help start-ups.

As a business regulator, ACRA has been very responsive to its stakeholders' needs, through its continual efforts to enhance the process of business registration and rolling out value-added services for newly registered businesses. By making the registration process and regulatory requirements simple, ACRA is an important partner in helping to build a pro-enterprise environment."

Engagement with the Business Community

As a business facilitator, ACRA proactively engages the business community and aspiring entrepreneurs to promote entrepreneurship. Initiatives such as seminars, focus groups and industry events enable ACRA to forge strong bonds with the business community, raise awareness of legislation, policies and information resources, and promote voluntary corporate compliance.

The Essentials for Business Seminar is one of ACRA's key public education platforms. At the 2010 seminar on 16 February 2011 jointly organised with the Singapore Chinese Chamber of Commerce and Industry (SCCCI), small and medium enterprises (SMEs) took away knowledge on business structures, compliance requirements and business solutions such as BizFinx (Business Financials in XBRL) and iShop@ACRA.

At the 2010 Start-Up Enterprise Conference held on 1 June 2010, entrepreneurs and aspiring business owners had the opportunity to be grounded in the fundamentals of starting and managing their businesses. Jointly organised by ACRA and DP Bureau with strategic partner Action Community for Entrepreneurship (ACE), the conference highlighted the key issues faced by new enterprises. ACRA shared with the participants its new initiatives to encourage voluntary compliance while speakers from agencies such as the Central Provident Fund Board and Inland Revenue Authority of Singapore also updated on the latest statutory requirements.

Through its support of the Singapore 1000 family of awards and rankings for the first time, ACRA was able to heighten companies' awareness of compliance requirements. The rankings included a regulatory compliance component, for which ACRA was involved in examining the nominees' compliance status using three important statutory requirements under the Companies Act: the timely holding of the Annual General Meeting (AGM), laying of up-to-date financial statements at the AGM and the timely filing of the Annual Returns.

ACRA also provided the organiser, DP Information Group, with access to financial statements in eXtensible Business Reporting Language (XBRL) that had been filed with ACRA. This helped facilitate simpler and more comprehensive compilation of information for the organiser, which was thus able to include more companies in its analysis.

In 2008, the minimum contractual age was reduced from 21 to 18 years, enabling those who are 18 years old and above to register a business name, be a company director and form companies or limited liability partnerships. The pro-enterprise initiative unveiled a largely untapped sector in the entrepreneurial scene – aspiring young entrepreneurs.

To effectively engage young entrepreneurs, ACRA collaborated with the Ngee Ann Polytechnic and organised two focus group discussions in May 2010. The events received enthusiastic support from the students and provided ACRA with insights into the participants' information needs and the type of support they require, as well as the challenges they faced on their entrepreneurial journeys.

To help budding entrepreneurs get started, ACRA produced two animated videos to serve as easy-to-understand guides on starting businesses. The first video, titled *Things to Know When Starting a Business* was scripted and produced by ACRA staff. The second video, titled *Types and Features of Business Entities*, was produced in collaboration with the Ngee Ann Polytechnic's School of Film & Media Studies to provide an overview of the various types of business entities, their differences as well as the unique features of each business model. The videos are available for viewing on ACRA's website.

To reiterate the relevance of audit and its value to stakeholders, ACRA commissioned the Association of Chartered Certified Accountants to interview 17 Audit Committee Chairmen in April 2010 on their perceptions on the value of audit. The findings reaffirmed the value that external audit brings to business and the economy by instilling trust and confidence in companies' financial statements. It also demonstrated that Audit Committee Chairmen are appreciative of the value of audit and that they do place great value on the assurance provided by the audit reports.

Building on the continuing efforts to promote robust financial reporting and reiterate the value of high-quality audit, ACRA collaborated with the Singapore Exchange Limited to publish a guidance in July 2010. Titled *Guidance to Audit Committee on Evaluation of Quality of Work Performed by External Auditors*, the guidance seeks to strengthen audit quality in Singapore by encouraging Audit Committees to assess their external auditors against indicators which contribute to the quality of an audit, and to identify the right auditors for the job.

ORGANISATIONAL EXCELLENCE

An organisation committed to quality excellence, ACRA has received numerous local and overseas awards and accolades. It strives to continuously improve on customer service and organisational efficiency and effectiveness. Innovation and improvement projects through PS21 committees have enabled ACRA to do things more proficiently and effectively.

Within the organisation, its people are empowered to grow personally, professionally and as a team. Staff-engagement activities strengthen teamwork within ACRA while people development initiatives enable its people to maximise their potential and build up their capabilities.

Number 1 on the Ease of Doing Business Index

Singapore tops the World Bank Ease of Doing Business report for the fifth consecutive year. The Doing Business 2011 ranks 183 countries based on the study of laws and regulations, with inputs and verification from more than 8,000 government officials, business consultants, lawyers, accountants and other professionals.

Various public agencies, including ACRA, have played a part in making Singapore the easiest place to do business. ACRA, in particular, contributed towards two of the indicators: Starting a Business and Closing a Business. These two indicators held steady at the 4th and 2nd positions respectively.

PS21 Committees and Improvements

As part of ACRA's continuous drive for excellence, ACRA officers have formed various PS21 committees to innovate and bring about changes that will yield a more nimble and effective organisation. The committees include the following:

- eBizcore Technology Refresh
  The eBizcore Technology Refresh project is aimed at resolving the constraints faced by the current eBizcore, including system availability, performance and IT security. When the project is completed, the eBizcore system will be enhanced with new hardware, software and backend applications to ensure ACRA's uninterrupted delivery of online services to its customers.

- Trusted Information System
  The Trusted Information System project supports ACRA's priority to build a timely and trusted business register. It is aimed at several objectives, including serving as a data redundancy platform to the BizFile/XBRL systems to enable business continuity during disasters. The project will also build a data warehouse with rules to govern data and facilitate a business intelligence platform that allows efficient information access. Other features of the system will standardise data-sharing interfaces; market information in a timely manner to both the public and private sectors; and build alternative channels for data- and information-sharing through other mediums such as mobile.

- POWER Workshop to Cut Red Tape
  ACRA conducted a customised two-day POWER (Public Officers Working to Eliminate Red Tape) workshop for 29 selected officers in January 2011. The officers had the opportunity to tackle practical issues, apply the techniques of organising POWER sessions through team-based exercises, and learn facilitation skills to conduct POWER sessions.

- Enhanced Familiarisation Programme
  The Familiarisation Programme was enhanced to increase the efficiency and effectiveness of orientation and induction for new employees and help them integrate better into the organisation. It now comprises an orientation progamme, held on the first of every month, where they will be welcomed by the Chief Executive and briefed by the Human Resource Division on an overview of ACRA and operational issues. The new recruits will also undergo an induction progamme, held every quarterly, which introduces them to the operations of each division and other critical messages. A welcome kit containing information that is presented to new employees on their first day also helps them familiarise with the workplace and settle in.

ISO Certification and Enhanced ISO Database

ACRA achieved the ISO 9001:2000 certification in October 2001. In August 2010, ACRA achieved another milestone in its quality journey with the successful third renewal of the ISO 9001:2000 certification as well as the conversion to the latest ISO 9001:2008 standard.

One of ACRA's priorities is to provide its staff with a work environment that supports their development and contribution and recognises their performance. In line with this priority, ACRA rolled out several initiatives in FY2010/2011 to enhance the ISO database and help staff minimise their administrative efforts for greater efficiency.

These initiatives included new applications for e-submission procedures (EPs), which help facilitate and optimise resource management and usage. The new EPs also help enhance the quality of procedures and reduce the manual efforts needed to track actions.

Awards and Accolades

- Excellent Service Award
  At the Excellent Service Award 2010, a national award that recognises individuals who have delivered outstanding service, a total of 24 ACRA service champions were honoured. Nine officers were recognised with the Star Award, which is the highest accolade. Another nine officers also won Gold Awards while six took home Silver Awards.

ACRA's people continue to grow personally, professionally and as a team through team-building staff-engagement activities and people development initiatives.

- Ministry of Finance High Impact Team Award
  ACRA clinched the Ministry of Finance (MOF) High Impact Team Award the second time in a row. The lauded initiative was Business Financials in XBRL, which is aimed at streamlining and transforming the way public corporate financial data is collected, processed, accessed and used to facilitate the business community's decision-making process. ACRA first won the coveted award for its Unique Entity Number (UEN) project in 2009. The Business Financials in XBRL initiative also won the Silver Award in the National Innovation and Quality Circles Assessment.

- Best Pro-Enterprise Suggestion Award, MOF Innovator Award and the National Innovation and Quality Circles Award
  ACRA's initiative on Colour-Coded Compliance Rating for Directory Search and Certificate of Compliance took the Gold Award at the Best Pro-Enterprise Suggestions Award 2010 organised by the Ministry of Trade and Industry (MTI). The project is aimed at encouraging local companies to comply with regulatory requirements. It also won the Best Pro-Enterprise Idea Award for the first quarter of 2011, the MOF Innovator Award and the National Innovation and Quality Circles Award.

- MOF Best Project Award
  ACRA received the MOF Best Project Award for the third time with its project on 'New Customer Relationship Management'. The project is aimed at achieving service delivery of a consistent level across various customer touch points. This came on the heels of the first two wins in 2009 and 2008, respectively for the projects on 'Raising the Level of Voluntary Compliance' and 'To Better Manage the Call Volume of ACRA Helpdesk through Interactive Voice Response System (IVRS)'.

- Most Improved Agency Award
  ACRA was lauded with the Most Improved Agency Award at the MOF Productivity Day 2010 for displaying noteworthy improvements in Work Improvement Team Scheme (WITS) projects, staff suggestions and initiatives to promote innovation and creativity.

- National Infocomm Awards
  The National Infocomm Awards recognises organisations that have effectively deployed innovative information and communications technology (ICT) to achieve significant improvements in productivity and competitiveness.

  At the 2010 Awards, ACRA received the Merit Award in the Most Innovative Use of Infocomm Technology (Public Sector) category. It was recognised for its One-stop Business Facilitation suite of systems, which covers online transactions, business analytics, one-stop shop services, business data hub and real-time system-to-system services on the web.

- Stockholm Challenge Award
  ACRA's One-Stop Business Facilitation suite of systems also received the Honorable Mention at the Stockholm Challenge Award 2010 in the Economic Development category, which evaluates how ICT is being used for economic development. The Stockholm Challenge Award is aimed at promoting the use of ICT for development and counteracting social and economic disadvantages.

- Contact Centre World Awards
  At the Contact Centre World Awards 2010, ACRA emerged strongly amid some 1,200 entries from 40 countries to clinch the top awards in four categories. The Awards, organised by the global association Contact Centre World, is a platform to celebrate best practices in service delivery by contact centres around the world.

- Singapore HEALTH Award
  As an employee-centric organisation, ACRA pays strong attention to the wellbeing of its staff. It was commended with a Gold Award for its commitment to promote workplace health at the 2010 Singapore HEALTH Award (Helping Employees Achieve Life-Time Health) by the Health Promotion Board.

ACRA CARES

As an organisation that cares, ACRA continued to reach out to the less fortunate in society. Two activities, which allowed ACRA staff to shine through with the I-ACRA values of 'respect' and 'collaborative', were especially noteworthy.

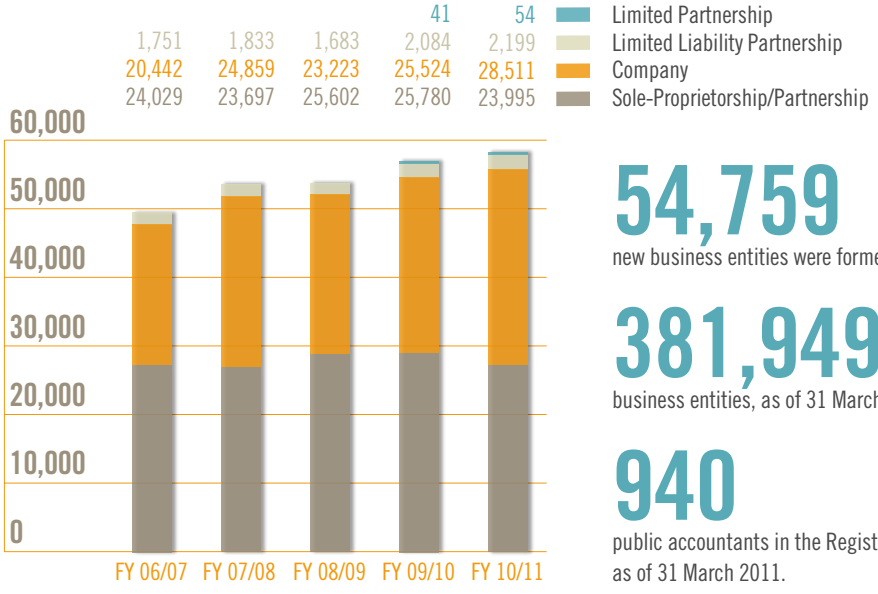
The Geylang East Home for the Aged is ACRA's adopted charity. On 8 February 2011, ACRA staff organised a Lunar New Year celebration for the home to bring festive cheer to the residents. The elderly folks were treated to a sumptuous dinner and entertaining performances by ACRA staff. They also received mandarin oranges and 'red packets' with donations pooled from the staff.

On 13 November 2010, ACRA held its annual 'ACRA Day Out', where some 200 ACRA officers and their family members attended the screening of the movie *Megamind* at Golden Village VivoCity. The outing for the ACRA family also welcomed 25 residents of the Chen Su Lan Methodist Children's Home. Prior to the event, ACRA staff held a donation drive. The funds raised went towards the purchase of stationery and books, which were presented to children from the home at the movie screening.

Clockwise from top: ACRA staff bring cheer to the residents of the Geylang East Home for the Aged; Ms Juthika Ramanathan, ACRA's Chief Executive, sharing a moment with a resident of the home; ACRA staff and their families enjoying a movie outing at ACRA Day Out.

KEY STATISTICAL HIGHLIGHTS

New Entities Registered/Incorporated



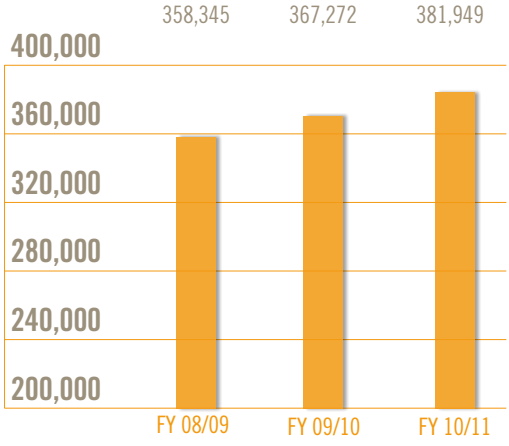
54,759
new business entities were formed in FY10/11.

381,949
business entities, as of 31 March 2011.

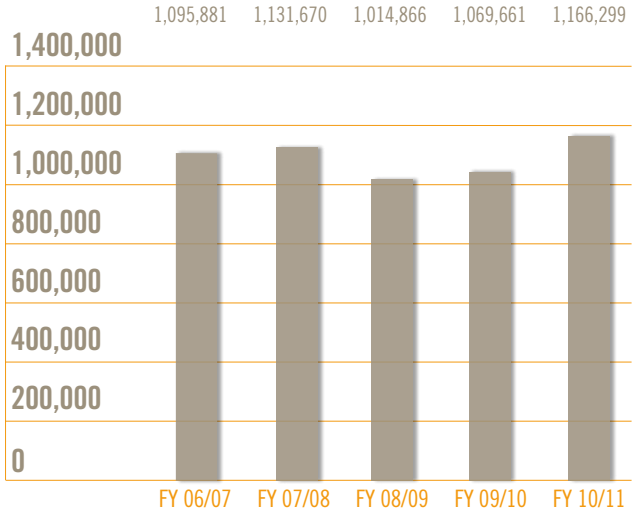
940
public accountants in the Register, as of 31 March 2011.

Number of Registered Entities

3.2%
Average annual growth rate of the number of registered entities



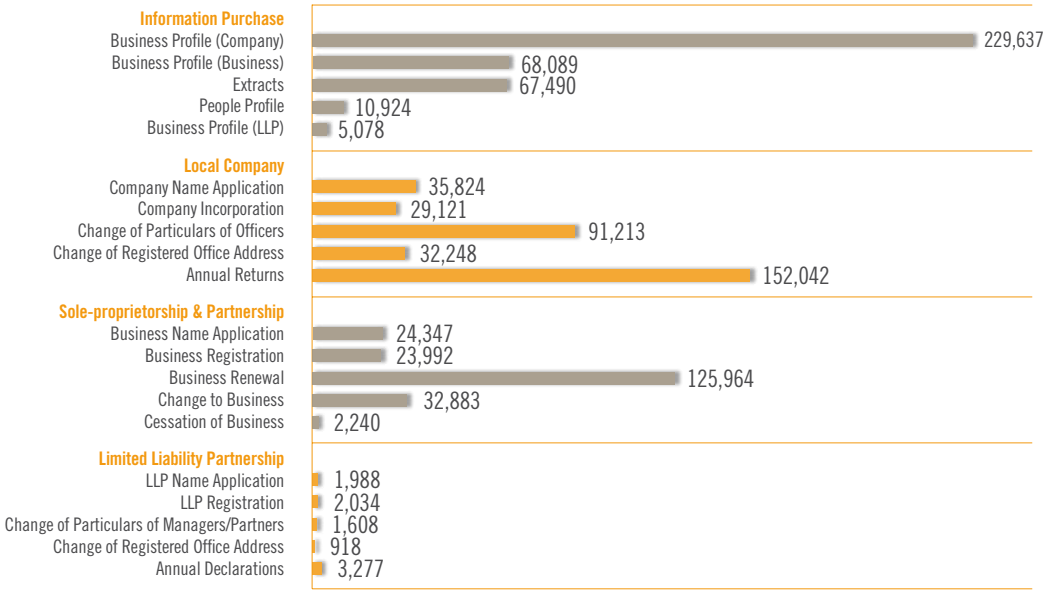
BizFile Transaction Volume



Close to **300** forms are available online through BizFile. Over a million transactions were done each year and there has been a general upward trend in the volume.

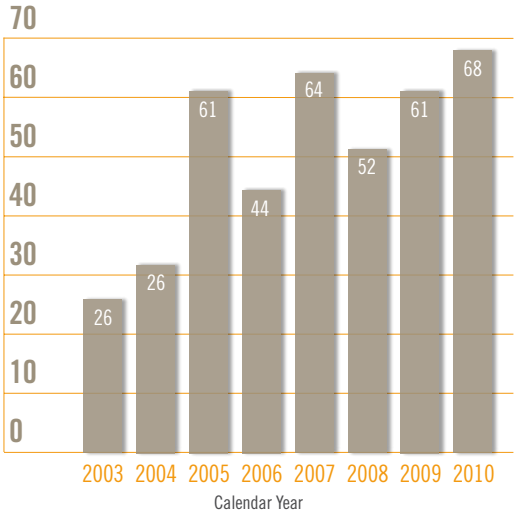
Common BizFile Transactions (FY10)

The chart shows the most common transactions for the top 4 BizFile transactions categories namely, Information Purchase, Local Company, Sole-proprietorship & Partnership, and Limited Liability Partnership. In FY10/11, there were 1,166,299 online transactions.



PUBLIC ACCOUNTANTS

Registration of Public Accountants



940 was the total number of registered public accountants as at 31 March 2011.

Number of Accounting Entities*

7 Big accounting entities**

7 Medium-sized accounting entities***

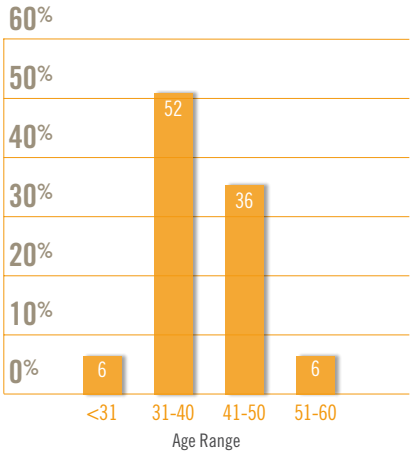
595 Small accounting entities****

609 **Total**

* Number based on PA renewal declaration (as at 31 Mar 11)
** Audited 30 or more listed corporations
*** Audited 5 or more listed corporations but less than 30
**** Audited less than 5 listed corporations

Profile of New Public Accoutants registered from 1 April 2010 to 31 March 2011

New Public Accountants Age Profile



66 new public accountants were registered with ACRA from 1 April 2010 to 31 March 2011.

New Public Accountants Qualification Profile

38% Foreign / **62%** Local

New Public Accountants Gender Profile

36% Female / **64%** Male

Intended Practice of New Public Accountants

18% Big / **11%** Medium-sized / **71%** Small

FINANCIAL HIGHLIGHTS

Financial Results

Income

For the financial year ended 31 March 2011, income rose by S$4.2 million or 8% to S$54.2 million (FY2009/10: S$50.0 million), in line with a healthy economic performance.

Company Registration and related fees grew 11% or S$1.9 million to S$18.7 million (FY2009/10: S$16.8 million) in line with the increase in company registrations and related transactions.

Following the roll out of the Colour-Coded Compliance Rating and Certificate of Compliance in early April 2010, company directors' compliance awareness was heightened and the rate of voluntary compliance increased. Coupled with the increase in the number of filings in response to the initiative to bring filings up to date, filing fines and prosecution penalties grew marginally by 6% to S$17.4 million (FY2009/10: S$16.4 million).

Information Service fees increased by S$1.3 million or 14% to S$10.6 million (FY2009/10: S$9.3 million) while Business Registration and related fees remained unchanged at S$5.3 million.

Public Accountant Registration & related fees increased 36% to S$1.5 million (FY2009/10: S$1.1 million) mainly due to an increase in Practice Monitoring Fee. There has been an upward revision of fee cap for non-public interest entity audit firms as well as the charge-out rates for review of public interest entity audit firms.

Expenditure

Operating expenditure increased by S$3.4 million or 11% to S$34.5 million in FY2010/11 (FY2009/10: S$31.1 million).

Staff cost went up by S$3.8 million or 32% to S$15.8 million in FY2010/11 (FY2009/10: S$12.0 million) of which the bulk arose from the increase in headcount; increase in CPF rate (from 14.5% to 15.5%) and additional variable bonuses as declared by Public Service Division due to a good economic performance.

Services comprise IT operating costs for Bizfile system, XBRL, ACRA Helpdesk, facility management fees, maintenance cost for application servers and central IT services. It went down by S$0.8 million or 9% to S$8.5 million in FY2010/11 (FY2009/10: S$9.3 million). The decrease is in part due to a more robust demand management of service requests by management.

Operating Surplus

ACRA turned in an operating surplus of S$19.7 million, 4% higher than the S$18.9 million in FY2009/10.

Net surplus after contribution to Government Consolidated Funds went up by S$0.7 million or 4% to S$16.4 million in FY2010/11 (FY2009/10: S$15.7 million).

Capital Expenditure

Capital expenditure incurred for the year was S$3.5 million (FY2009/10: S$4.1 million). S$3.2 million was incurred on internally-developed applications for the operations of the Authority while another S$0.3 million was for acquisition of assets.

Capital commitments for development projects which have been contracted but not yet recorded as expenditure in the financial statements amounted to S$5.7 million (FY2009/10: S$8.1 million). These are mainly for upgrading of eBizcore Infrastructure and associated projects such as Business Process Cycle Study.

Income and Expenditure Summary

Year ended 31 March 2011	**S$ million**
Income	54.2
Staff Costs	(15.8)
Services	(8.5)
Other Costs	(10.2)
Expenditure	**(34.5)**
Surplus	19.7
Less: Contribution to Government Consolidated Fund	(3.3)
Net Surplus	**16.4**

Financial Position

Assets
Total assets increased by S$17.7 million or 15% to S$134.0 million (FY2009/10: S$116.3 million) as at 31 March 2011.

Cash and cash equivalents increased by S$16.3 million or 15% to S$124.4 million (FY2009/10: S$108.1 million), most of which was placed with Accountant-General's Department (AGD) under the Whole-of-Government Centralised Cash Liquidity Management.

Liabilities
ACRA's only long term liability is the pension provision of S$0.9 million (FY2009/10: S$0.8 million). Current liabilities are S$1.7 million or 15% higher at S$12.8 million (FY2009/10: S$11.1 million). These consist mainly of trade and other payables (S$7.0 million) and provision for contribution to Government Consolidated Fund (S$3.3 million).

Cashflow
There has been an overall net cash flow of S$16.3 million during the financial year. This is attributable to S$18.2 million from operating activities and offset by an outflow of S$1.9 million from investing and financing activities.

Balance Sheet Summary

As at 31 March 2011	S$ million
Fixed and Intangible Assets	4.4
Development Projects-In-Progress	3.5
Current Assets	126.1
Total Assets	**134.0**
Less:	
Current Liabilities	(12.8)
Non-current Liabilities	(0.9)
Net Assets	**120.3**
Share Capital	8.6
Accumulated Surplus	111.7
Capital and Reserves	**120.3**

USEFUL INFORMATION

WHAT YOU NEED TO KNOW ABOUT BUSINESS STRUCTURES

	Sole Proprietorship	Partnership
Definition	A business owned by one person	An association of two or more persons carrying on business in common with a view to profit
Owned by	One person	Generally between two and 20 partners. A partnership of more than 20 partners must incorporate as a company under the Companies Act, Chapter 50 (except for professional partnerships).
	• Not a separate legal entity • Owners/Partners have unlimited liability • For sole propietorship - Can sue or be sued in individual's name; can also be sued in business name • For partnership - Can sue or be sued in firm's name	
	• Can own property in individual's name • Owner personally liable for debts and losses of business	• Cannot own property in firm's name • Partners personally liable for partnership's debts and losses incurred by other partners
Registration Requirements	• Age 18 years or above • Singapore citizen/Singapore permanent resident/ Employment Pass/ EntrePass/ Dependent Pass holder • If owner(s) is not a resident in Singapore, he must appoint a local manager who is ordinarily resident in Singapore • Self-employed persons must top up their Medisave account with the CPF Board before they register a new business name, become the registrant of an existing business name, or renew their business name registration • Un-discharged bankrupts cannot manage business without court or Official Assignee's approval	

	Limited Liability Partnership (LLP)	Company	Limited Partnership (LP)
	A partnership where the individual partners' own liability is generally limited	A legal entity separate and distinct from its shareholders and directors	A partnership consisting of two or more persons, with at least one general partner and one limited partner.
	• At least two partners, no maximum limit	• Exempt Private Company –20 members or less and no corporation holds beneficial interest in the company's shares • Private Company – 50 members or less • Public Company – can have more than 50 members	At least two partners; one general partner and one limited partner. No maximum limit
	• A separate legal entity from its partners • Partners have limited liability • Can sue or be sued in LLP's name	• A separate legal entity from its members and directors • Members have limited liability • Can sue or be sued in company's name	• Not a separate legal entity • General partner has unlimited liability • Limited partner has limited liability • Can probably sue or be sued in firm's name
	• Can own property in LLP's name • Partners personally liable for debts and losses resulting from their own wrongful actions • Partners not personally liable for debts and losses of LLP incurred by other partners	• Can own property in company's names • Members not personally liable for debts and losses of company	• Cannot own property in firm's name • General partner is personally liable for debts and losses of the LP • Limited partner not personally liable for the debts or obligations of LP beyond amount of his agreed contribution.
	• At least two partners, who can be an individuals (at least 18 years old) or body corporate (company or LLP) • At least one manager who is ordinarily resident in Singapore and at least 18 years old • Un-discharged bankrupts cannot manange business without court or Official Assignee's approval	• At least one shareholder • At least one director ordinarily resident in Singapore, at least 18 years old • If a foreigner wishes to act as a local director of the company, he can apply for an EntrePass from the Ministry of Manpower • Un-discharged bankrupts cannot be a director and cannot manage a company without court or Official Assignee's approval	• At least one general partner and limited partner. Both can be individuals (at least 18 years old) or body corporate (company or LLP) • If all general partners are ordinarily resident outside Singapore, they must appoint a local manager who is ordinarily resident in Singapore • Self-employed persons must top up their Medisave account with the CPF Board before they register as a new LP, become the registered partner of an existing LP, or rewnew their LP registration • Un-discharged bankrupts cannot manage business without court or Official Assignee's approval

USEFUL INFORMATION

WHAT YOU NEED TO KNOW ABOUT BUSINESS STRUCTURES

	Sole Proprietorship	Partnership
Formalities and expenses	• Quick and easy to set up • Easy to administer and manage • Registration cost is minimal • Less administrative duties to adhere to • Must renew registration annually	
Set up fee	$65 ($15 name application fee and $50 registration fee)	
Taxes	Profits taxed at owners'/partners' personal income tax rates	
Continuity in Law	Exists as long as the owner is alive and desires to continue the business	Exists subject to partnership agreement
Closing a business	By Owner - Cessation of business	By the partners - Cessation of business or dissolution of partnership
	Registrar can cancel registration if not renewed or where Registrar is satisfied business is defunct.	

	Limited Liability Partnership (LLP)	Company	Limited Partnership (LP)
	• Quick and easy to set up • Fewer formalities and procedures to comply with than a company • Registration cost is relatively minimal and fewer regulatory duties to adhere to than a company • No statutory requirement for general meetings, directors, company secretary, share allotments, etc. • Only an annual declaration of solvency must be lodged by one of the managers stating whether the LLP is able or not able to pay its debts during the normal course of business • One-time registration	• More costly to set up and maintain • More formalities and procedures to comply with • Must appoint a company secretary within 6 months of incorporation • Must appoint an auditor within 3 months after incorporation unless the company is exempt from audit requirements • Annual Returns must be filed • Statutory requirements for general meetings, directors, company secretary, share allotments, etc.	• Quick and easy to set up • Easy to administer and manage • Registration cost is minimal • Less administrative duties to adhere to • Must renew registration annually
	$165 ($15 name application fee and $150 registration fee)	$315 ($15 name application fee and $300 incorporation fee)	$65 ($15 name application fee and $50 registration fee)
	Profits taxed at partners' personal income tax rates (if individual)/ corporate tax rate (if corporation)	Profits taxed at corporate tax rates	Profits taxed at partners' personal income tax rates (if individual)/ corporate tax rate (if corporation)
	The LLP has perpetual succession until wound up or struck off	A company has perpetual succession until wound up or struck off	• Exists subject to partnership agreement • If there is no limited partner, the LP registration will be suspended and general partners are deemed registered under the Business Registration Act • Once a new limited partner is appointed, the registration of the LP will be restored to "live" and-general partners' registration uner the Business Registration Act ceases.
	• Winding Up – Voluntarily by members or creditors, compulsorily by the High Court • Striking off		• By general partner - cessation of business or dissolution of LP • Registrar can cancel registration if not renewed or where Registrar is satisfied LP is defunct

USEFUL INFORMATION

A GUIDE TO FILING FINANCIAL STATEMENTS

WHAT IS FS MANAGER?

FS Manager is a free online tool provided by ACRA as part of BizFile to enable companies to prepare and manage their financial statements in XBRL format.

Using FS Manager, companies' financial statements can be prepared by completing a series of web-based forms designed in accordance with ACRA taxonomy requirements. For ease of usage and flexibility, FS Manager incorporates the following features:

- usage of system at no charge;
- logins are not required;
- web-based forms are designed to provide maximum user-friendliness;
- financial statements can be stored offline in the user's system;
- financial statements can be saved and converted into PDF format, to be printed out and used for the purpose of Annual General Meeting; and
- integration with BizFile so that AR filings and relevant payments can be performed via BizFile.

WHAT IS XBRL?

XBRL refers to eXtensible Business Reporting Language, an electronic communication language for businesses and financial data worldwide. As part of eXtensible Markup Language (XML), it is becoming a standard means of communicating information between businesses and on the Internet.

WHAT ARE FINANCIAL STATEMENTS?

A complete set of financial statements includes a Statement of Financial Position, a Statement of Comprehensive Income, a Statement of Changes in Equity, a Statement of Cash Flows, and notes comprising a summary of significant accounting policies and other explanatory information.

WHAT ARE THE FORMATS OF FINANCIAL STATEMENTS?

Since 1 November 2007, Singapore incorporated companies that are either unlimited or limited by shares must file their financial statements in XBRL for financial periods ending on or after 30 April 2007.

CAN COMPANIES FILE FINANCIAL STATEMENTS IN PDF FORMAT?

The following companies can file their financial statements in PDF format:

- Companies limited by guarantee
  Companies limited by guarantee can continue to file their financial statements by attaching a PDF copy of the financial statements as tabled at their Annual General Meeting (AGM).

- Companies with financial periods ending before 30 April 2007
  Companies with financial periods ending before 30 April 2007 can continue to file their financial statements by attaching a PDF copy of the financial statements and completing the financial highlights in the Annual Return (AR).

- Companies with financial periods ending on or after 30 April 2007 (Option C – Full PDF Format)
  Companies that fall under the scope of (1) commercial banks; (2) merchant banks; (3) registered insurers; and (4) finance companies, as stated in the MAS Financial Institutions Directory; and Companies that are allowed by law to prepare accounts in accordance with accounting standards other than Singapore Financial Reporting Standards or International Financial Reporting Standards.

WHAT ARE THE OPTIONS FOR COMPANIES FILING IN XBRL?

Option A
Filing a full set of financial statements in XBRL

Companies must fulfill the following:

a) Have used FS Manager to prepare the full set of financial statements for tabling at the AGM [note (i)]; or

b) Have used FS Manager to prepare the full set of financial statements identical in content to the full set of financial statements tabled at the AGM [note (i)].

Note (i): For private companies that have dispensed with AGM, a copy of the financial statements sent to the shareholders.

Option B
Filing a minimum of the Statement of Financial Position, Statement of Comprehensive Income and mandatory information in XBRL

Companies filing in Option B must attach a PDF copy of its full set of financial statements as tabled at their AGM with the AR or, for private companies that have dispensed with AGM, a copy of the financial statements sent to the shareholders.

USEFUL INFORMATION

KNOW YOUR STATUTORY OBLIGATIONS

Corporate governance and compliance are instrumental in nurturing a responsive and trusted regulatory environment. Through the administration of mandatory legislation such as the Business Registration Act, the Companies Act, the Limited Liability Partnerships Act and the Limited Partnerships Act, ACRA plays a leading role in making Singapore a trusted and attractive place to do business.

BUSINESS REGISTRATION ACT

Section 14 (1) – Failure to notify the Registrar of changes made in any particulars registered in respect of any person or of the business carried on by him within 14 days after the change.

Section 26 (1) – Being an undischarged bankrupt who directly or indirectly takes part in or is concerned in the management of any business carried on by any person required to be registered under this Act, without the leave of the High Court or the written permission of the Official Assignee.

Section 27 (a) – A person who carries on business without so registered or continues to carry on business after the expiry or cancellation of his registration.

Section 27 (d) – A person who makes any statement or furnishes any information to the Registrar under the provisions of this Act which is false in any material particular or by reason of the omission of any material particular and which he either knows or has reason to believe is false.

COMPANIES ACT

Section 82 (1) – Failure of Substantial Shareholder to notify company of its interests

A person who is a substantial shareholder in a company fails to give notice in writing to the company stating his name and address and full particulars (including unless the interest or interests cannot be related to a particular share or shares the name of the person who is registered as the holder) of the voting shares in the company in which he has an interest or interests and full particulars of each such interest and of the circumstances by reason of which he has that interest.

Section 82 (2) states that the notice shall be given —

(a) if the person was a substantial shareholder on 1st October 1971 — within one month after that date; or

(b) if the person became a substantial shareholder after that date — within 2 business days after becoming a substantial shareholder.

(3) The notice shall be so given notwithstanding that the person has ceased to be a substantial shareholder before the expiration of whichever period referred to in subsection (2) is applicable.

Section 142 (1) – Failure of a company to have a Registered office address

A company shall as from the date of its incorporation have a registered office within Singapore to which all communications and notices may be addressed and which shall be open and accessible to the public for not less than 3 hours during ordinary business hours on each day, Saturdays, weekly and public holidays excepted. Failure to do so is an offence under section 142(2) of the Act.

Section 143 (1) – Failure to notify the Registrar of any change in the situation of the registered office address and office hours.A company is required to lodge a notice in the prescribed form within 14 days of any change in the situation of the registered office, the days and hours during which it is open and accessible to the public, with the Registrar. Failure to do so is an offence under section 143 (2) of the Act.

Section 144 – Failure to publish Company's Name and Registration Number Section 144 (1) states that the name of a company shall appear in legible romanised letters on its seal; and all business letters, statements of account, invoices, official notices, publications, bills of exchange, promissory notes, indorsements, cheques, orders, receipts and letters of credit of or purporting to be issued or signed by or on behalf of the company.

Section 144 (1A) states that the registration number of a company shall appear in a legible form on all business letters, statements of account, invoices, official notices and publications of or purporting to be issued or signed by or on behalf of the company.

Section 145 (1) – Requirement to have at least one ordinarily resident director in Singapore

Every company shall have at least one director who is ordinarily resident in Singapore and, where the company only has one member, that sole director may also be the sole member of the company.

Section 148 (1) – Disqualification to act as director of company due to bankruptcy

Every person who, being an undischarged bankrupt (whether he was adjudged bankrupt by a Singapore Court or a foreign court having jurisdiction in bankruptcy), shall not act as a director of, or directly or indirectly takes part in or is concerned in the management of, any corporation, except with the leave of the Court or the written permission of the Official Assignee. If found guilty, the person shall be liable on conviction to a fine not exceeding $10,000 or to imprisonment for a term not exceeding 2 years or to both.

Section 154 (1) – Disqualification to act as director on conviction for certain offences

A person who has been convicted (whether in Singapore or elsewhere of any offence involving fraud or dishonesty punishable with imprisonment for 3 months or more, shall be disqualified to act as a director under the said section.

Section 155 (1) – Disqualification to act as director for persistent default in relation to delivery of documents to Registrar

A person has been persistently in default in relation to relevant requirements of this Act and that person, within a period of 5 years after he has last been adjudged guilty of any offence or has had made against him an order under section 13 or 399 in relation to any such relevant requirements of this Act, without the leave of the Court, cannot act as a director or promoter of, or is in any way directly or indirectly concerned or takes part in the management of a company. If found guilty, the person shall be liable on conviction to a fine not exceeding $10,000 or to imprisonment for a term not exceeding 2 years or to both.

USEFUL INFORMATION

KNOW YOUR STATUTORY OBLIGATIONS

Section 173 (6) – Failure to notify the Registrar of changes in the Register of directors, managers, secretaries and auditors

Section 173 (6) (a) (i) states that a company shall lodge with the Registrar within one month after a person becomes or ceases to be a director of a company a return in the prescribed form notifying the Registrar of that fact and containing with respect to that person, the particulars required to be specified in the register.

Section 173 (6) (c) states that a company shall lodge with the Registrar within one month after a person becomes a manager, secretary or auditor of a company a return in the prescribed form notifying the Registrar of that fact and containing with respect to that person, the particulars required to be specified in the register.

Section 173 (6) (d) states that a company shall lodge with the Registrar within one month after a person ceases to be a manager, secretary or auditor of a company a return in the prescribed form notifying the Registrar of that fact and containing with respect to that person, the particulars required to be specified in the register.

Failure to comply with any of the above sections is an offence under section 173(7B) of the Act and every officer of the company who is in default shall each be guilty of an offence and shall be liable on conviction to a fine not exceeding $5,000 and also to a default penalty.

Section 173 (6A) – Any director of a company who becomes disqualified from acting as such by virtue of section 148 or 155 or who resigns from office may himself lodge with the Registrar the return referred to in subsection (6) (a) if he has reasonable cause to believe that the company will not lodge the return with the Registrar.

Section 175 – Failure to hold the Annual General Meeting within the stipulated timeframe

Section 175 (1) states that a private limited company is required under the Companies Act, Cap 50 to hold its Annual General Meeting (AGM) once in every calendar year and not more than 15 months (18 months for a new company) after the last AGM. If default is made in holding an annual general meeting, the company and every officer of the company who is in default shall be guilty of an offence and shall be liable on conviction to a fine not exceeding $5,000 and also to a default penalty.

Section 197 – Failure to lodge the Annual Return of the company within one month from the date of holding the Annual General Meeting Section 197(4) states that the annual return of the company shall be lodged with the Registrar within one month or in the case of a company keeping pursuant to its articles a branch register in any place outside Singapore within two months after the date of holding the annual general meeting. If a company fails to comply with this section, the company and every officer of the company who is in default shall be guilty of an offence and shall be liable on conviction to a fine not exceeding $5,000 and also to a default penalty.

Section 201 – Requirement to lay at its Annual General Meeting a profit and loss account within the stipulated timeframe

Section 201 (1) states that the directors of the company shall lay before the company at its Annual General Meeting, a profit and loss account that is not more than 6 months old (for private limited company) and 4 months old (for public listed company).

Section 401 – Providing a False and Misleading Statement

401 (2) states that every person who in any return, report, certificate, balancesheet or other document required by or for the purposes of this Act wilfully makes or authorises the making of a statement false or misleading in any material particular knowing it to be false or misleading or wilfully omits or authorises the accession of any matter or thing without which the document is misleading in a material respect shall be guilty of an offence and shall be liable on conviction to a fine not exceeding $50,000 or to imprisonment for a term not exceeding 2 years or to both.

Section 405 – Penalty for carrying business without registering a corporation and for improper use of words Limited and Berhad (Unregistered entity)

If any person uses any name or title or trades or carries on business under any name or title of which "Limited", "Berhad", "Company", "Corporation" or "Incorporated" or any abbreviation, imitation or translation of any of those words is the final word, or in any way holds out that the business is registered or incorporated that person shall, unless at that time the business was duly incorporated under this Act or registered under the Limited Liability Partnerships Act 2004 or the Business Registration Act, be guilty of an offence and shall be liable on conviction to a fine not exceeding $10,000 or to imprisonment for a term not exceeding 2 years or to both.

LIMITED LIABILITY PARTNERSHIPS ACT

Section 22 – Requirement of Having Minimum 2 partners

Section 22(1) states that every limited liability partnership shall have at least 2 partners.

Section 22(2) states that if a limited liability partnership carries on business with fewer than 2 partners for a period of more than 2 years, a person shall (notwithstanding section 8 (1) and (2)) be personally liable, jointly and severally with the limited liability partnership, for any obligation of the limited liability partnership incurred during the period that the limited liability partnership so carries on business after those 2 years if, at the time the obligation was incurred, he was a partner of the limited liability partnership; and knew that the limited liability partnership was carrying on business with fewer than 2 partners for a period of more than 2 years.

Section 23 – Requirement of Having a Manager

Section 23(1) states that every limited liability partnership shall ensure that it has at least one manager who is a natural person; has attained the age of 18 years and is otherwise of full legal capacity; and is ordinarily resident in Singapore.

Section 23(2) states that every limited liability partnership shall ensure that the particulars of every person who acts as manager of the limited liability partnership and his consent to act as such are lodged with the Registrar in such medium and form as the Registrar may determine.

Section 26 – Requirement of Having a Registered Office

Section 26 states that every limited liability partnership shall have a registered office within Singapore to which all communications and notices may be addressed.

USEFUL INFORMATION

KNOW YOUR STATUTORY OBLIGATIONS

Section 28 – Requirement for Registration of changes in particulars for LLP

Section 28(1) states that whenever a change is made or occurs in any of the particulars registered in respect of any limited liability partnership, that limited liability partnership shall, within 14 days after the change, or such further period as the Registrar may on application allow, lodge with the Registrar a statement specifying the nature and date of the change, and containing such other information as may be prescribed.

Section 28(2) states that any person who ceases to be a partner or manager of a limited liability partnership may himself lodge with the Registrar the statement referred to in subsection (1) if he has reasonable cause to believe that the limited liability partnership will not lodge the statement with the Registrar.

Section 24 – Requirement for filing Annual declaration of solvency or insolvency

Section 24(2) states that the declaration referred to in subsection (1) shall be lodged not later than 15 months after the registration of the limited liability partnership and subsequently once in every calendar year at intervals of not more than 15 months.

Section 24(4) states that if a limited liabilitypartnership fails to lodge the declaration referred to in subsection (1) within the time or extended time referred to in subsections (2) and (3), the limited liability partnership shall be guilty of an offence and shall be liable on conviction to a fine not exceeding $5,000.

Section 33 - Restriction on undischarged bankrupt being manager of limited liabilitypartnership

Section 33(1) states that any person who, being an undischarged bankrupt (whether he was adjudicated bankrupt by a court in Singapore or elsewhere), acts as manager of any limited liability partnership without the leave of the High Court or the written permission of the Official Assignee, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding $10,000 or to imprisonment for a term not exceeding 2 years or to both.

LIMITED PARTNERSHIPS ACT

Section 18 - Requirement for Registration of changes in particulars for LP

Section 18(1) states that whenever a change is made or occurs in any of the particulars registered in respect of any limited partnership, a general partner of the limited partnership shall, within 14 days after the change, or such further period as the Registrar may on application allow, lodge with the Registrar a statement specifying the nature and date of the change, and containing such other information as may be prescribed.

Section 18(2) states that where a person has ceased to be a partner or local manager of a limited partnership, that person may lodge with the Registrar a statement under subsection (1) in respect of that change if he has reasonable cause to believe that no general partner of the limited partnership will lodge the statement with the Registrar.

Section 19 - Cessation of business

Section 19(1) states that where any limited partnership registered under this Act has ceased to carry on business, a general partner of the limited partnership may lodge with the Registrar a notice in such form as the Registrar may determine notifying the Registrar that the limited partnership has ceased to carry on business.

Section 29 - Restriction on undischarged bankrupt being manager

Section 29(1) states that any person who, being an undischarged bankrupt (whether he was adjudicated bankrupt by a Singapore court or a foreign court having jurisdiction in bankruptcy), directly or indirectly, takes part in or is concerned in the management of any limited partnership required to be registered under this Act, without the leave of the High Court or the written permission of the Official Assignee, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding $10,000 or to imprisonment for a term not exceeding 2 years or to both.

ONLINE REFERENCE:

1 COMPANIES ACT:
http://www.acra.gov.sg/Legislation/Companies+Act.htm
2 BUSINESS REGISTRATION ACT:
http://www.acra.gov.sg/Legislation/Business+Registration+Act.htm
3 LIMITED LIABILITY ACT:
http://www.acra.gov.sg/Legislation/Limited+Liability+Partnerships+Act.htm
4 LIMITED PARTNERSHIPS ACT
http://www.acra.gov.sg/Legislation/Limited+Partnerships+Act.htm

USEFUL INFORMATION

ESSENTIALS FOR HIGH-QUALITY FINANCIAL REPORTING

The two essential determinants of high-quality financial information are high-quality financial reporting and high-quality audit.

High-quality financial reporting is the outcome of various factors, including people, the environment and tools:

- A strong corporate governance culture
- Ethical accounting practices
- A well-designed compensation model
- Internal controls
- Accounting systems

Other factors contributing to high-quality financial reporting are:

- **P**repared in accordance with accounting standards
- **R**eliable
- **E**xplains the choice of accounting principles and estimates
- **P**rompt and timely
- **A**ccurately reflects the underlying business model and transactions
- **R**elevant
- **E**asy to understand

What are the obligations of company directors under the Companies Act?

- Prepare financial statements for Annual General Meeting (AGM) within 18 months of the incorporation of the company and thereafter, once every calendar year but not later than 15 months from the date of the last meeting
- File Annual Returns with ACRA within 1 month of holding the AGM
- Ensure financial statements are up to date
  - Public listed company – not more than 4 months from AGM date
  - Others – not more than 6 months from AGM date
- Ensure that financial statements comply with the Singapore Financial Reporting Standards issued by the Accounting Standards Council and give a true and fair view of the company
- Ensure that the filing of financial statements with ACRA are in XBRL format unless exempted

THANK YOU!

ACRA would like to thank the following organisations for their invaluable support:

Accountant-General's Department
Accounting Standards Council
Association of Banks of Singapore
Association of Chartered Certified Accountants
Association of International Accountants, Singapore
Association of Small and Medium Enterprises
Attorney-General's Chambers
Auditor-General's Office
Board of Architects
Central Provident Fund Board
Certis CISCO
Chartered Institute of Management Accountants
Commercial Affairs Department
Corporate Governance Council
Corrupt Practices Investigation Bureau
Council for Estate Agencies
CPA Australia
Credit Management Consultancy (Asia) Pte Ltd
CrimsonLogic Pte Ltd
DBS Bank Ltd
Deloitte & Touche – BCM
Department of Statistics
DP Bureau Pte Ltd
DP Information Network Pte Ltd
Dun & Bradstreet (Singapore) Pte Ltd
Economic Development Board
Ecquaria Technologies Pte Ltd
EIS ONE Pty Ltd
FRONTIER
Housing and Development Board
Immigration and Checkpoints Authority
Infocomm Development Authority of Singapore
Inland Revenue Authority of Singapore
Insolvency and Public Trustee's Office
Institute of Certified Public Accountants of Singapore
Institute of Chartered Accountants of England and Wales
Institute of Company Accountants, Singapore
Intellectual Property Office of Singapore
International Enterprise Singapore
Investment Management Association of Singapore
Law Society of Singapore
Mahindra Satyam
Majlis Ugama Islam of Singapore
Ministry of Community Development, Youth and Sports
Ministry of Defence
Ministry of Education
Ministry of Finance
Ministry of Foreign Affairs
Ministry of Manpower
Ministry of Trade and Industry
Monetary Authority of Singapore
Nanyang Technological University
NCS Pte Ltd
Network for Electronic Transfers (Singapore) Pte Ltd
Ngee Ann Polytechnic
People's Association
Securities Investors Association of Singapore
Singapore Association of the Institute of Chartered Secretaries and Administrators
Singapore Business Federation
Singapore Customs
Singapore Exchange
Singapore Institute of Directors
Singapore International Chamber of Commerce
Singapore Management University
Singapore Network Information Centre Pte Ltd
Singapore Police Force (Licensing Division)
Singapore Police Force (Warrant Enforcement Unit)
Singapore Prisons
Singapore Tourism Board
Singapore Venture Capital & Private Equity Association
Smart Regulations Committee
Smartwares Pte Ltd
SPRING Singapore
Subordinate Courts
The World Bank
United Overseas Bank Ltd
Vital.org
Web Professional House Pte Ltd
WHK Horwath

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