

STRENGTHENING *CAPABILITIES,* POSITIONING *FOR THE FUTURE*

ANNUAL REPORT 2023/2024



ABOUT ACRA

The Accounting and Corporate Regulatory Authority (ACRA) is the regulator of business registration, financial reporting, public accountants, and corporate service providers. We are also responsible for developing the accountancy sector and setting the accounting standards for companies, charities, co-operative societies, and societies in Singapore. ACRA fosters a vibrant and trusted business environment that enables innovation and growth and contributes towards making Singapore the best place for business.

VISION

Singapore: The Best Place for Business

MISSION

Foster a vibrant and trusted business environment that enables innovation and growth

CORPORATE GOALS

- Sustainable business growth
- High compliance
- Excellent customer experience
- High performing team

CORE VALUES

INTEGRITY

We do what is right without fear or favour, and serve with passion and purpose.

TEAMWORK

We help one another be the best that we can be, with mutual trust and respect.

AGILITY

We are resilient and adapt to changes swiftly to do what is best for ACRA.

PROFESSIONALISM

We pursue excellence in all that we do; we value our customers and are highly regarded by them.

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CHAIRMAN'S MESSAGE



“ACRA has two important roles as a statutory board under the Ministry of Finance. It is both a business regulator, and a developer of the accountancy sector. These cover many aspects, from business registration to strong corporate governance and high standards in financial reporting as well as climate-related disclosures. ACRA strives to uphold the trust and integrity of Singapore as a global business and talent hub.”

ENHANCING OUR REGULATORY REGIME

We made a major step in strengthening the regulatory regime for corporate service providers (CSPs), companies and limited liability partnerships (LLPs). Most of the legislative changes therein, e.g. to curb the misuse of nominee directorships and improve the transparency of beneficial ownership of companies and LLPs, were mooted as early as 2021. We had consulted the CSP sector and business community widely and received valuable and practical feedback. ACRA will continue its close partnership with the CSP sector. This will also involve helping to build CSPs' capacity and capabilities to be effective in their role in gatekeeping and combatting illicit use of entities in Singapore. High standards are not an end unto themselves but to foster a trusted business environment, so that Singapore remains an attractive place for business.

ACRA played an active role in the Inter-Ministerial Committee (IMC) chaired by Minister in the Prime Minister's Office and Second Minister for Finance and National Development, Ms Indranee Rajah, to review Singapore's Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) regime. Since its formation in end 2023, we have considered additional measures to

prevent corporate structures from being abused by money launderers. We are also working with other government agencies to strengthen monitoring and to deepen market intelligence to better detect suspicious activities. These augmented measures will enable regulators and law enforcement agencies to stay at the forefront in combatting financial crime and preventing abuse of the company regime.

BUILDING A ROBUST ACCOUNTANCY SECTOR

With the merger with the Singapore Accountancy Commission (SAC) and Accounting Standards Council (ASC) on 1 April 2023, ACRA has assumed new roles in accounting standards-setting and accountancy sector development. We supported the Accountancy Workforce Review Committee (AWRC), co-chaired by the former SAC Chairman Mr Chaly Mah, and the then-Second Permanent Secretary for Finance, Ms Lai Wei Lin, to develop strategies to address manpower challenges in the accountancy sector. We look forward to working closely with the accountancy sector, academia, and public sector agencies to implement the AWRC's recommendations to build and sustain a quality accountancy sector and workforce, to contribute to Singapore's position as a leading global business hub.

CHAIRMAN'S MESSAGE

Together with the Intellectual Property Office of Singapore (IPOS), we developed an Intangibles Disclosure Framework, to enable businesses in Singapore to identify, communicate, and disclose their intangible assets (IA) and intellectual property (IP) to support their business growth and position Singapore as a global hub for IA and IP. We will continue to develop Singapore into a centre of excellence for business valuation and broaden the business valuation talent pool through the work of the Institute of Valuers and Appraisers, Singapore (IVAS).

SUPPORTING COMPANIES' GREEN TRANSITION

ACRA has made significant advances in climate reporting to help companies ride the green transition, in line with the Singapore Green Plan 2030. Together with the Singapore Exchange Regulation (SGX RegCo), we published the requirements for mandatory climate reporting for listed issuers and large non-listed companies, following recommendations by the Sustainability Reporting Advisory Committee (SRAC). We will continue to work with stakeholders and government agencies to build capacity and capabilities for sustainability reporting and assurance, and support companies in their climate reporting journey.

ENGAGING INTERNATIONAL PARTNERS AND STAKEHOLDERS

Over the past year, ACRA has been active in working with many international partners and stakeholders. We jointly organised the Financial Reporting Technical Forum with the International Accounting Standards Board (IASB) in May 2024 to discuss financial reporting matters such as the newly issued International Financial Reporting Standards (IFRS) 18 and accounting for intangible assets. We also hosted a Roundtable discussion with leading experts from the International Sustainability Standards Board (ISSB) in June 2024 for company preparers and assurance providers, to facilitate meaningful exchanges on the global adoption of ISSB Standards and capacity building initiatives to support sustainability reporting.

We were honoured that Minister Indraneel Rajah officiated a stakeholder engagement event in June 2024, where together with the IFRS Foundation Board of Trustees, we played host to close to 120 attendees comprising the IFRS Board of Trustees, the Chairpersons of the IASB and ISSB, business leaders and leaders of accounting firms and professional organisations and academia. The

high-level exchanges at these events underscored the importance of international accounting standards and a global baseline of sustainability disclosure standards for capital markets.

ACKNOWLEDGEMENTS

I am grateful to my fellow Board members for their support, insights and perspectives. My sincere thanks to Ms Ameera Ashraf, Ms Lai Chin Yee, Mr Paul Lee, and Mr Kevin Wong – who have retired from the Board – for their valuable contributions over the past years. At the same time, I am delighted to welcome our new Board members Ms Jocelyn Goh, Mr Lye Kah Cheong, and Ms Judy Ng. I look forward to working closely with my fellow members of the Board and Management to bring ACRA to greater heights.

On behalf of all in ACRA, I would like to also thank Mr Ong Khiaw Hong, our former Chief Executive, for his dedicated service since April 2017. His guidance and leadership on the “OneACRA Redefined” journey, overseeing the merger with SAC and ASC, and leading the advancements in sustainability reporting were pivotal in ACRA’s transformation journey. We wish Khiaw Hong all the very best in his future endeavours.

ACRA also welcomed our new Chief Executive, Mrs Chia-Tern Huey Min. With a vast experience in regulatory work, market development and international engagements, Huey Min is well-positioned to lead ACRA in our next phase of digital transformation and business impact.

Finally, I would like to congratulate our ACRA staff on winning eight Public Service Transformation and Ministry of Finance group level awards across the categories of innovation, agility, regulatory excellence, and service excellence in FY2023. It is often said that an organisation can only be as good as its people. At the heart of ACRA, our many excellent staff work with a deep sense of corporate mission and purpose in fulfilling our public mandate. On behalf of the Board, my heartfelt appreciation to the staff of ACRA for their hard work and dedicated service.

Moving forward, ACRA will continue to foster a transparent, trusted and vibrant business environment to enable companies to grow, innovate and thrive.

ONG CHONG TEE
CHAIRMAN

CHIEF EXECUTIVE'S MESSAGE



“In Financial Year 2023 ACRA continued to build on the momentum of past years’ efforts to improve the ease of doing business and uphold public confidence in corporate transparency and audit and financial reporting.”

STRENGTHENING REGULATORY FRAMEWORKS AND COMPLIANCE

We made significant enhancements in our regulatory regime in line with the Financial Action Task Force (FATF) recommendations. We introduced legislative changes to expand our regulatory oversight on corporate service providers and companies. We also tightened our penalty regime and enhanced transparency around nominee arrangements.

We have developed plans to tighten company pre-incorporation and post-incorporation controls as part of the Inter-Ministerial Committee (IMC)’s review of Singapore’s Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) regime. We will continue to work with stakeholders to identify and mitigate key and emerging money laundering and terrorism financing risks.

With effect from 1 July 2023, as part of our efforts to drive improvements in professional standards, we obtained legislative powers to conduct statutory quality control inspections on Public Accounting Entities. In respect of those found to be unsatisfactory in their compliance with quality control standards, we would apply the appropriate consequences.

To promote the sharing of ideas amongst audit and financial reporting regulators, we hosted a combined workshop for the ASEAN Audit Regulators Group (AARG) and Financial Statements Surveillance Group (FSSG) in September 2023, attended by more than 70 participants from some ASEAN countries and Hong Kong.

ADDRESSING THE NEEDS OF EVOLVING ECONOMY

With effect from January 2024, the administration of the Singapore Chartered Accountant Qualification (SCAQ) programme has been transferred to the Institute of Singapore Chartered Accountants (ISCA). This is to streamline processes and increase efficiency, while enabling ACRA to continue to ensure that the programme meets the evolving needs of the accountancy sector.

A deep pool of accountancy talent has been a key enabler of Singapore’s growth. The Accountancy Workforce Review Committee (AWRC) report, which was launched by Minister Indranee Rajah on 10 May 2024, provided a roadmap for addressing the manpower challenges in Singapore’s accountancy sector. The Implementation Committee for Accountancy Workforce Development, a committee comprising representatives

CHIEF EXECUTIVE'S MESSAGE

from professional bodies, accounting firms and institutes of higher learning, will be formed to implement the AWRC recommendations.

Together with the Singapore Exchange Regulation (SGX RegCo), we announced the phased implementation of mandatory climate-related reporting, commencing in FY2025 for listed companies and FY2027 for large non-listed companies. We are committed to supporting companies in their climate reporting journey, by providing guidance and showcasing best practices in facilitating their transition to a green business model. We will continue to engage our stakeholders as we work out legislative amendments to implement the climate reporting and assurance roadmap.

On the capacity building front, we are intensifying efforts to support the Green Skills Committee in equipping preparers and assurance professionals with capabilities and skills in climate reporting and assurance.

IMPROVING SERVICE DELIVERY

We completed the first phase of our Business Registry and Regulatory System (BR2S) with the roll-out of the new Officer Workspace (OWS) – a one-stop site for our officers to retrieve business data, manage

customer enquiries, and monitor performance indicators, that will help raise our overall operational efficiency.

When fully completed by the end of this year, BR2S will facilitate seamless transactions in business registrations and filings; enable digital communication, and provide personalised self-help assistance for customers. With acquisition of more information obtained at source from other government agencies, not only will the BR2S design reduce manual entry of data by users, it will also improve data accuracy.

Businesses make use of our data to generate insights. The new ACRA API Marketplace introduced in May 2024 provides a new gateway to access a wide range of business data in a fuss-free and efficient manner. More data and API services will be progressively added into the Marketplace.

BUILDING A HIGH-PERFORMING TEAM

We are committed to building a high-performing team. We implemented a structured training programme for every officer to strengthen their Data, Design, and Digital (D3) skillsets. We will continue to encourage continual learning and

promote a growth-centred culture in ACRA to build an agile, innovative and digitally competent workforce that is future ready.

As part of our commitment to sustainability, we will continue to drive sustainability practices and encourage environmentally friendly behaviours within ACRA. We are monitoring our sustainability performance in line with GreenGov.SG targets and will present our first environmental sustainability-related disclosures in this annual report.

EMBRACING OPPORTUNITIES AND NAVIGATING CHALLENGES

Under the leadership of Mr Ong Khiaw Hong, ACRA has achieved significant milestones on its transformation journey. I thank him for building a strong foundation for ACRA's future advancement.

In the coming months, the ACRA team will be setting out our strategic focus and aspirations for the coming years, on how we might excel in our regulatory role and fulfil our mission in fostering a trusted business eco-system and enabling growth. We will factor in the evolving regulatory and economic landscape and stakeholders and customers' perspectives.

We thank the ACRA Board for its guidance

and we look forward to the continued support of our stakeholders and partners as we work together to advance ACRA, to make Singapore the best place for business.

CHIA-TERN HUEY MIN CHIEF EXECUTIVE

BOARD MEMBERS

As at 22 April 2024



Mr Ong Chong Tee
CHAIRMAN



Mrs Chia-Tern Huey Min
Chief Executive,
Accounting and Corporate
Regulatory Authority



Mr Tan Puay Boon
Chairman,
Competition Appeal Board,
Ministry of Trade and Industry



Mr Glen Francis
Head of Strategic Advisors,
Asia Pacific, Google Cloud



Mr Kok Ping Soon
Chief Executive Officer,
Singapore Business
Federation



Ms Lock Yin Mei
Managing Director,
Venture Law LLC



Mr Ow Fook Chuen
Accountant-General,
Accountant-General's
Department



**Mr Mohammad Shariq
Sayeed Barmaky**
Chief Executive Officer,
Deloitte Singapore



Ms Jocelyn Goh
Audit Partner and
Head of Quality
Management,
BDO LLP



Ms Catherine Lee
Independent Director,
Far East Hospitality Trust



Mr Lye Kah Cheong
Independent Arbitrator and
Counsel,
Breakpoint LLC



Mr Ramlee Bin Buang
Life & Executive Coach
and Independent Director,
Uyko Advisory



Ms Judy Ng
Group Financial
Controller, Group
Finance,
DBS Bank



Ms Yeo Wenshan
Former Senior Director (Housing),
Ministry of National Development

BOARD COMMITTEES

As at 22 April 2024

HUMAN RESOURCE AND FINANCE COMMITTEE (HRFC)

Mr Ong Chong Tee (Chairman)

Mrs Chia-Tern Huey Min

Mr Kok Ping Soon

Ms Lock Yin Mei

AUDIT AND RISK MANAGEMENT COMMITTEE (ARMC)

Mr Glen Francis (Chairman)

Mr Ramlee Bin Buang

Ms Judy Ng

Ms Yeo Wenshan

PUBLIC ACCOUNTANTS OVERSIGHT COMMITTEE (PAOC)

Mr Tan Puay Boon (Chairman)

Mr Ow Fook Chuen (Temporary Chairman)

Mr Mohammad Shariq Sayeed Barmaky

Ms Jocelyn Goh

Ms Catherine Lee

Mr Lye Kah Cheong

Mr Winston Ngan

*Independent Non-Executive Director, HSBC
Singapore Limited*

ACRA SENIOR MANAGEMENT

As at 22 April 2024

Mrs Chia-Tern Huey Min Chief Executive

Ms Chin Li Fen Deputy Chief Executive, Corporate and Services Group

Ms Kuldip Gill Assistant Chief Executive, Accounting Regulatory and Sustainability Group

Mr Evan Law Assistant Chief Executive, Accountancy Sector Development Group

Mr Leong Weng Tat Assistant Chief Executive, Compliance and Legal Group

Mr Wong Kee Wei Divisional Director, Accountancy and Professional Development Division

Mr Hans Avinder Divisional Director, Compliance Division

Ms Ang Siok Hui Divisional Director, Registry Services Division

Ms Poh Lai Khim Divisional Director, Information and Technology Division

Ms Lim Siew Gim Divisional Director, Corporate Development Division

Ms Lim Hwei Chen Divisional Director, Corporate Services Division

DIVISIONS AND DEPARTMENTS

As at 1 April 2024

ACCOUNTANCY & PROFESSIONAL DEVELOPMENT DIVISION

- **Accounting Policy Department**
- **Professional Oversight and Development Department**
- **Sector Capability Development Department**

This division shapes the strategic direction and policies to grow, develop and/or regulate the accountancy sector. The division also helps to promote value-creation in accountancy services and develop programmes and qualifications to advance the accountancy sector.

COMPLIANCE DIVISION

- **Corporate Filing and Enforcement Department**
- **Investigation Department**
- **Compliance Policy and Analytics Department**

The division drives ACRA's compliance and enforcement efforts as the regulator of corporate entities and corporate service providers in Singapore. It is responsible for fostering a trusted business environment through high compliance.

INFORMATION & TECHNOLOGY DIVISION

- **Digital Governance and Data Department**
- **Digital Planning and Innovation Department**
- **Technology Delivery and Operations Department**

The division sets strategic directions for ACRA's digitalisation efforts and manages all matters relating to technology, digital and data to enable ACRA to be data-driven and digital-to-the-core.

SUSTAINABILITY REPORTING OFFICE

The Sustainability Reporting Office is responsible for the development and implementation of the sustainability reporting and assurance (SRA) regime for Singapore-incorporated companies, including the development of standards, and implementation of roadmap as well as building of capabilities for SRA. It also drives the sustainability efforts in ACRA.

LAW DIVISION

- **Legal Services Department**
- **Prosecution Department**

The division provides legal support to ACRA divisions and departments, including legal advice on civil and regulatory matters, law reform and prosecution of offences under the various legislations administered by ACRA.

CORPORATE DEVELOPMENT DIVISION

- **Corporate Communications and Engagement Department**
- **Corporate Policy and Planning Department**

The division drives the organisation's growth through the development of strategies, policies, and systems. It also oversees ACRA's external communications, and international and stakeholder engagements.

SURVEILLANCE & STANDARDS DIVISION

- **Financial Reporting and Standards Department**
- **Inspection Department**

This division carries out ACRA's role as the regulator of public accountants and promotes high professional standards in the public accountancy sector. It is responsible for companies' compliance with financial reporting requirements to achieve high quality financial reporting in Singapore. It supports the Accounting Standards Committee in discharging its duties under the Accounting Standards Act by providing strategic and technical accounting support.

REGISTRY SERVICES DIVISION

- **Registry Services and Policy Department**
- **Service Design and Management Department**
- **Information Products and Services Unit**

This division sets the strategic direction for ACRA's service delivery, registry operations and information services and drives service excellence in the organisation.

CORPORATE SERVICES DIVISION

- **Finance and Administration Department**
- **Human Resource Department**

The division is responsible for optimal use of ACRA's financial, physical, and human resources to drive long term organisational effectiveness. It partners ACRA departments to develop a high performing team of people and make the workplace a vibrant and engaging one.

FY2023 AT A GLANCE

We regularly review our registry and regulatory policies and processes to support businesses and ensure they remain robust and relevant. We uphold high standards of financial reporting, corporate transparency and audit, and take swift enforcement action against non-compliance, contributing to a trusted business environment. We also foster a culture of continuous learning and provide opportunities for the professional growth for our staff, enabling them to contribute to Singapore's thriving business landscape.

FOSTERING A TRUSTED BUSINESS ENVIRONMENT

- Proposed legislative changes to expand our regulatory oversight on corporate service providers and companies, tighten our penalty regime and enhance transparency around nominee arrangements.
- Proposed legislative changes to facilitate digital communications, improve filing compliance and data accuracy, and streamline financial reporting requirements.
- Commenced Statutory Quality Control (QC) inspections on Public Accounting Entities to raise professional standards and improve audit quality.

ADVANCING SUSTAINABILITY DEVELOPMENT

- Together with the Singapore Exchange Regulation (SGX RegCo), we published the requirements for mandatory climate reporting for listed issuers and large non-listed companies, following recommendations by the Sustainability Reporting Advisory Committee (SRAC).
- Worked with various organisations to develop sustainability reporting and assurance capabilities, including co-chairing a sub-workgroup with Enterprise Singapore, and funding ISCA and the Law Society's Sustainability Apex Programme.
- Participated in several international forums and events, to share insights and developments in sustainability reporting. These included COP28, International Ethics Standards Board for Accountants (IESBA) Sustainability Roundtable, and ASEAN Capital Markets Forum (ACMF)-International Sustainability Standards Board (ISSB) Conference.
- Implemented measures to reduce ACRA's environmental footprint, such as installing energy-saving features in our office and promoting water-saving habits among staff.

ENABLING BUSINESS

- Launched the new ACRA Application Programming Interface (API) Marketplace to provide a new gateway for customers to access a wide range of business data in a fuss-free and efficient manner. More data and API services will be progressively added into the Marketplace.
- Completed the first phase of our mission-critical Business Registry and Regulatory System (BR2S), with the roll-out of the new Officer Workspace - a one-stop site for officers to retrieve business data, manage customer enquiries, and monitor performance indicators, that will help raise our overall operational efficiency and customer satisfaction.
- Leveraged Artificial Intelligence to streamline operational processes (e.g., in business name review), improving response time and customer experience.

GROWING OUR PEOPLE

- Implemented Our Core Competencies (OCC) to support staff in their learning and development and career progression.
- Established a new organisation structure, taking into account our new roles following the merger with the Singapore Accountancy Commission (SAC) and the Accounting Standards Council (ASC), and our focus on building service and compliance capabilities.
- ACRA staff recognised for innovation and excellent service:
 - 2 National Day Awards;
 - 8 MOF Group Level Public Service Transformation (PST) Awards;
 - 1 WOG Level PST Award.

DEVELOPING THE ACCOUNTANCY SECTOR, ENGAGING OUR STAKEHOLDERS

- Supported the Accountancy Workforce Review Committee (AWRC) in its deliberations and formulation of recommendations to address manpower challenges in Singapore's accountancy sector.
- Collaborated with Institute of Singapore Chartered Accountants (ISCA), institutes of higher learning and schools to promote accountancy as a rewarding and dynamic career, at career fairs and talks, and other key accountancy related events.
- Increased the accessibility of the Singapore Chartered Accountant Qualification (SCAQ) Programme by creating additional entry pathways for local polytechnic graduates and giving greater recognition to prior work experience for purpose of fulfilling the practical experience requirements in the programme.
- Transferred the day-to-day administration of the SCAQ programme to ISCA to streamline processes while retaining oversight of the programme to ensure strategic alignment with the needs and development of the accountancy sector.
- Strengthened stakeholder relationships through active participation in key industry events, dialogues, and conferences, while gathering valuable industry feedback to support ACRA's role as an effective regulator and facilitator of Singapore's business environment.

OUR VIBRANT ECOSYSTEM

KEY REGISTRATION STATISTICS

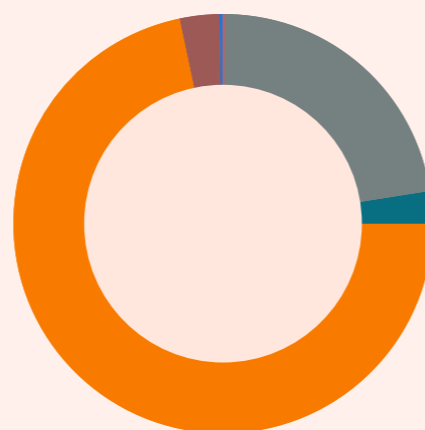
As at 31 March 2024

591,933
(3% increase)
LIVE ENTITIES ON
ACRA'S REGISTER
AS AT 31 MARCH 2024

(21.8%) **129,053**
Sole-Proprietorships

(2.4%) **14,247**
Partnerships

(72.6%) **429,926**
Companies



16,911 (2.9%)
Limited Liability
Partnerships

747 (0.1%)
Limited
Partnerships

1,049 (0.2%)
Variable Capital
Companies

TOP 3 INDUSTRY GROUPS WITH HIGHEST NUMBER OF LIVE BUSINESS ENTITIES AS AT 31 MARCH 2024:

1. Wholesale Trade
2. Professional, Scientific and Technical Activities
3. Financial and Insurance Activities

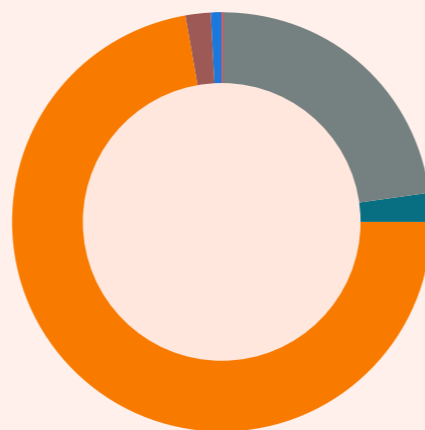


70,741
(7% increase)
NEW ENTITIES
FORMED IN FY2023

(23.5%) **16,640**
Sole-Proprietorships

(2.1%) **1,468**
Partnerships

(72.0%) **50,908**
Companies



1,370 (1.9%)
Limited Liability
Partnerships

172 (0.2%)
Limited
Partnerships

183 (0.3%)
Variable Capital
Companies

1,233 (1.9% increase)
Registered
Public Accountants

3,619 (2.8% increase)
Registered
Qualified Individuals

732 (1.6% increase)
Registered Public
Accounting Entities

2,934 (3.5% increase)
Registered
Filing Agents



DIGITAL SERVICE FOR BETTER CUSTOMER EXPERIENCE

KEY SERVICE STATISTICS

As at 31 March 2024



2,711,860 (5.3% increase)
transactions made in BizFile+ and iShop

2,197,631 (58.6% increase)
API calls via ACRA API Mall

11,699,307 (1.7% increase)
searches on ACRA's registry and UEN data

95%
of digital services completed digitally end-to-end

100%
of digital services completed via e-payments

77%
of customers satisfied with digital service for change in particulars

78%
of customers satisfied with digital service for filing of annual returns

79%
of customers satisfied with digital service for purchase of business profiles

100%
of customers attended to within 30 minutes of their appointments

100%
of customer emails replied to within 3 working days

95%
of customer calls answered within 30 seconds

IMPROVING COMPLIANCE

KEY COMPLIANCE STATISTICS

As at 31 March 2024



BUSINESS ENTITIES AND DIRECTORS

83% of entities filed their Register of Registrable Controllers with ACRA

82% of companies filed annual returns

12 reviews concluded with regulatory outcomes, ranging from issuance of advisory letters, warning letters to composition fine, under the Financial Reporting Surveillance Programme (FRSP)

120 inspections conducted for compliance with the requirements to maintain Register of Registrable Controllers

8,025 entities struck off by ACRA for repeated offences

15 company directors prosecuted with fines imposed ranging from \$2,500 to \$42,000. One director was sentenced to 6 months' imprisonment.

4,042 entities paid composition sums amounting to \$3,343,060 for late filing of annual returns/declarations

17 completed reviews of financial statements for compliance with accounting standards under FRSP

REGISTERED FILING AGENTS

408 compliance reviews/inspections conducted for compliance with AML/CFT requirements

13 sanctions imposed for non-compliance with AML/CFT requirements

PUBLIC ACCOUNTANTS

80 engagement inspections conducted under Practice Monitoring Programme for compliance with auditing standards

190 checks on public accountants for compliance with Continuing Education Requirements

FOSTERING A TRUSTED BUSINESS ENVIRONMENT



Our work allows us to contribute to fostering a trusted business environment. It also develops our skills in policy formulation and stakeholder engagement.

Leading initiatives like the Corporate Service Providers Bill and implementing advanced data analytics for risk surveillance have been rewarding. These experiences have profoundly influenced my professional growth and equipped me with the skills to drive meaningful change.



MR ALVIN CHEN

Deputy Technical Director
Compliance Policy and Analytics Department

Joined in 2020

Skills:

- ◊ Advanced data analytics
- ◊ Policy formulation

Interests:

- ◊ Current affairs

We uphold high standards of corporate transparency, financial reporting, and audit to foster a trusted business environment.

STRENGTHENING CORPORATE GOVERNANCE REGIME

ENHANCED ANTI-MONEY LAUNDERING AND COUNTERING THE FINANCING OF TERRORISM (AML/CFT) REGIME

Corporate Service Providers (CSPs) provide a range of services to businesses, such as helping them file their annual returns and fulfil other regulatory requirements or arranging for another person to act as a director of a business. They play a crucial role in gatekeeping and combatting the illicit use of business entities in Singapore.

We review existing laws and regulations to ensure they remain robust, relevant, and in line with international practice. In 2022, we conducted policy consultations, aimed at improving the effectiveness of AML/CFT measures and aligning our AML/CFT framework with the Financial Action Task Force (FATF) Standards for tackling money laundering and terrorist financing, as well as the financing of proliferation of weapons of mass destruction (PF).

After reviewing the feedback from CSPs and the business community and taking into account insights

from recent cases, the following measures were incorporated in the Companies and the Limited Liability Partnerships Act and the new CSP Act to bolster our efforts to combat money laundering and increase transparency of beneficial ownership of companies and limited liability partnerships. They will take effect by the first quarter of 2025:

- Require all business entities carrying on a business of providing corporate services in and from Singapore to register with ACRA as registered CSPs;
- Require all registered CSPs to comply with obligations, including those on AML/CFT/PF obligations;
- Introduce fines for breaches of AML/CFT/PF obligations by registered CSPs and their senior management;
- Prohibit persons from acting as nominee directors by way of business unless the appointments are arranged by registered CSPs and the persons have been assessed as fit and proper by the registered CSPs;
- Require nominee directors and shareholders to disclose their nominee status and the identities of their nominators to ACRA; and
- Increase fines, for failing to maintain the Register of Registrable Controllers, Register of Nominee Directors, and Register of Nominee Shareholders.

WHOLE-OF-GOVERNMENT (WOG) EFFORT TO COMBAT MONEY LAUNDERING

The Inter-Ministerial Committee (IMC), led by Minister Indranee Rajah, was set up in November 2023 as part of comprehensive WOG efforts to review and strengthen Singapore's AML framework. The IMC sought to draw learnings from the August 2023 major money laundering case.

ACRA played a pivotal role in supporting the IMC by contributing to various workstreams on reviewing AML/CFT/PF controls in Singapore, particularly in addressing the misuse of companies for money laundering.

In Minister Indranee Rajah's ministerial statement on Singapore's AML/CFT/PF regime in Parliament on 3 October 2023, she outlined the various measures that ACRA has put in place to prevent the misuse of corporate structures. She noted that ACRA's efforts, in collaboration with other agencies, struck a balance between maintaining the ease of doing business, which has been the hallmark of Singapore as a business and financial hub, and ensuring strong corporate governance to uphold investors' confidence.

ENGAGING CORPORATE SERVICE PROVIDERS

ACRA hosted a closed-door engagement session with CSPs in March 2024, which brought together some 30 CSP representatives to obtain their feedback and perspectives on how Singapore could further fortify its AML/CFT/PF regime.

During the session, Minister Indranee Rajah highlighted the pivotal role of CSPs in combatting money laundering and urged them to collaborate closely with government agencies to identify and deter criminals during the company incorporation process. ACRA officers also provided updates on the proposed CSP and Companies and Limited Liability Partnerships (Miscellaneous Amendments)(CLLPMA) Bills at the session.



Minister Indranee Rajah at a closed-door engagement session with CSPs.

CANCELLATION OF RFAs/RQIs REGISTRATION

To drive greater enforcement outcomes in AML/CFT/PF, we enhanced investigation methodology and streamlined investigation processes. These resulted in a significant increase in the cancellation of Registered Filing Agents (RFAs) and Registered Qualified Individuals (RQIs) registrations. In FY2023, we cancelled the registrations of 13 RFAs and RQIs, more than doubling the five cancellations in the previous year.

ACRA regulates RFAs to ensure they comply with AML/CFT/PF requirements. RFAs transact with ACRA on behalf of their customers through RQIs and are also responsible for ensuring that all filings are accurate. RFAs/RQIs found to have breached their obligations could also face financial penalties of up to \$25,000 or have their registration suspended or cancelled.

REGISTRATIONS CANCELLED DUE TO AML/CFT/PF BREACHES

On 18 January 2024, ACRA cancelled the registrations of filing agent, LW Business Consultancy Pte Ltd (LWBC) and qualified individual, Mr Wang Junjie, due to breaches of AML/CFT/PF controls under the ACRA (Filing Agents and Qualified Individuals) Regulations 2015.

The breaches included failure to conduct additional customer due diligence measures for non-physically present customers during onboarding, inadequate inquiry into beneficial ownership for certain customers, and the absence of risk assessments for specific customers. Wang, as the RQI and director of LWBC, was also found not to have effectively supervised employees in carrying out their duties, leading to these breaches. Consequently, ACRA determined that Wang no longer met the fit and proper criteria to remain registered as an RQI, resulting in the cancellation of his registration.

CONTRIBUTING TO DEVELOPMENT OF GLOBAL STANDARDS ON BENEFICIAL OWNERSHIP

ACRA actively contributes to the development and adoption of global standards on Beneficial Ownership (BO), reflecting Singapore's commitment to transparency and integrity in BO regulations.

Together with the Ministry of Finance (MOF), ACRA represented Singapore in the formulation of global FATF Standards on BO, which were adopted at the FATF Plenary in October 2023. ACRA also led the presentation on Singapore's BO regime for the United Nations Convention against Corruption (UNCAC) assessment and contributed to discussions on beneficial ownership standards and practices at the annual conference held by the Corporate Registers Forum (CRF).

ACRA also actively shares Singapore's practices and experiences in BO regime with visiting delegations from various jurisdictions, such as the European Parliament, the Ministry of Law and Human Rights (MLHR) Indonesia, and the Philippine Securities and Exchange Commission (SEC).

ENCOURAGE VOLUNTARY COMPLIANCE AND DETER NON-COMPLIANCE

As part of our efforts to promote timely filing, we sent more than 250,000 reminders to directors and position holders of companies and LLPs to encourage them to file their annual returns and annual declarations promptly and avoid penalties for non-compliance.

During the financial year, we initiated enforcement action against 15,063 entities for failing to file their annual returns/declarations and compounded the offences of 4,042 entities. Cases prosecuted in courts and the sentences imposed for non-compliance are published on the ACRA website to promote awareness of the repercussions of non-compliance.

There had been a notable increase in the annual return filing rate of 4.0 percentage points, from 78% in the previous financial year to 82% this year.

As part of WOG efforts to prevent the misuse of Singapore companies for illicit activities, we collaborated with key regulatory agencies to proactively strike off inactive companies from the register. We leveraged our new data visualisation platform to generate insights on and take action against inactive companies. In the financial year, we took a risk-based approach and significantly increased total strike-off numbers by 31% to 8,025, up from 6,122 companies that were struck off in the previous financial year.

ACRA takes a serious view of false filings and has consistently taken swift enforcement actions against non-compliance over the past year. Fifteen company directors were prosecuted with fines imposed ranging from \$2,500 to \$42,000. One director was sentenced to six months' imprisonment for failing to act honestly in the discharge of his director duties.

INVESTIGATION ON CORPORATE DISCLOSURES AND BREACHES OF COMPANIES ACT

Hyflux Ltd

Following further joint investigations by ACRA, the Commercial Affairs Department (CAD) of the Singapore Police Force (SPF), and the Monetary Authority of Singapore (MAS), former Chief Executive Officer of Hyflux Ltd, Ms Lum Ooi Lin, was charged in court on 5 May 2023 with additional offences under the Companies Act, in relation to her failure to exercise reasonable diligence in the discharge of her duties as a director.

Allied Technologies Limited and Activpass Holdings Pte. Ltd

The State Court, on 8 January 2024, convicted Mr Roger Poh, a former executive director of Catalyst-listed Allied Technologies Limited (ATL), for failing to act honestly in the discharge of his director duties in relation to ATL's acquisition of 51% of the shares in Activpass Holdings Pte. Ltd., a Singapore-incorporated company. He was sentenced to six months' imprisonment.

UPHOLDING HIGH STANDARDS OF FINANCIAL REPORTING AND AUDIT

SETTING ROBUST ACCOUNTING STANDARDS

The Accounting Standards Committee (ASC) advanced the accounting standards-setting work in Singapore through the deliberation and adoption of the accounting standards from the International Accounting Standards Board (IASB) into the Financial Reporting Standards in Singapore.

In this financial year, major standards effected include:

- Amendments to SFRS(I) 1-12 Income Taxes relating to International Tax Reform—Pillar Two Model Rules that provided welcome relief for companies from having to account for deferred taxes arising from implementation of Pillar Two Model Rules [Effective 23 May 2023]; and
- Amendments to SFRS(I) 1-1 Presentation of Financial Statements relating to Classification of Liabilities as Current or Non-current that provided clarification and guidance on the classification requirements of liabilities to address practice diversity in the market [Effective 1 January 2024].

IMPROVING QUALITY OF FINANCIAL REPORTING AND AUDIT

Reliable financial information is essential for market confidence. Audit quality is crucial in ensuring this reliability. Under ACRA's Financial Reporting Surveillance Programme, ACRA reviews financial statements of Singapore-incorporated companies for compliance with the prescribed accounting standards in Singapore. In November 2023, ACRA published the Financial Reporting Practice Guidance No. 1 of 2023 to highlight areas that directors, especially those in Audit Committees (ACs) should pay close attention to in their review of FY2023 financial statements.

INSIGHTS INTO THE REVIEW OF FINANCIAL STATEMENTS

ACRA's Assistant Chief Executive, Ms Kuldip Gill, advised ACs to pay close attention to emerging trends and monitor the audit process to identify and resolve areas of concern collectively, at an Institute of Singapore Chartered Accountants (ISCA) Mini Conference Series in November 2023. On climate reporting, she highlighted that it was important for ACs to understand how climate-related risks could impact financial reporting, remain vigilant to greenwashing attempts, and ensure consistency between financial and non-financial reporting.



Ms Gill speaking at an ISCA Mini Conference Series.

AUDIT REGULATORY REPORT 2023



The Audit Regulatory Report 2023 published by ACRA highlighted its regulatory activities, and observations on the implementation of the Singapore Standards on Quality Management (SSQM) and the adoption of technological tools in financial statement audits. Accounting entities were advised to make the transition from a procedures-based system of quality control to a risk-based system of quality management and adopt new technologies in financial statement audits. The report also set out the nature of top findings from the Practice Monitoring Programme and emphasised the importance of a comprehensive root cause analysis and remediation action plan.

AUDIT AND RISK COMMITTEE SEMINAR 2024

On 10 January, over 300 audit committee members and directors of listed companies attended the Audit and Risk Committee Seminar 2024, organised by ACRA, the Singapore Exchange Regulation (SGX RegCo) and the Singapore Institute of Directors (SID).

ACRA's then Chief Executive, Mr Ong Khiaw Hong, spoke about the importance of leadership in strengthening voluntary compliance, combatting illicit financial activities, and advancing sustainability disclosures. He emphasised the need to foster ethical and sustainable practices to create a more responsible, resilient, and equitable society for current and future generations.

ACRA's Technical Director (Financial Reporting & Standards Department), Ms Tan Wee Khim, shared

common findings gleaned from a decade of ACRA's Financial Reporting Surveillance Programme (FRSP), and highlighted some preliminary insights from a study on climate-related disclosures, conducted in collaboration with the NUS Sustainable and Green Finance Institute.



Mr Ong addressing attendees at the Audit and Risk Committee Seminar 2024.

ASEAN AUDIT REGULATORS GROUP (AARG) AND THE FINANCIAL STATEMENTS SURVEILLANCE GROUP (FSSG) WORKSHOP

In September 2023, ACRA hosted a combined AARG and FSSG workshop aimed at generating discussion and sharing of ideas to improve audit and financial reporting quality. More than 70 delegates from AARG and FSSG member countries including Singapore, Indonesia, Malaysia, Philippines, and Thailand, as well as guest countries, Cambodia and Hong Kong, attended this workshop.

With the rising importance of climate change and its impact, there was also a sharing on sustainability reporting and its implications on financial reporting.



ACRA hosts regional workshop on audit and financial reporting.

UPHOLDING PUBLIC TRUST IN THE ACCOUNTANCY PROFESSION

ACRA commenced Quality Control (QC) inspections on Public Accounting Entities (PAEs) with effect from 1 July 2023. The tiered assessment framework for both audits and QC inspections was also put in place to drive improvements in Public Accountants (PAs) and PAEs' compliance with professional standards.

Adhering to regulations and ethical codes is also key to upholding public trust. PAs are required to follow the Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities, also known as the ACRA Code.

The Code was updated on 15 November 2023 to incorporate the International Ethics Standards Board for Accountants' (IESBA) final pronouncement on the Revisions to the Code Relating to the Definition of Engagement Team and Group Audits. The update strengthened the independence principles applicable to an audit of group financial statements, etc.

The Accountants (Public Accountants) Rules have also been amended to recognise the Certified Practising Accountant (CPA) Program of CPA Australia as one of the accountancy qualification programmes that met the professional examination requirement for PA registration. Individuals who passed the CPA Program

on or after 1 January 2019 can apply for PA registration. This follows the reciprocal agreement between ISCA and CPA Australia to mutually recognise the chartered accountancy qualifications of both bodies.



PAE practitioners at an ACRA outreach event.

CONTINUING PROFESSIONAL EDUCATION (CPE) COMPLIANCE CHECKS

ACRA, in collaboration with ISCA, completed checks on PAs' compliance with CPE requirements for the 2023 PA renewals. PAs who did not meet their CPE hours were asked to address their CPE shortfall and obtain additional hours as necessary. ACRA also initiated disciplinary action against a PA for providing misleading CPE information in the renewal application.



MS IRIANNA RAIMI
Assistant Director
Service Design and Management Department

Joined in 2012

Skills:

- ◊ Business analysis
- ◊ Design thinking

Interests:

- ◊ Digital innovation

ENABLING BUSINESS



My team and I are always looking for ways to make it easier for our customers to transact with us on the filing portal. The opportunity to innovate and work on our new mission-critical system, the new Bizfile, excites me.

ACRA's emphasis on employees learning and development has equipped me with the skillsets to take on new job roles in the future.

As part of our transformation journey which began in 2020, we have decided to make a strategic shift from being an information provider to a business enabler, to embrace digitalisation and leverage data as our strategic asset. This is to help us achieve our vision to make Singapore the best place for business.

Over the last few years, we have focused on streamlining our work processes to simplify filing and ease compliance burden for businesses; reviewing our policies to keep them robust; implementing digital solutions to provide better service; and accelerating the adoption of data analytics tools to support our service and compliance strategies.

FACILITATING EASE OF DOING BUSINESS

Design User-centric Experience to Improve Customer Satisfaction

We embarked on the development of our mission-critical, Business Registry and Regulatory System (BR2S) in 2022, to enable a digital, data-driven ACRA that supports enterprise, delivers value to businesses and stakeholders, and excels in regulatory effectiveness and operational efficiency.

We successfully rolled out the first component of BR2S in September 2023. It comprised ACRA Officer Workspace (OWS), a one-stop site for officers to retrieve business data to manage customer enquiries and facilitate service delivery.

The most significant component of BR2S is the public-facing new Bizfile portal for filing and information retrieval. When ready in the later part of 2024, it will facilitate seamless business registrations and filings, offer faster search services for business and people information, and provide predictive and personalised self-help assistance for customers.

Towards this end, our User Interface/User Experience (UI/UX) design team has been engaging “the community of users for ACRA’s digital services” – a group of interested members from the business community, in the design of the new portal. Our team has also conducted usability testing sessions to better understand customers’ needs and preferences, to create a more intuitive and seamless user experience for them.

We continued to leverage new technologies to improve customer service. With the help of Artificial Intelligence (AI), the processing time for applications for name review has been significantly reduced from three days to one day. This translates to an annual savings of about 340 man-hours. The faster response time has also resulted in a 15% reduction in related inquiries, contributing to higher customer satisfaction.

Our efforts in making service improvements have not gone unnoticed. ACRA’s Digital Assistant service, Ask Ada, received the Corporate Registers Forum (CRF) 2023 Innovation Commendation Award, which was

given in recognition of outstanding innovation that makes a positive impact on stakeholders and promotes continuous improvement. Powered by natural language processing and predictive analytics, Ask Ada is designed with a user-centric approach to guide users to complete business transactions and make payments via a simple chat interface. Since its launch in March 2023, Ask Ada has reduced frontline contact volume by 14%, allowing ACRA officers to focus on handling more complex enquiries.



ACRA receiving the CRF 2023 Innovation Award for Ask Ada.

Foster Business-Friendly and Trusted Environment

We regularly review our laws to promote a more pro-business environment whilst safeguarding public interest. Starting from 1 July 2023, companies, business trusts and variable capital companies can choose to conduct fully virtual or hybrid company meetings. We also made refinements to the framework for the compulsory acquisition of shares, to provide greater protection to minority shareholders.

We proposed changes to the laws after consulting with stakeholders and soliciting public feedback. The changes are aimed at striking a balance between corporate transparency and data protection, facilitate digital communications, and streamline the financial reporting requirements. Some of the changes are as follows:

- a) requiring business entities, position holders, shareholders and members to maintain updated email addresses with ACRA to facilitate digital communications;
- b) allowing statutory correspondences and notices (other than summons) to be sent to and accessed by individuals and businesses via a digital mailbox; and
- c) introducing a tiered framework to calibrate the disclosure of personal data to different user groups.

To support business growth and position Singapore as a global hub for Intangible Assets (IA) and Intellectual Property (IP), together with the Intellectual Property Office of Singapore (IPOS), we introduced the Intangibles Disclosure Framework (IDF) in September 2023. Launched by Minister Indranee Rajah at the IP Week @ SG 2023, the IDF is among the first in the world to provide a systematic and consistent way to disclose and communicate IA. The framework comprises four pillars: strategy, identification, measurement, and management, to guide businesses on IA disclosure.



The IDF Launch Workshop.

PROVIDING DATA TO BUILD TRUST AND FOSTER INNOVATION

Improve Accuracy and Accessibility of Data

Businesses make use of ACRA's data to generate insights for decision-making. They also harness ACRA's data to design customer service journeys, improve process efficiencies, and create innovative business solutions. Our government agencies make use of our data for policy reviews or to facilitate enforcement against illicit activities.

To improve accuracy of data, we have proposed amendments to the laws to empower the Registrar to obtain information from certain government agencies to keep the Registry up to date.

We have also accelerated the use of technology to improve data services. These include the ACRA trustBar service that was launched in March 2023. Using OpenAttestation, a machine-readable file format used mainly for verification purposes, the authentication service allows customers a quick and easy way to verify the authenticity of the data in the business information products. It reduces risk of falsification and provides added assurance to businesses and the public to make informed business decision. Since December 2023, the service has been enhanced to allow users to verify if the data information in the Business Certificates is up to date. As of 31 March 2024, the trustBar service has facilitated over 176,400 verifications and received positive feedback from users.

We also launched the new ACRA Application Programming Interface (API) Marketplace – another important component of BR2S, to provide a new gateway for customers to access a wide range of business data in a fuss-free and efficient manner. Developed with data users’ needs in mind, the new API Marketplace offers mock APIs for data users to try out various data services before subscribing for them. It also makes it easy for data users to manage their subscriptions and monitor their data consumptions. More data and API services will be progressively added into the Marketplace.

We also implemented measures to safeguard the integrity of business information and transactions. From 1 June 2023, customers who purchase ACRA’s information products will receive a confirmation e-mail with a go.gov.sg link. This link will direct customers to a dedicated page on the ACRA BizFile+ portal, for customers to download the information product.

Co-create Data-Driven Innovation

ACRA hosted its inaugural Data Ideation Workshop on 14 March 2024, bringing together over 35 professionals from 26 organisations to collaborate, brainstorm and co-create ideas to enhance ACRA’s data services and to deliver more valuable data products.

This initiative underscored ACRA’s commitment to harnessing the value of data and collaborate with industry partners to transform innovative ideas into successful outcomes that will benefit the business community.



ACRA Data Ideation Workshop.

Google AI Trailblazer – Digital Assistant for SSIC Deviation Detection

In August 2023, we won the Google AI Trailblazer Innovation Award, for our efforts to accelerate the development of impactful generative (Gen) AI solutions.

We developed a Proof of Concept (POC) solution within eight weeks, to help us identify discrepancies between the Singapore Standard Industrial Classification (SSIC) codes reported by businesses, and the SSIC-related information from businesses’ websites, annual reports, and financial statements. This helps to improve the accuracy of data and reduces the time needed for investigation and rectification.

This POC has wide-ranging benefits for various government agencies who use SSIC information to meet their operational needs and enhance service delivery.



The Team behind the Google AI Trailblazer Award.

DEVELOPING THE ACCOUNTANCY SECTOR, ENGAGING OUR STAKEHOLDERS



For Singapore to remain the best place for business, it is important that companies and institutions have competent accountants as trusted stewards and advisors.

My team and I find it fulfilling to work on initiatives to heighten the appeal of the accountancy profession and grow a talent pool of future-ready accountants for Singapore.



DR GERMIN ONG

Director

Sector Capability Development Department

Joined in 2015

Skills:

- Accounting and Audit
- Research

Interests:

- Volunteer work

ACRA plays a pivotal role in developing the accountancy sector through accelerating the industry's digital transformation, enhancing the attractiveness of accountancy as a career and cultivating a skilled pool of accounting professionals to meet industry needs. ACRA actively engages the industry and participates at local and global events to enhance Singapore's position as a trusted business hub.

SERVING THE ACCOUNTANCY SECTOR AS OneACRA

SERVING THE ACCOUNTANCY SECTOR AS OneACRA

On 1 April 2023, the Singapore Accountancy Commission (SAC) and the Accounting Standards Council (ASC) merged with ACRA to become one entity. ACRA took on SAC's role in developing the accountancy sector and ASC's role in setting accounting standards for companies, charities, co-operative societies and societies.

Then Deputy Prime Minister (DPM) and Minister for Finance, Mr Lawrence Wong, was the guest-of-honour at the ACRA Merger Commemoration on 27 June 2023 and officially opened ACRA's new office at Revenue House. To an audience comprising Permanent Secretaries, ACRA Board members, and stakeholders from business and accountancy sectors, DPM Wong acknowledged SAC, ASC and ACRA's efforts that collectively, "have enabled businesses to flourish and investors to make more informed decisions. More than that, they have helped to strengthen Singapore's position as a financial and business hub of choice, a trusted and reliable business centre."



DPM Wong at the ACRA Merger Commemoration Event.

BUILDING A SUSTAINABLE PIPELINE OF HIGH-QUALITY ACCOUNTANCY TALENT

ACCOUNTANCY WORKFORCE REVIEW COMMITTEE

The Accountancy Workforce Review Committee (AWRC) was set up in October 2022, with the support of ACRA and the Ministry of Finance (MOF) to address the manpower challenges of the accountancy sector. Co-chaired by former SAC Chairman, Mr Chaly Mah, and then-Second Permanent Secretary for Finance, Ms Lai Wei Lin, the AWRC's primary objective was to develop recommendations to grow the talent pool of skilled accounting professionals and enhance the attractiveness of the accountancy career through better attraction, development and retention of talent.

The AWRC conducted 48 focus group discussions with over 300 participants from a wide spectrum of stakeholders from the accountancy eco-system in Singapore, including employers, accountancy leaders, professional bodies, career switchers, educational institutions and students. The culmination of these efforts resulted in the publication of the AWRC's recommendations in a report in May 2024, which was unveiled by Minister Indraneel Rajah.

The AWRC's recommendations cover three key areas – ensuring good careers, creating quality pathways, and strengthening professional capabilities. These recommendations aim to heighten the appeal of an accountancy career, increase the accessibility of the accountancy profession to talent from diverse sources and develop future-ready professionals equipped to navigate changes and seize opportunities



Minister Indraneel Rajah and the AWRC at the report publication event.

CREATING MORE PATHWAYS

In support of the AWRC's key recommendations, a new pathway was created for local polytechnic graduates to embark on the Singapore Chartered Accountant Qualification (SCAQ), our national Chartered Accountant qualification. These graduates can now enrol in the SCAQ Foundation Programme and may be eligible for exemption from the Principles of Financial Reporting and Taxation modules if they have completed relevant modules in their diploma programme. This applies to those who have graduated in 2023 or who will graduate in subsequent years.

Since 1 January 2024, the Institute of Singapore Chartered Accountants (ISCA) has assumed the role of SCAQ programme administrator, taking charge of candidate registration, programme enquiries, and the facilitation of SCAQ examinations. ACRA retains oversight of the programme to ensure strategic alignment with the needs and development of the accountancy sector.

RAISING GLOBAL RECOGNITION OF SCAQ

ISCA and the Certified Practising Accountant (CPA) Australia signed a Mutual Recognition Agreement (MRA) in September 2023, allowing ISCA members to be members of CPA Australia, and vice versa. MRAs between countries allow accountants to have their qualifications recognised in each other's country, facilitating the movement of talent across borders, promoting consistency in the quality of the accounting profession, and reducing the costs of obtaining new qualifications.

The SCAQ is also recognised by other world-renowned professional bodies in Australia, England, Ireland, New Zealand, Scotland and Wales.

INITIATIVES UNDER JOB TRANSFORMATION MAPS (JTMS)

Accountancy Job Redesign initiative

The Accountancy Job Redesign (JR) initiative launched in January 2022 aims to enhance the roles of Finance and Accounting professionals and improve productivity by leveraging technology. ACRA continues to partner Workforce Singapore (WSG) and Singapore National Employers Federation (SNEF), the

appointed programme manager, to promote the initiative within the accountancy sector and encourage companies to embark on JR. As of March 2024, there were 66 approved Accountancy JR projects.

Accountancy Career Hub

The Accountancy Career Hub (ACH) aims to be the main touchpoint providing employment and employability support for the accountancy sector, offering career guidance, job matching services, skills upgrading courses, and industry-specific events. ACH is a joint initiative by NTUC's Employment and Employability Institute (e2i), ACRA and ISCA. Set up in 2022, it has since engaged more than 3,200 individuals as of March 2024.

Career Conversion Programme for Accounting Professionals

The Career Conversion Programme (CCP) for Accounting Professionals aims to equip local mid-career individuals with the skills and experience required to take on accountancy roles to meet the manpower demands. Launched in 2022, the programme also aims to reskill existing employees to take on redesigned or new roles. There were 56 approved trainees under the CCP as of March 2024.

BEST CITIZEN ENGAGEMENT EXCELLENCE AWARD

ACRA's Sector Capability Development Department won the "Best Citizen Engagement Excellence Award" at the MOF group level awards in FY2023 for the development of JTM's for Accounting Practices and In-house Finance and Accounting functions.

The JTM's mapped out key technologies that are driving change, the impact on individual job roles, and the pathways for employers to transform jobs and for workers to acquire requisite skills as existing job roles evolve and new job roles emerge.



ACRA officers receiving the award from Permanent Secretary for Finance, Mrs Tan Ching Yee, at the MOF Group Awards Ceremony.

OUTREACH TO FUTURE ACCOUNTING PROFESSIONALS

We continued to promote accounting as a course of study and career by supporting our partners at various outreach events in FY2023:

- "AccountanCity" - ISCA's inaugural career fair and career exploration event for the accountancy sector. There were more than 1,000 visitors over the two-day event on 1 and 2 September 2023.



Participants learning more about accountancy at ISCA's Inaugural Career Fair.

- "ACCTraordinary" - An annual outreach event by the polytechnics, ITE, and ISCA, which included sharing by industry speakers. Held on 15 November 2023, the event attracted more than 100 students.
- ACRA conducted 14 career talks at secondary schools, junior colleges, polytechnics, and universities, in collaboration with ISCA and industry partners

ACCELERATING THE SECTOR'S DIGITAL TRANSFORMATION, INCREASING PRODUCTIVITY

PRODUCTIVITY SOLUTIONS GRANT (PSG) FOR ACCOUNTANCY SECTOR

ACRA's Assistant Chief Executive, Mr Evan Law, launched the Productivity Solutions Grant (PSG) for the accountancy sector in conjunction with the ISCA Tech Fair on 8 September 2023. The PSG provides funding for Small and Medium-sized Practices (SMPs) to adopt baseline digital solutions in their service areas (e.g. External Audit, Tax, and Corporate Secretarial) and to improve productivity. To an audience of more than 100 SMPs, Mr Law elaborated on how adopting digital solutions could help in business growth, talent attraction and retention through better work flexibility and meaningful work collaborations. Software vendors also explained the features and benefits of their digital solutions to the audience.



Explaining the PSG to SMPs.

IVAS-IVSC BUSINESS VALUATION CONFERENCE 2023

The Institute of Valuers and Appraisers, Singapore (IVAS), an independent valuation professional organisation set up under the auspices of ACRA, and the International Valuation Standards Council (IVSC), jointly organised the IVAS-IVSC Business Valuation Conference on 3 and 4 October 2023, to explore the theme 'The Future of Business Valuation: Embracing Shifts and Innovation'. The conference highlighted the opportunities in the areas of Environmental, Social and Governance (ESG), and how forward-thinking businesses were creating value from their Intangible Assets (IA) and the adoption of Artificial Intelligence.

Speaking at the conference, Minister Indranee Rajah emphasised that "economic shifts and innovation have the potential to provide growth opportunities in the years to come, even amidst the constantly changing and uncertain macroeconomic environment" and urged delegates to keep pace with developments in business valuation to maximise growth opportunities.

ENGAGING OUR STAKEHOLDERS

ACRA actively engages our local stakeholders through forums and dialogues, to seek their views on areas for service improvement, and help them better comply with the laws and regulations. Regular engagement allows ACRA to gather valuable insights from companies, investors, and other players in the market,

helping ACRA to be an effective regulator and facilitator of a healthy business environment in Singapore.

PROFESSIONAL BODIES DIALOGUE 2023

ACRA's annual Professional Bodies (PB) Dialogue 2023 on 8 June 2023 was attended by representatives from 14 PBs. The dialogue involved the sharing of views on upcoming legislative changes, initiatives to develop the accountancy sector, developments in sustainability reporting and assurance in Singapore, and other compliance matters. The dialogue enabled ACRA to establish closer ties with our key stakeholders.

INSTITUTE OF INTERNAL AUDITORS SINGAPORE (IIA) ANNUAL CONFERENCE 2023

ACRA was a strategic partner for the IIA Annual Conference, "Driving Excellence: Creating Sustainable Value with Good Governance & Control", held on 31 August 2023. Attended by over 200 Internal Audit and Governance, Risk, and Compliance (GRC) professionals, the conference aimed to augment their expertise in creating sustainable value through effective governance and control practices. The event featured industry experts, thought leaders, and practitioners who shared valuable best practices for optimising organisational performance, mitigating risks and driving sustainable growth.

During a panel discussion, Mr Law shared his views on the trends and challenges faced by the internal auditors and the skillsets needed to be future-ready.

SINGAPORE INSTITUTE OF DIRECTORS (SID) DIRECTORS CONFERENCE 2023

ACRA was a supporting partner for the SID Directors Conference 2023 held on 20 September 2023. Themed 'Navigating an Unscripted World: Conform, Perform, Transform', the 25th-anniversary edition explored the evolving corporate governance landscape with keynote speeches, panel discussions, workshops, and fringe activities. Participants gained valuable insights into navigating megatrends and the multifaceted challenges facing boards and directors in today's ever-evolving business landscape.

ACRA's Chairman, Mr Ong Chong Tee, participated in the panel discussion on 'Casting a Spotlight on Regulations' at the conference. He highlighted the importance of good corporate governance, and the key amendments to the Companies Act which took effect on 1 July 2023 to enable the conduct of virtual or hybrid meetings for businesses, as well as to facilitate digitalisation, enhance the ease of doing business, and strengthen the regulatory framework.



ACRA Chairman, at the Panel Discussion, at the SID Directors Conference 2023.

ACCA TECHNICAL SYMPOSIUM AND ACCA SINGAPORE ANNUAL CONFERENCE

ACRA was a supporting partner for two events organised by the Association of Chartered Certified Accountants (ACCA) in 2023. The ACCA Technical Symposium on 21 September 2023 focused on corporate reporting, tax, and assurance, providing comprehensive updates on global and local developments in Singapore and Malaysia. The symposium also presented valuable insights into sustainability reporting and its impact on businesses.

The ACCA Singapore Annual Conference on 4 October 2023 delved into discussions on politics, climate issues, emerging technologies, and the post-pandemic economy under the theme "Conflicts. Climate. ChatGPT. Cost of Living - Challenges to the Asian 21st century?". Both events aimed to equip attendees with insights to navigate and lead organisations through present challenges and thrive in the 21st century.

INSTITUTE OF SINGAPORE CHARTERED ACCOUNTANTS (ISCA) CONFERENCE 2023

ACRA was a strategic partner for the ISCA Conference held on 29 November 2023. Themed "AI in AI: Adaptation, Evolution, Innovation", the plenary session explored opportunities to leverage Artificial Intelligence (AI) in the accountancy industry and emphasised the theme of audit quality, a fundamental aspect of the audit profession. The conference also spotlighted many emerging trends, including

sustainability transformation and adaptive fraud prevention.

ACRA's Assistant Chief Executive, Ms Kuldip Gill, presented key observations from ACRA's Audit Regulatory Report 2023 and joined a fireside chat on Singapore's roadmap to advance sustainability reporting and assurance. She urged companies to view sustainability reporting beyond the compliance lens, reap the opportunity to future-proof their businesses and build a sustainable future for all.



Ms Gill presenting on Audit Regulatory Report 2023.

DEEPENING INTERNATIONAL COLLABORATION

ROUNDTABLE WITH INTERNATIONAL SUSTAINABILITY STANDARDS BOARD (ISSB) AND INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

A roundtable was hosted by ACRA, Singapore Exchange Regulation (SGX RegCo), and the Sustainability Reporting Advisory Committee (SRAC) with ISSB's Vice Chair, Mr Hua Jingdong, and IFRS Foundation's Director of Regulatory Affairs EMEA and Asia, Mr Jonathan Bravo. The discussion focused on the inaugural ISSB Standards in June 2023 and ISSB's plans to improve interoperability of its standards with other frameworks.

PARTICIPATION AT THE WORLD STANDARD-SETTERS CONFERENCE, MEETING OF INTERNATIONAL FORUM OF ACCOUNTING STANDARD SETTERS, AND ASIAN-OCEANIAN STANDARD-SETTERS GROUP MEETINGS

In September 2023, the Accounting Standards Committee sent a delegation to the World Standard-Setters Conference, Meeting of International Forum of Accounting Standard Setters, and Asian-Oceanian Standard-Setters Group meetings in London.

The meetings brought together standard-setters worldwide to discuss technical accounting topics and foster closer working relationships with the IASB and other global standard-setters.

INTERNATIONAL FORUM OF INDEPENDENT AUDIT REGULATORS INTERNATIONAL FORUM OF INDEPENDENT AUDIT REGULATORS (IFIAR) PLENARY MEETING

An ACRA delegation led by ACRA's former Chief Executive, Mr Ong Khiaw Hong, attended the IFIAR plenary meeting in Washington, DC in April 2023. The first in-person meeting since 2019, the participants discussed key developments and emerging trends in the audit profession.

During the 3-day meeting, Ms Gill shared about developments in sustainability reporting and assurance in Singapore. She spoke about the importance of putting in place robust capacity and capability-building efforts to help companies and sustainability assurance providers transition to the green economy.



Former CE Ong and ACRA delegates at the IFIAR Plenary Meeting.

PARTICIPATING IN KNOWLEDGE EXCHANGE AT 2024 IFIAR INSPECTION WORKSHOP EVENTS

ACRA officers participated in the 2024 IFIAR Inspection Workshop in Dublin, Ireland from 5 to 7 March 2024. The workshop facilitated knowledge exchange among IFIAR members from 56 jurisdictions globally on their inspection work and experiences.

During the workshop, ACRA officers shared insights from the inaugural year of inspecting audit firms' adherence to Singapore Standard on Quality Management (SSQM) 1 and the key challenges encountered, as well as the risks associated with movement of high-risk audits from large to smaller firms. Our officers also engaged in discussions with other audit regulators on emerging themes such as the integration of automated tools in auditing practices and risks associated with auditing digitalised business models.



ACRA officers at IFIAR Inspection Workshop 2024 in Dublin.

IFRS FOUNDATION TRUSTEES

ACRA's Chairman, Mr Ong Chong Tee, was appointed to the IFRS Foundation Trustees on 1 January 2024. His appointment, alongside other accomplished

professionals from Asia, Europe, and North America, enriches the Trustees' expertise in accounting and sustainability.



IFRS Trustees at the IFRS Foundation-ACRA Stakeholders' Dinner at Raffles Hotel on 4 June 2024.

CORPORATE REGISTERS FORUM (CRF) CONFERENCE 2023



ACRA's former Chief Executive, Mr Ong Khiaw Hong, led a delegation to the annual CRF Conference hosted by the Malta Business Registry (MBR) from 17 to 20 October 2023. Mr Raymond Lam, Chairman of the Chartered Secretaries Institute of Singapore (CSIS), also joined the delegation.

The Conference, attended by over 60 jurisdictions worldwide, centred on the theme, "Together – Building Bridges, Sharing Experiences". It featured presentations and discussions by fellow registries and international organisations, offering insights into the latest developments in corporate business registers globally. ACRA's Assistant Chief Executive, Mr Leong Weng Tat, made a presentation on Singapore's journey and multi-pronged approach to strengthening beneficial ownership transparency.

REPRESENTING SINGAPORE AT THE CRF



ACRA's Deputy Chief Executive, Ms Chin Li Fen (third from right), has been appointed for the third term as an Executive Committee member of the CRF. She represents Singapore and ACRA at the global association aimed at sharing best practices and the latest registry developments among its member jurisdictions.



The Singapore delegation at CRF Conference 2023 in Malta.

CRF TECHNICAL WORKSHOP (VIRTUAL)



At the CRF Technical Workshops in January 2024, ACRA's Registry Services and Policy Department's Ms Carine Low and Mr Ernest Tan showcased the use of artificial intelligence for virtual assistants, to enable businesses to conduct filing transactions within the chat interface.

The CRF Technical Workshops provide members with the opportunity to stay updated on the latest developments in corporate business registers, exchange experiences and share information on the current and future operation of registration systems.



MS GOWRI PALANIAPPAN
Deputy Technical Director
Sustainability Reporting Office

Joined in 2022

Skills:

- ◊ Financial reporting and audit
- ◊ Sustainability reporting and assurance

Interests:

- ◊ Travelling to experience and learn about different cultures

ADVANCING SUSTAINABILITY DEVELOPMENT



In the course of our work, we engage with many industry leaders, academia, and policy regulators to obtain their feedback and perspectives on environmental, social, and governance (ESG) matters. This has deepened our understanding of sustainability reporting as we implement Singapore's climate reporting and assurance roadmap.

As advocates for sustainable progress, we are committed to fostering a business ecosystem that values transparency in environmental disclosures and contributes to the broader green transition.

ACRA is a cornerstone of the sustainability reporting ecosystem. As the corporate regulator, we partner companies in the green transition by promoting trusted and consistent climate-related disclosures and championing the adoption of mandatory climate reporting for Singapore companies. Our environmental sustainability disclosures demonstrate our commitment in driving sustainable practices and encouraging environmentally friendly behaviours within ACRA.

ACRA'S FY23/24 ENVIRONMENTAL SUSTAINABILITY DISCLOSURES

This segment summarises ACRA's environmental sustainability efforts for the financial year ended 31 March 2024, for the same entity being reported in the accompanying financial statements.

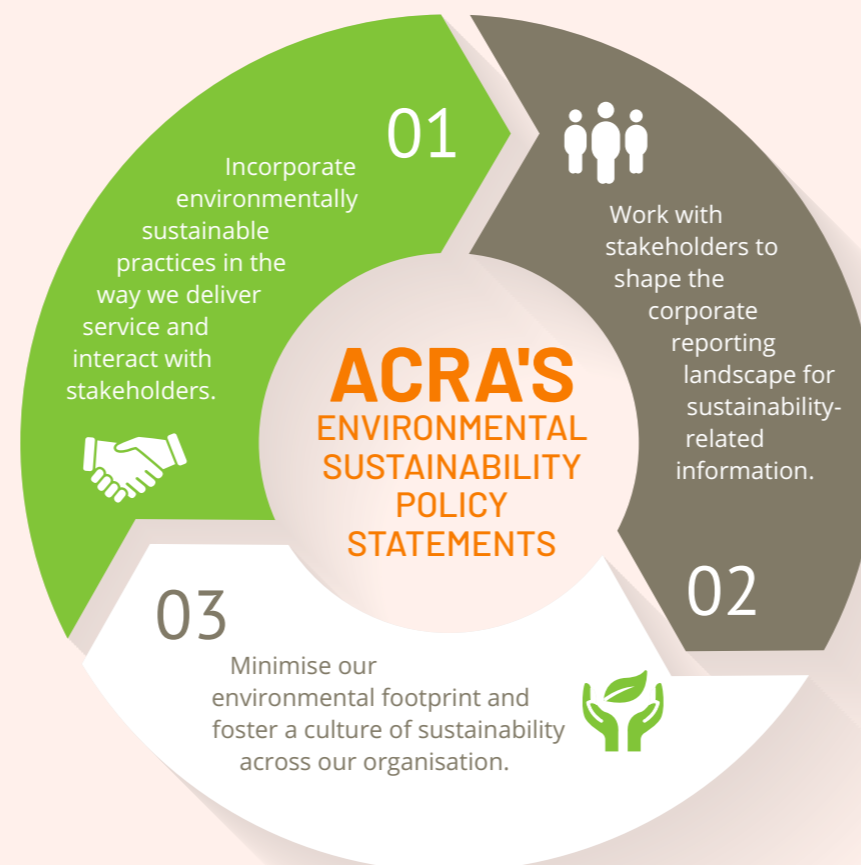
ACRA'S SUSTAINABILITY GOVERNANCE

BOARD'S OVERSIGHT OF ENVIRONMENTAL SUSTAINABILITY

ACRA's environmental sustainability initiatives impacting the external ecosystem and within the organisation are guided by the three policy statements as follows:

1. To incorporate environmentally sustainable practices in the way we deliver service and interact with stakeholders.
2. To collaborate with our stakeholders to shape the corporate reporting landscape for sustainability-related information.
3. To minimise our environmental footprint and foster a culture of sustainability across our organisation.

Our Board is updated on the plans and progress of ACRA's sustainability initiatives at least once a year.



SENIOR MANAGEMENT'S ROLE IN ASSESSING AND MANAGING ENVIRONMENTAL RISKS AND OPPORTUNITIES

ACRA's senior management is responsible for managing climate-related risks and opportunities in line with our environmental sustainability policy statements. We support GreenGov.SG and are committed to achieving the GreenGov.SG targets. We update our senior management on a half-yearly basis on our environmental sustainability performance.

ACRA'S POLICIES AND PRACTICES

ACRA plays a crucial role in promoting sustainability reporting by businesses to enhance Singapore's attractiveness as a global business hub and to advance our national agenda on sustainable development under the Singapore Green Plan 2030. In 2023, we continued our efforts to build a robust foundation for companies to embrace sustainability.

INCORPORATING GREEN PRACTICES IN OUR SERVICE DELIVERY AND REGULATIONS

As part of our Environmental Sustainability Policy Statement to incorporate environment-related sustainable practices in the way we deliver service and interact with stakeholders, we implemented the following initiatives:

1. Extended our email notification reminders to office holders to file Annual Returns and Annual Declarations, in place of hardcopy letters.
2. Introduced legislative amendments to enable us to send digital communications to businesses via a secure digital mailbox.

Together, these initiatives contribute to sustainability by reducing the carbon footprint associated with paper.

HELPING COMPANIES RIDE THE GREEN TRANSITION

As part of ACRA's efforts to collaborate with our stakeholders to shape the corporate reporting landscape for sustainability-related information, extensive engagement was conducted through a series of outreach sessions and focus group discussions. This involved over 4,500 individuals, including company sustainability report preparers, as well as representatives from assurance providers, financial institutions, trade associations, chambers of commerce, professional bodies, and government agencies.

Moving Forward with Mandatory Climate Reporting

Worldwide, businesses, investors, lenders, and consumers are pushing for stronger climate action to limit global warming to 1.5°C in line with the Paris Agreement on Climate Change. Companies thus need to pivot towards greening their products and services. Those that can demonstrate climate-related disclosures based on internationally recognised standards will be ahead in their decarbonisation journeys, and stand to benefit from access to new markets, customers, and financing. Conversely, companies that are slow to act will risk losing out to competitors and facing exclusion from value chains.

In June 2022, ACRA and Singapore Exchange Regulation (SGX RegCo) set up the Sustainability

Reporting Advisory Committee (SRAC) to advise on a sustainability reporting roadmap for advancing climate reporting beyond listed companies, and to provide inputs on the suitability of international sustainability reporting standards for implementation in Singapore. A public consultation was launched from 6 July to 30 September 2023 to seek feedback on the SRAC's recommendations to require listed issuers and large non-listed companies (NLCos) to lead the way and report based on International Sustainability Standards Board (ISSB)-aligned climate-related disclosures (CRDs).

After careful consideration of the feedback received from the public, ACRA and SGX RegCo accepted SRAC's recommended roadmap with some refinements. Second Minister for Finance, Mr Chee Hong Tat, at the Ministry of Finance (MOF) Committee of Supply on 28 February 2024, announced that Singapore will introduce mandatory CRD in a phased approach. Starting from FY2025, all listed issuers will be required to report and file annual CRD, using requirements aligned with the ISSB standards. From FY2027, large NLCos with annual revenue of at least \$1 billion and total assets of at least \$500 million will follow suit.

The finalised roadmap includes certain measures to help companies at the initial stage, such as a three-year transitional period during which large NLCos may be exempted from reporting, if they are using other internationally recognised standards and frameworks.

SINGAPORE BUSINESS FEDERATION (SBF) INDUSTRY CONSULTATION ON MANDATORY CLIMATE REPORTING RECOMMENDATIONS

ACRA participated in an industry consultation on 22 August 2023, focusing on climate reporting for NLCos. Business leaders learnt about the rationale behind the recommendations from SRAC member, Ms Chan Yen San, and SRAC Chairperson, Ms Esther An, who shared about City Development Limited's sustainability reporting journey and her experience in preparing sustainability reports.



Engaging business leaders at the SBF Industry Consultation on climate reporting.

CLIMATE REPORTING: DIRECTORS, HOW DO YOU RESPOND?

The Singapore Institute of Directors (SID), supported by ACRA and SGX RegCo, held a special seminar on 30 August 2023 on how directors should navigate climate reporting.

ACRA's Assistant Chief Executive, Ms Kuldip Gill, kickstarted the seminar by highlighting the growing global pressure on companies to advance sustainability goals. Notably, SRAC's recommendations underscored the responsibility of directors to ensure timely and consistent climate disclosures in Singapore.



Ms Gill delivering the Opening Address at the SID Special Seminar on Climate Reporting.

BUILDING CAPABILITIES IN SUSTAINABILITY REPORTING AND ASSURANCE

Together with the Enterprise Singapore, ACRA chairs the sub-workgroup on Sustainability Reporting and Assurance, under the Green Skills Committee (GSC), established by the Ministry of Trade and Industry (MTI) and SkillsFuture Singapore Agency (SSG). The sub-workgroup looks into the skills and training needed for companies to provide climate and sustainability reporting, and for assurance providers to audit greenhouse gas emissions reports.

We co-funded the Institute of Singapore Chartered Accountants (ISCA)'s Sustainability Professional Certification programme to equip its members with the requisite skillsets. We also supported the Sustainability Apex Programme launched by ISCA and the Law Society. The programme brings together accounting and law firms to participate in activities such as masterclasses, business trips, roundtables and workshops to develop their capabilities to provide services to companies for climate reporting purpose.

These concerted efforts help companies strengthen their resilience and relevance in a rapidly evolving global landscape increasingly centred on sustainable development and climate action. This helps to safeguard and strengthen Singapore's position as an attractive and competitive business destination.

DEVELOPING FUTURE LEADERS IN SUSTAINABILITY MANAGEMENT

In support of the work of the Accountancy Workforce Review Committee (AWRC), a new accounting degree programme that focused on sustainability management and analytics, was launched by the Nanyang Technological University (NTU) in January 2024.

The Accountancy for Future Leaders programme – Bachelor of Accountancy (Sustainability Management and Analytics), offers students an accelerated pathway to attaining the Singapore Chartered Accountant (CA) status through exemptions from the Singapore Chartered Accountant Qualification (SCAQ), allowing them to gain professional experience seamlessly while pursuing their degree.

The degree also provides accountancy students with a unique 30-week internship component with Accredited Training Organisations (ATOs) recognised by ACRA. This work-study programme provides students with early industry exposure through practical work opportunities and equips them with essential sustainability and analytics skills to prepare them to become future leaders in the sector.

SKILLS DEMAND FOR THE FUTURE ECONOMY 2023/24 REPORT

ACRA's Assistant Chief Executive, Mr Evan Law, shared his insights and perspectives on priority skills in the Green Economy, in the Skills Demand for the Future Economy 2023/24 Report, produced by SkillsFuture SG.

Mr Law highlighted that the rising demand for sustainability reporting presents unique opportunities for accounting and finance professionals in Singapore to play a crucial role in reporting on businesses' sustainability performance to stakeholders. By leveraging their expertise and acquiring new skillsets, such as sustainability reporting and assurance, accounting professionals can help businesses implement and review their sustainability agenda, drive change, and contribute to building a greener and more sustainable future for all.



ENGAGEMENTS WITH GLOBAL SUSTAINABILITY STAKEHOLDERS

ACRA participated in international events, forums, and seminars to share the latest on Singapore's development in sustainability reporting and to glean insights from other jurisdictions.

International Ethics Standards Board for Accountants (IESBA) Sustainability Roundtable

Ms Gill participated as a keynote speaker in the Singapore leg of the IESBA Sustainability Roundtable held on 3 April 2023 at the ISCA House. This was part of IESBA's series of four global roundtables to gather inputs from stakeholders to shape the development of new ethics and independence standards for sustainability reporting and assurance. She spoke about the sustainability reporting and assurance regulatory developments in Singapore and highlighted some of the ethical and independence considerations for sustainability assurance providers.

COP28's COP SG Pavilion and UN Global Compact Network Singapore Pavilion

ACRA was part of COP28's COP SG Pavilion in 2023, where Ms Gill shared about Singapore's sustainability reporting and assurance roadmap, emphasising the importance of collaboration to drive companies' net-zero transition.

ACRA also participated at the UN Global Compact Network Singapore Pavilion at COP28 in Dubai, where ACRA's Senior Assistant Technical Director (Inspection Department), Mr Wilson Tan, presented SRAC's recommendations and how ACRA is building nationwide capacity through public-private partnerships. Ms Gill also joined the panel discussion, advising companies to view sustainability reporting as an opportunity to create value and drive positive change.



Ms Gill at the COP SG Pavilion.

International Standard on Sustainability Assurance (ISSA) 5000 Roundtable

ACRA, in collaboration with SGX RegCo, ISCA, and Enterprise Singapore, organised a roundtable on the exposure draft for the proposed ISSA 5000, General Requirements for Sustainability Assurance Engagements, issued by the International Auditing and Assurance Standards Board (IAASB).

IAASB Vice-Chair, Ms Josephine Jackson, IAASB member, Mr Chiew Chun Wee, and co-lead of the IAASB's Sustainability Assurance Task Force, Ms Claire Grayston, discussed the key features of the new ISSA 5000. Diverse stakeholders, including SRAC members, practitioners from the audit firms, Testing, Inspection and Certification (TIC) firms and ESG consultancy firms, exchanged views and shared different assurance practices at the session.

ACMF-ISSB Conference and Technical Training on the IFRS Sustainability Disclosure Standards

In June 2023, the ASEAN Capital Markets Forum (ACMF) marked the launch of the inaugural IFRS Sustainability Disclosure Standards (ISSB Standards) with a Joint Conference and Technical Training with the ISSB in Singapore. ACRA joined a team of ASEAN regulators at a panel in this conference to discuss the potential of ISSB Standards in providing a global baseline to enhance the cohesiveness, comparability, credibility, and utility of sustainability-related disclosures. Panellists endorsed the ISSB's approach, emphasising the importance of phase-ins and proportionality to accommodate diverse market situations. They also emphasised the role of ISSB standards in facilitating a 'just transition' and underscored the significance of capacity building for the adoption of these standards.



ACMF-ISSB Conference and Technical Training.

Roundtable on the Inaugural International Sustainability Standards Board (ISSB) standards

Following the launch of the inaugural ISSB Standards in June 2023, ACRA, SGX RegCo and the SRAC had the opportunity to host Mr Jingdong Hua, ISSB Vice Chair, and Mr Jonathan Bravo, IFRS Foundation's Director of Regulatory Affairs EMEA and Asia at a roundtable. This engagement provided invaluable exchange on the new standards and a chance for ACRA to have a better understanding of the board's plans in enhancing the interoperability with other sustainability reporting frameworks and standards.



Roundtable with the ISSB on their inaugural standards.

MINIMISING OUR ENVIRONMENTAL FOOTPRINT

ACRA's environmental targets

ACRA, in working towards GreenGov.SG's reduction targets for electricity, water and waste:

- Reduce energy use¹ by 10% from the baseline of average FY2018-2020 levels, by 2030
- Reduce water use² by 10% from the baseline of average of FY2018-2020 levels, by 2030
- Reduce waste disposed of³ by 30% from the baseline of FY2022, by 2030

Footnotes:

¹ Represented by Energy Utilisation Index, which is energy used per unit area

² Represented by Water Efficiency Index, which is water used per person per day

³ Represented by Waste Disposal Index, which is waste disposed of per person per day

Electricity

ACRA leases our office space from the Inland Revenue Authority of Singapore (IRAS). As a tenant in the Revenue House building, our electricity has been included in our landlord, IRAS's Environmental Sustainability Disclosures for FY2023/24. Nonetheless, we are providing separate information on our electricity consumption given that is the most significant component of ACRA's overall carbon footprint as follows:

Figure 1 - Electricity consumption at International Plaza (IP) and Revenue House (RH) in megawatt hours (mWh)

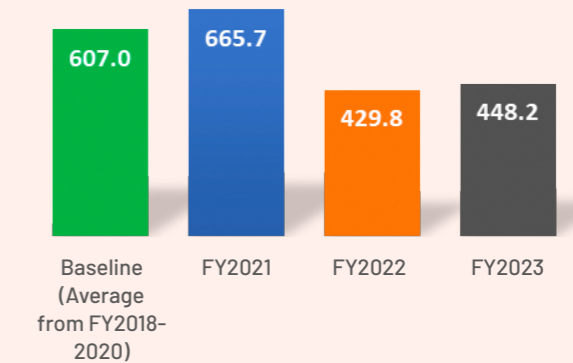
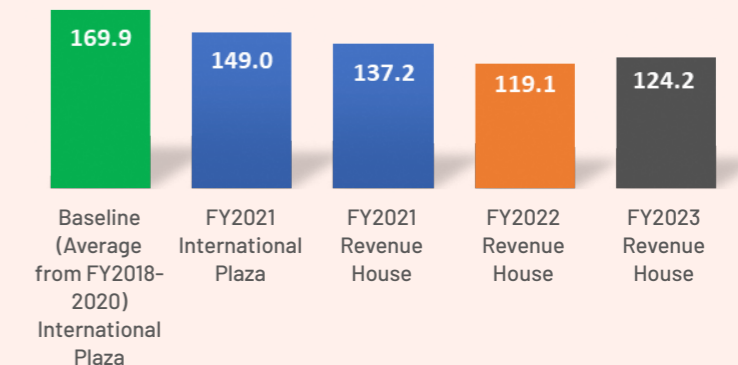


Figure 2 - Energy Utilisation Index (EUI) in kilowatt hours per gross floor area (kWh/m²)



Footnotes:

Figure 1: ACRA relocated from International Plaza (IP) and Revenue House (RH) in FY2021. We had to incur electricity costs in two office locations during the office move, hence the higher consumption in FY2021. Our electricity consumption at RH is based on direct meter readings and our estimated share of central air-conditioning of RH, as allocated to ACRA based on our tenanted floor space.

Figure 2:

- We have separated the EUI computation of IP and RH to reflect the respective electricity consumption in the two locations during the office move in 2021. The EUI in FY2021 is computed based on annualised electricity consumption i.e., extrapolated to full 12 months of electricity and divided by gross floor area of IP and RH respectively, to measure energy efficiency of each office location.
- We have included the electricity consumption data for the offices of Singapore Accountancy Commission and Accounting Standards Council in our baseline average (FY2018-2020) and subsequent years (FY2021, FY2022) for consistent comparison with FY2023 as one merged entity.

Compared to our baseline, electricity consumption in FY2023 was reduced by 26% to 448.2mWh from 607.0mWh (see Figure 1) primarily due to more energy-saving features in our new office. We have installed LED lights, motion sensors, and created separate lighting zones to enable lights to be switched off when not in use. Our hybrid work arrangement implemented since late FY2021 has also contributed to the overall reduction in energy consumption in the new office.

Compared to FY2022, our electricity consumption increased by 4% to 448.2mWh from 429.8mWh (see Figure 1), mainly due to higher energy consumption for central air-conditioning.

Compared to our baseline, our EUI in FY2023 has declined by 27% to 124.2 kWh/m² from 169.9 kWh/m² (see Figure 2).

Water and Waste

As a tenant, ACRA's water consumption and waste disposal are included under IRAS's FY2023 environmental sustainability disclosures. Due to current limitations in our data collection systems, we are unable to separately provide ACRA's standalone water consumption and waste disposal indicators for this reporting period. However, we are actively working with our landlord to implement robust measurement and tracking mechanisms for future disclosures. Nevertheless, as part of our measures to reduce water consumption, ACRA has installed motion-activated sensor taps to optimise water usage. We also continue to promote water-saving

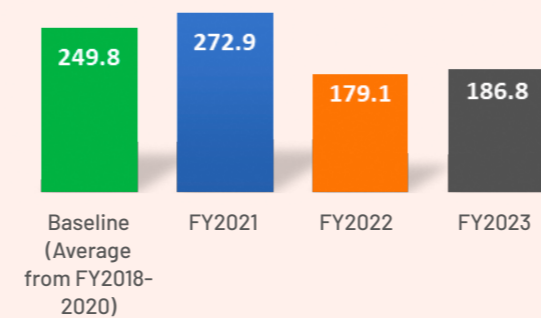
behaviours amongst staff through reminders and sharing of best practices. In addition, we have taken steps to reduce waste within our own office, such as centralising the placement of waste bins to common areas at the pantry and restrooms.

Greenhouse Gas (GHG) Emissions

Scope 1 GHG emission⁴ – ACRA does not own or control any vehicles or equipment that will result in direct emissions.

Scope 2 GHG emission – ACRA has converted our purchased electricity (in Figure 1) to carbon dioxide equivalent in tonnes (t CO₂e) based on the Grid Emission Factors published by Energy Market Authority of Singapore, available as at the date of our reporting.

Figure 3 – Scope 2 GHG Emissions based on electricity consumption at IP and RH, converted to t CO₂e



Footnotes:

⁴ Scope 1 emissions are direct greenhouse (GHG) emissions that occur from sources that are controlled or owned by an organisation (e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles)

BUILDING A SUSTAINABILITY CULTURE IN ACRA

In line with ACRA's sustainability practices, we have implemented various initiatives to reduce our carbon footprint. These include encouraging staff to bring their own containers and utensils to events to minimise single-use disposables, promoting the use of 'fit-to-gift' banknotes and clothes recycling during Chinese New Year, and organising a food donation drive in February 2024 to address food waste and raise awareness about global food insecurity and greenhouse gas emissions. From 1 April 2023, ACRA also adopted the use of e-business cards, eliminating the need for physical name cards for our officers.

Furthermore, ACRA is committed to reducing the use of papers, and will procure printing paper exclusively from a Singapore Green Labelling Scheme+ (SGLS+) accredited company, and ensure that our ICT equipment largely meets the latest ENERGY STAR standard. We have adhered to the guiding principles outlined in GreenGov.SG's Best Practice Guide for organising environmentally friendly events involving more than 50 people. As part of this commitment, we have ceased providing single use bottled or packaged water for meetings and have transitioned to offering reusable cups and drinking glasses instead. These initiatives reflect our ongoing dedication to reduce our environmental footprint and promote sustainable practices within ACRA.

GROWING OUR PEOPLE



ACRA's commitment to nurturing talent and fostering a culture of continuous learning has been instrumental in shaping our professional growth.

The D3 (Data Analytics, Digital, and Design-thinking) training programme has equipped me and my colleagues in the UX Design Team with the skillsets to develop intuitive customer interfaces. Adopting a design and data-driven approach allows us to understand our users' needs and behaviours and make design decisions that enhance user experiences across ACRA's digital platforms.



MS FIONA LEE

Senior Manager

Digital Planning and Innovation Department

Joined in 2022

Skills:

◊ UX Design

Interests:

◊ Behavioural insights

◊ Painting

ACRA is committed to investing in its people's development and well-being, and creating an environment where they can excel and contribute to ACRA's success outcomes.

DEVELOPING OUR PEOPLE

BUILDING AN ADAPTABLE AND COMMITTED OneACRA TEAM

We implemented various initiatives to support staff in their career growth. These include facilitating internal job rotations via the Internal Job Portal, creating capability-building opportunities via secondments, and implementing Our Core Competencies (OCC) to support career development. OCC is a set of core competencies that public officers need to develop, to deliver excellence and build the Public Service for tomorrow.

We established a new organisational structure, taking into account our new roles following the merger with the Singapore Accountancy Commission (SAC) and the Accounting Standards Council (ASC), and our focus on building capabilities in service and compliance. This includes the setting up of the Compliance Policy and Analytics Department to strengthen our compliance and enforcement capabilities, facilitating effective and coordinated approach on management of compliance risks, and having sharper focus on emerging or higher risk areas.

DEEPEN CORE BUSINESS COMPETENCIES

We launched our customised Data, Digital, and Design (D3) training programme for every officer to strengthen their digital skillsets and integrate these capabilities into our work processes. 100% of our officers in the Executive and Specialist schemes have achieved at least the Beginner level in all three areas, with 30% also achieving proficiency at the Champion level in at least one area. We organised the D3 Hackathon, ACRA Technology Day, and Kopi & Learn sessions to facilitate knowledge sharing and skill development.

We partnered Employment and Employability Institute (e2i) and the Amalgamated Union of Public Employees (AUPE) to conduct career coaching sessions for our staff. We also provided longer study leave and included a Part-Time Academic Programme under the Training and Sponsorship framework. These initiatives underscore our commitment to provide a conducive environment for continuous learning and skill enhancement, to ensure that our staff are equipped to excel in their roles and contribute effectively to ACRA and the Public Service.



Project Team behind ACRA Technology Day.

DELIVERING OUR BUSINESS REGISTRY AND REGULATORY SYSTEM (BR2S) RELEASE 1 (R1) THROUGH COLLABORATION AND INNOVATION

We organised a Kopi & Learn session titled “Delivering R1 through Collaboration and Innovation” on 6 September 2023. This served as a platform for our staff to learn how to navigate and use the features on the new digital Officer Workspace (OWS), a key component of BR2S Release 1. The OWS is a one-stop site for officers to retrieve business data, manage customer enquiries, monitor caseload and performance indicators.



Kopi & Learn session – Delivering R1 through Collaboration and Innovation.

FOSTERING A CULTURE OF COLLABORATION AND OPEN COMMUNICATION

At ACRA, we place strong emphasis on fostering a culture of teamwork and open communication through work and at play.

Cross-divisional project teams were formed to work on ways to improve process efficiency and service turnaround time. Representatives from different departments came together to organise various corporate events, such as OneACRA Day, ACRA Townhall and the Merger Commemoration. Our people worked as a team to achieve our organisational goals.



Staff at ACRA Townhall 2023.

MOF-FAMILY CENTRE-OF-GOVERNMENT PUBLIC SERVICE TRANSFORMATION VISIT

ACRA hosted the 4th Centre-of-Government Public Service Transformation (CoG PST) meetings for the MOF-Family on 29 August 2023 at ACRA's office. Attended by the Head of Civil Service, Mr Leo Yip, Permanent Secretary for Finance, Mrs Tan Ching Yee, and about 100 senior officers, the CoG PST Visit provided a platform for Ministry Families and CoG to discuss key PST-related issues and to share progress and achievements since the PST was launched in 2018. ACRA presented on the theme “Workplace” and gave a tour of our office to participants after the meeting.



4th CoG PST meetings at ACRA office.

STAFF WELL-BEING (SWB) COMMITTEE

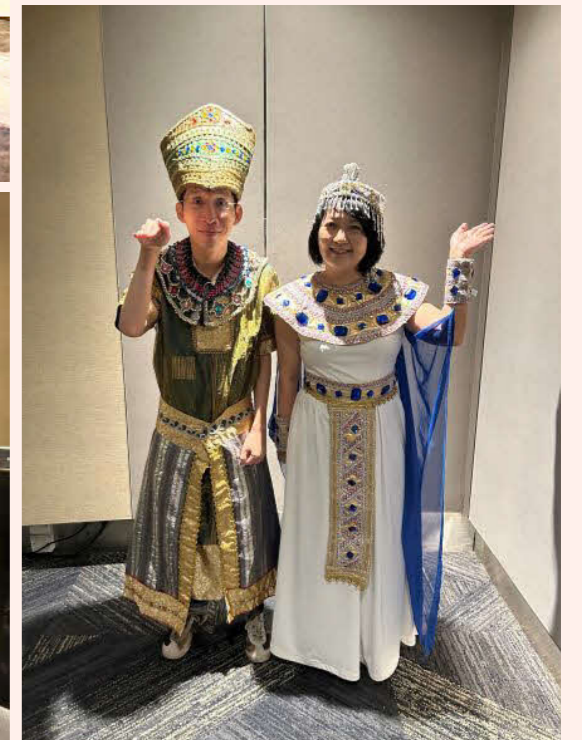
ACRA's SWB Committee 2023 organised a wide range of activities to promote staff well-being and foster a sense of belonging to ACRA. Staff had fun competing in Captain's Ball and Cheerleading at the Ministry of Finance (MOF) Active Day in September 2023, working up a sweat at the Institute of Singapore Chartered Accountants (ISCA) Run, celebrating National Day and the various festive occasions, and coming together to let our hair down at the annual Dinner and Dance (D&D).

RECOGNISING EXCELLENCE

NATIONAL DAY AWARD WINNERS

The Singapore National Day Awards are a means to recognise various forms of merits and service to Singapore. In 2023, two ACRA officers were conferred National Day honours. Their outstanding contributions and well-deserved recognition exemplify the dedication and excellence that ACRA stands for.

- The Public Administration Medal (Silver)
Ms Ang Siok Hui, Registry Services Division
- Commendation Medal
Ms Muhammad Farook Fahmita Parveen,
Enforcement Department



ACRA celebrating National Day and Hari Raya, and participating in MOF Active Day, ISCA Run, and our own annual D&D.

FINANCIAL HIGHLIGHTS FOR FY2023

(A) FINANCIAL PERFORMANCE

As at 31 March 2024

1. OPERATING INCOME

The income was \$113.2m, \$9.9m higher than FY2022. The \$9.9m increase was mainly due to the following:

- a. **Company incorporation and related fees** increased by \$2.8m from \$42.0m in FY2022 to \$44.8m mainly due to a 6% increase in number of incorporations;
- b. **The Singapore Chartered Accountant Qualification (SCAQ) & Programme & Chartered Valuer and Appraiser (CVA) Programme and Certification fees** generated \$4.9m in FY2023. These programmes were administered by the former SAC; and
- c. **Other income** increased by \$2.0m mainly due to the increase in interest income from the higher effective interest rate of 3.46% in FY2023 from our funds placed under the Centralised Liquidity Management (CLM) framework.

2. OPERATING EXPENDITURE

The expenditure was \$94.9m, \$10.6m higher than FY2022. \$5.9m or 56% of the increase is attributed to direct costs associated with the two accountancy-related functions that came with the merger. The increase in expenditure was mainly attributable to:

- a. **Staff costs**, increased by \$5.2m mainly due to the addition of headcounts, arising from the merger with the SAC and ASC;
- b. **Services**, increased by \$2.1m largely due to the increase in IT manpower costs to support the development of the mission-critical Business Registry and Regulatory System (BR2S), and the cost associated to SAC and ASC's functions;
- c. **Depreciation and amortisation** increased by \$1.0m mainly due to the full-year depreciation impact of the Enterprise Data Backup Solution (\$0.8m) which was implemented in February 2023; and
- d. **Other operating expenditure (OOE)** increased by \$2.3m primarily due to higher unclaimable GST input tax with the increase in expenditure and GST rate. There were also increases in BizFile+ system maintenance cost, and overseas travel expenses due to the resumption in international meetings post Covid-19.

FINANCIAL HIGHLIGHTS FOR FY2023

(A) FINANCIAL PERFORMANCE

As at 31 March 2024

3. NET SURPLUS

Table 1 shows the operating and net surplus for FY2023 and FY2022:

Table 1: Income and Expenditure Summary		
Item	FY2023	FY2022
Operating Income	113.2	103.3
Expenditure	94.9	84.3
Surplus Before Government Grants	18.3	19.0
Government Grants ¹	8.7	2.8
Surplus before Contribution to Government Consolidated Fund	27.0	21.8
Less: Contribution to Government Consolidated Fund (i.e. 17% of operating surplus)	4.6	3.7
Net Surplus	22.4	18.1

¹ With the merger on 1 April 2023, the Ministry of Finance (MOF) provided ACRA a total operating grant of \$7.0m for FY2023 as funding for the development of the accountancy sector and standards-setting functions. This is partially offset by a decrease of \$1.1m in funding received from PMO for the Unique Entity Number System.

FINANCIAL HIGHLIGHTS FOR FY2023

(B) FINANCIAL POSITION

As at 31 March 2024

4. ASSETS

ACRA's total assets amounted to \$304.7m, \$28.3m higher than FY2022. The main changes in total assets are outlined below:

- a. **Fixed and intangible assets** increased by \$34.0m largely due to the ongoing development of the BR2S system;
- b. **Other current assets** increased by \$2.6m mainly due to higher trade receivables in line with the higher operating receipts, prepayments of software licenses and rental at Revenue House; and
- c. **Cash and cash equivalents**, whose reduction by \$8.3m was mostly due to payments made for the development of BR2S. This was partially offset by the cash generated from operating activities.

5. LIABILITIES

ACRA's total liabilities increased \$1.3m to \$49.4m in FY2023. The main changes in total liabilities are outlined below:

- a. **Trade and other payables** increased by \$3.3m mainly due to the higher capital expenditure related to BR2S and hosting charges;
- b. **Contribution to Government Consolidated Fund** increased by \$0.9m due to an increase in surplus for the financial year
- c. **Lease liabilities** reduced by \$2.5m due to the lease payments for ACRA's office premises at Revenue House during the year.

FINANCIAL HIGHLIGHTS FOR FY2023

(B) FINANCIAL POSITION

As at 31 March 2024

Table 2: Balance Sheet Summary		
Item	31 March 2024	31 March 2023
Share Capital	8.6	8.6
Other Reserves	4.6	-
Accumulated Surplus	242.1	219.7
Capital and reserves	255.3	228.3
Non-Current Assets	92.1	58.1
Current Assets	212.6	218.3
Total Assets	304.7	276.4
Current Liabilities	33.5	29.3
Non-Current Liabilities	15.9	18.8
Total Liabilities	49.4	48.1
Net Assets (i.e. Total Assets less Total Liabilities)	255.3	228.3

FINANCIAL HIGHLIGHTS FOR FY2023

(B) FINANCIAL POSITION

As at 31 March 2024

6. CASH FLOWS

For the year ended 31 March 2024, ACRA's net cash decreased by \$8.3m. See Table 3 for details.

Table 3: Summary of Statement of Cash Flows	FY2023	FY2022
(i) Cash and cash equivalents at beginning of year	211.4	212.2
(ii) Net cash from operating activities	16.3	30.5
(iii) Net cash used in investing activities	(27.2)	(19.4)
(iv) Net cash used in financing activities	2.6	(11.9)
Cash and cash equivalents as at year end i.e. (i) + (ii) + (iii) + (iv)	203.1	211.4
Net (decrease)/increase in cash and cash equivalents	(8.3)	(0.8)

7. AUDITOR'S OPINION

ACRA has confirmed that the external or independent auditor has given an opinion that the Financial Statements and/or Other Legal and Regulatory Requirements are properly drawn up in accordance with the Public Sector Governance Act and the Statutory Board's Act. ACRA has also confirmed that the audit reports are signed by the relevant Auditors engaged for the audit.