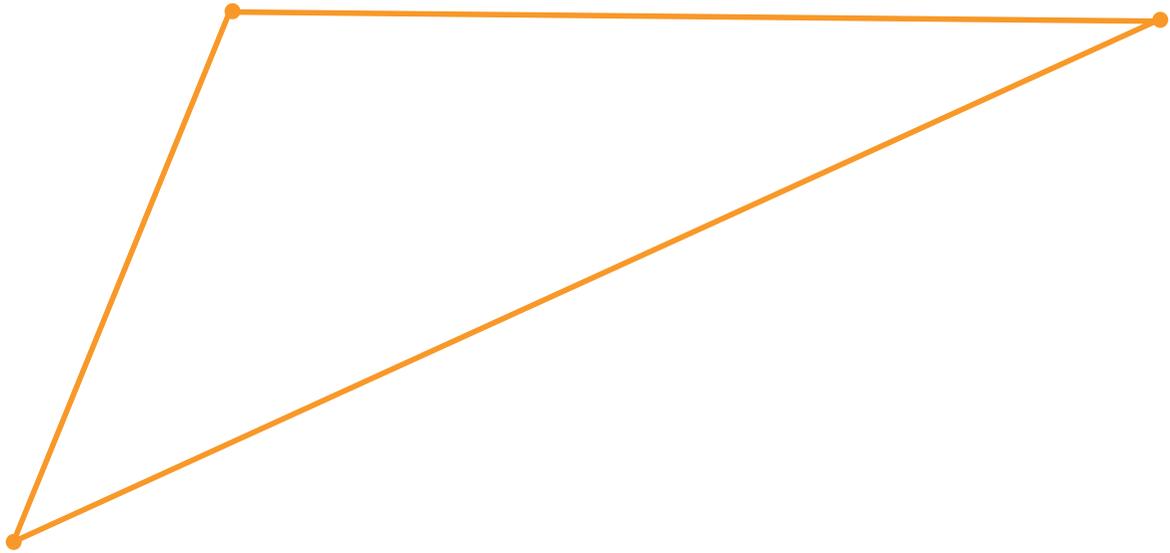# ACRA

Accounting And Corporate Regulatory Authority

BREAKING NEW GROUND

ANNUAL REPORT 2012/2013

REALISING POTENTIAL

CREATING POSSIBILITIES

TRANSFORMING PERFORMANCE

BREAKING NEW GROUND

In an increasingly complex and dynamic business landscape, ACRA ensures our regulatory regime remains progressive, effective and efficient. This upholds investors' confidence in Singapore as a trusted business hub. This year, ACRA enters a new phase with several key initiatives that will increase transparency and accountability in the marketplace. In this annual report, we highlight these initiatives, the people behind them and the spirit of innovation that drives our people.

CONTENTS

OUR VISION

Singapore:
The trusted and
best place for business

OUR MISSION

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

OUR CORPORATE VALUES

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

- Integrity – we are honest,
  upright and impartial in
  everything we do as individuals
  and as an organisation

- Alert & Agile – we are vigilant
  and responsive to the needs
  of our stakeholders

- Collaborative – we work with
  our stakeholders to achieve
  common goals

- Respect – we value and respect
  our stakeholders

- Add Value – we make a positive
  difference for our stakeholders

CHAIRMAN'S MESSAGE

ACRA turns 10 next year. A decade is a key milestone for any organisation. While ACRA may be young relative to other Government agencies, ten years is a long time in the business world in which we operate.

As we approach 2014, it is timely to take stock of how we are fulfilling our vision of making Singapore the trusted and best place for business.

Safeguarding Singapore's Business Brand Name

Singapore's reputation as a trusted business hub remains the cornerstone of the Singapore growth story. This reputation is key to our staying globally relevant and competitive.

A robust regulatory framework is crucial to earn and maintain trust. Investors and shareholders will only have confidence when the business environment is transparent with high standards of corporate governance, and with strong regulatory frameworks in place.

Equally important is ensuring that the regulatory regime remains relevant and responsive to business needs. In 2012, for the seventh year running, Singapore was once again ranked the easiest place in the world to do business in the World Bank Doing Business Report. It is an accolade that the Singapore government does not take lightly.

Ensuring that our corporate regulatory environment remains competitive and robust requires continuous hard work. ACRA constantly reviews existing business legislation. In the past year, a key milestone was reached when the Ministry of Finance and ACRA completed a joint review of the Companies Act that first began in 2007. Work now continues on the draft Companies (Amendment) Bill 2013 which is slated for tabling at Parliament by early next year. Concurrently, review work on related business legislations such as the ACRA Act and the Business Registration Act continues to make steady progress and will come to fruition in the following year.

A robust auditor oversight regime is also essential in providing quality assurance to the market on the reliability and integrity of financial information of companies operating here. In this regard, ACRA's Practice Monitoring Programme continues to play a crucial role in identifying risks to audit quality. It also ensures that we maintain a high standard of professionalism in the public accounting community. We are also making progress on our two-pronged strategy of maintaining a strong enforcement regime while encouraging a culture of voluntary corporate compliance. The past year has seen ACRA develop new initiatives aimed at training and equipping company directors to raise their competency in basic corporate compliance.

These efforts have not gone unnoticed. In the 2012 Corporate Governance Watch report jointly compiled by the Asian Corporate Governance Association and CLSA Asia-Pacific Markets, Singapore was ranked first for audit regulation. This is an accolade we will strive to maintain.

Facilitating Business Growth

The past year has seen ACRA making good progress on a number of key projects to sustain a dynamic and conducive working environment for enterprises.

Our revamping of the ACRA one-stop business services portal, BizFile, is well on track. Our various stakeholders have given their feedback: the portal will sport an enhanced customer-oriented user interface and offer even more value added e-services.

When completed in 2014, BizFile will further enhance our reputation as one of the world's easiest places to do business.

ACRA has also stepped up efforts to make high-quality business data even more accessible to the business community. Work on ACRA's new business financial information portal, BizFin^x, will conclude in December this year. Companies filing their financial statements in XBRL (eXtensible Business Reporting Language) through BizFin^x will be able to tap on XBRL-enabled business data and analysis services to glean key business insights that are useful to them.

Making Our Mark Internationally

We remain active internationally. ACRA represents Singapore's interests in dialogues on key regulatory developments and we contribute actively to international discussions on business and auditing regulatory reforms. Earlier this year, ACRA was elected to the Advisory Council of the International Forum of Independent Audit Regulators for a four-year term. We have also been re-elected to the Executive Committee of the Corporate Registers Forum for another term (2013-2014).

Developing a Trusted Accountancy Sector

ACRA also continues to work with key stakeholders in uplifting the accounting profession and in transforming Singapore into a leading global accountancy hub in the region. Earlier this year, a new milestone was reached with the formation of the Singapore Accountancy Commission. The former Institute of Certified Public Accountants of Singapore (ICPAS) was also renamed as the Institute of Singapore Chartered Accountants (ISCA) to reflect its new role in administering and conferring the Chartered Accountant of Singapore designation. ACRA, ISCA and SAC will work closely together to ensure that accountancy professionals in Singapore continue to hold themselves to the highest standards of professional competence, expertise and ethics.

In Appreciation

I would also like to take this opportunity to express our gratitude to ACRA's first Chief Executive, Ms Juthika Ramanathan, who served in that capacity from April 2004

to January 2013, and earlier as Registrar of Companies and Business from August 1998. Under her stewardship, ACRA has established a strong regulatory framework and attained high international standing as an authoritative and influential business reporting and auditing regulator. We remain firmly in her debt.

I also warmly welcome Kenneth Yap, the new Chief Executive of ACRA. His strong policy review and legislative reform background will stand him in good stead as ACRA continues to strengthen Singapore's corporate regulatory framework.

My warmest appreciation also goes to the former Chairman of the Public Accountants Oversight Committee, Mr Thean Lip Ping, and board members, Dr Andrew Khoo and Ms Kristin Elizabeth Paulson, who have retired from service this year. Their contributions to ACRA have been invaluable. In addition, I warmly welcome ACRA's new board members: Professor Tan Cheng Han (who also chairs the Public Accountants Oversight Committee), Mr Lee Chuan Teck and Mr Ho Meng Kit.

Let me also express my gratitude to ACRA's key stakeholders and partners in the business and accounting communities for their continued support.

The Next Decade

As ACRA embarks on its second decade of existence, we will continue to ramp up on all fronts to safeguard Singapore's hard-earned reputation as a trusted business hub. We do so fully cognisant that our operating environment continues to change rapidly and grow in complexity. Business cycles are getting shorter and more volatile. Technological innovation has further accelerated these changes.

I am however confident that ACRA is ready to take on any challenges that come our way. At the core of ACRA's strength are its people. We have a good team of officers who are both dedicated and engaged. Resilient and adaptive, they will stay vigilant and be ready to address future challenges even as they focus on making Singapore the best and trusted place for business.

Ms Lim Soo Hoon
Chairman

“ Singapore's reputation as a trusted business hub remains the cornerstone of the Singapore growth story. This reputation is key to our staying globally relevant and competitive. ”

“ As ACRA embarks on its second decade of existence, we will continue to ramp up on all fronts to safeguard Singapore's hard-earned reputation as a trusted business hub. ”

CHIEF EXECUTIVE'S MESSAGE

The financial year 2012 has been a hectic year with a frenetic pace of activity for ACRA. We have reviewed key policies, capabilities and services, in a bid to deliver a progressive yet robust regulatory regime to facilitate business enterprise in Singapore.

Back to Basics

We have remained very much focused on our fundamentals – providing a transparent and trusted business environment, safeguarded by a public audit process that is rigorous and impartial – which provides assurance to investors and shareholders alike.

As a regulator, our key role is to level the playing field by ensuring that all parties adhere to the ethical and legal standards necessary for the smooth functioning of commerce.

Corporate compliance has been bolstered by a strong enforcement regime. To this end, ACRA has enforced some 15,000 cases of non-compliance with obligations under the Companies Act in the past year. But we also recognise that compliance depends

greatly on competency levels – and so a compliance programme was launched in 2012 to raise the competency levels of company directors, with more than 200 directors having participated in the pilot run. It is heartening to note that education has had a strong positive impact on compliance, with close to 80% of the cohort having gone on to rectify their defaults. This programme could not have been achieved without the erstwhile support of our partners, namely the Institute of Singapore Chartered Accountants (ISCA), the Singapore Association of the Institute of Chartered Secretaries and Administrators (SAICSA) and the Singapore Institute of Directors (SID). We will continue to rely on their strong support to step up our promotional and educational efforts.

Separately, the quality of audits performed by public accountants has been maintained by the pressure kept up through our practice monitoring and disciplinary processes. With ACRA's Practice Monitoring Programme now into its third cycle, there have been noticeable improvements. Many firms that audit listed entities have established stronger audit quality controls. In 2012, ACRA also issued a new series of Audit Practice Bulletins (APB) to guide audit firms on instituting firm-wide quality controls that will ensure consistency in audit quality. The 2011 Financial Reporting Surveillance Programme has reviewed the financial statements of some 140 listed companies for compliance with the Singapore Financial Reporting Standards (SFRS) and we have, where needed, taken regulatory action against non-compliance.

66 ACRA must be future-ready with officers who are forward-thinking, open to change and who recognise that the future is now. 99

Keeping It Real

A public agency cannot effectively regulate without support from the general public and its stakeholders.

This year, ACRA expanded its outreach through our public education programme, ACRA@The Heartlands, a collaborative effort with the Central Provident Fund Board, Housing & Development Board, Inland Revenue Authority of Singapore and SPRING Singapore. Since June 2012, more than 1,000 members of the public have attended ACRA-organised, multi-agency talks that provide new and aspiring entrepreneurs with the basic essentials for starting and running a business in Singapore.

To deepen and broaden our engagement with stakeholders, we launched our first newsletter, the ACRAConnect, in late 2012. Targeted at professional stakeholders, this half yearly e-newsletter provides insights into key policies, legislative changes and a dedicated section that shares best practices, precedent cases and case studies.

On the public accountancy front, ACRA's annual Public Accountants Conference has evolved over the years and today is a key event that brings public accounting practitioners together. Through their research contributions and deep knowledge of the industry, our professional partners have helped to enrich these discussions and elevate them to a whole new level.

These initiatives are only the tip of the iceberg. In the coming months and years, we will step up our engagement and work hand-in-hand with our stakeholders and the wider public as we strengthen the financial reporting eco-system and further raise the quality of financial reporting and auditing in Singapore.

In Appreciation

I would like to take this opportunity to express my appreciation to the management and staff for their passion and dedicated service which have made our achievements possible in the past year, and to our Board for its unwavering support and invaluable insights.

I would also like to reserve a special word of thanks too to my predecessor, Juthika Ramanathan, for her sterling and steady leadership since the formation of ACRA, and for laying the foundation and building

66 As we look to the future, ACRA will, first and foremost, focus on tapping on new technology to "future proof" the delivery of services to the public. **99**

up the organisation to the heights at which it stands today. Her legacy is one that we will continue to build on to ensure that we have the best regulatory framework for businesses in Singapore.

Looking Towards the Future

As we look to the future, ACRA will, first and foremost, focus on tapping on new technology to "future proof" the delivery of services to the public. As businesses go mobile, and the desktop yields to the tablet and smartphone, we must re-invent our interfaces to not just keep pace with change but to exploit the opportunities it presents. BizFile, our online filing and information retrieval system will soon go mobile in the coming year. Over time, our training for company directors and other outreach efforts will be conducted virtually, allowing for greater convenience and cost savings.

Second, ACRA must be future-ready with officers who are forward-thinking, open to change and who recognise that the future is now. Continual training and learning is being built into a new competency framework, a work attachment programme is being integrated into the ACRA training regime, and talent attraction and development is being reviewed. In time, these efforts will position ACRA at the forefront of a robust, nimble and progressive regulatory regime that supports growth and development, and remains relevant well into the 21st century.

Mr Kenneth Yap
Chief Executive

ABOUT ACRA

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

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

ACRA's Functions

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

- To administer the Accounting and Corporate Regulatory Authority Act
  (Cap 2A), the Accountants Act (Cap 2), the Business Registration Act
  (Cap 32), the Companies Act (Cap 50), the Limited Liability Partnerships Act
  (Cap 163A) and the Limited Partnerships Act 2008 (Act 37 of 2008);

- To report and make recommendations to, and advise the Government on
  matters relating to the registration and regulation of business entities and
  public accountants;

- To establish and administer a repository of documents and information
  relating to business entities and public accountants and to provide access
  to the public to such documents and information;

- To represent the Government internationally in matters relating to the
  registration and regulation of business entities and public accountants;

- To promote public awareness about new business structures, compliance
  requirements, corporate governance practice and any matter under the
  purview of the Authority; and

- To promote, facilitate and assist in the development of the accountancy sector,
  including studying, reporting, making recommendations to and advising the
  Government on all matters relating to the development and promotion of the
  accountancy sector.

BOARD

Ms Lim Soo Hoon (Chairman)

Mr Kenneth Yap (Chief Executive)

Mr Sajjad Akhtar

Ms Chua Geok Wah

Mr Ho Meng Kit

Prof Ho Yew Kee

Mr Lawrence Kwan

Mr Lee Chuan Teck

Mr Lee Kim Shin

Mr Alan Rupert Nisbet

Mr Ong Wee Kiat Philip

Mr Ong Yew Huat

Prof Tan Cheng Han

Mr Yap Chee Keong

Mr Yeoh Oon Jin

COMMITTEES

Public Accountants Oversight Committee

Chairman:
Professor Tan Cheng Han

Vice-chairman:
Ms Chua Geok Wah

Members:
Mr Sajjad Akhtar
Mr Alan Rupert Nisbet
Mr Ong Yew Huat
Mr Yap Chee Keong
Mr Yeoh Oon Jin

Human Resource and Finance Committee

Chairman:
Ms Lim Soo Hoon

Members:
Mr Ho Meng Kit
Mr Lee Kim Shin
Mr Alan Rupert Nisbet
Mr Kenneth Yap

Audit Committee

Chairman:
Mr Ong Yew Huat

Members:
Professor Ho Yew Kee
Mr Lawrence Kwan
Mr Lee Chuan Teck
Mr Ong Wee Kiat Philip
Mr Yap Chee Keong

BOARD MEMBERS

MS LIM SOO HOON
Chairman

MR KENNETH YAP
Chief Executive

MR SAJJAD AKHTAR

MS CHUA GEOK WAH

MR HO MENG KIT

PROF HO YEW KEE

MR LAWRENCE KWAN

MR LEE CHUAN TECK

MR LEE KIM SHIN

MR ALAN RUPERT NISBET

MR ONG WEE KIAT PHILIP

MR ONG YEW HUAT

PROF TAN CHENG HAN

MR YAP CHEE KEONG

MR YEOH OON JIN

MANAGEMENT

KENNETH YAP
Chief Executive

JULIA TAY
Assistant Chief Executive,
Accountancy

TOH WEE SAN
Assistant Chief Executive, Legal and
Regulatory Compliance

BERNICE QUEK
Senior Director, Business Information
and Technology Department

TAY BEE SIN
Director, Corporate Services
Department

ANDY SIM
Director, Legal Services Department

KOH CHIN BENG
Director, Public Accountancy Sector
Department

HO SHEE YAN
Head, Audit Division

K LATHA
Head, Business Registry
and Facilitation Division

TAN TZE EE
Head, Client Engagement Division

ANG SIOK HUI
Head, Corporate Communications
Division

WILLIAM LEE
Head, Enforcement Division

YONG SENG MENG
Head, eServices Division

DAVE LAU
Head, Finance Division

SIA SU CHUN
Head, Financial Information Division

MANAGEMENT

TAN WEI LING
Head, Financial Reporting
Surveillance Division

TAN SEOW PIA
Head, Governance Surveillance
Division

LOY WEI SUN
Head, Information Resource
Division

ELAN ARUNASALAM
Head, Information Technology
Strategy Division

WEE PUAY HWA
Head, Management Services
Division

QUEK SIEW ENG
Acting Head, Practice Monitoring
Division

SHERRY QUARK
Head, Professional Oversight
Division

DAVID TURNER
Head, Strategy and External
Relations Division

OUR DEPARTMENTS AND DIVISIONS

BUSINESS INFORMATION AND TECHNOLOGY DEPARTMENT

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

eServices Division

eServices Division (eServices) ensures proper project governance and consistency in end-to-end system testing for ACRA. The division brings together the IT project managers and the respective user divisions in ACRA to ensure that new requirements do not conflict with existing information. It performs quality checks on IT systems before user acceptance. eServices also scans new developments in the market that may be useful as a service delivery channel for ACRA. From year 2012 to year 2014, its focus will be on the development and deployment of the revamped BizFile that is yet another endeavour by ACRA to deliver quality services.

Financial Information Division

The Financial Information Division (FID) handles the submission of eXtensible Business Reporting Language (XBRL) financial statements by companies to the Registrar through the BizFin^x system. This includes establishing the taxonomy vis-a-vis the accounting standards, as well as the filing process and mechanism of XBRL financial statements.

Information Resource Division

The Information Resource Division (IRD) is responsible for the preservation and integrity of data on all registered business entities and public accountants in Singapore. The division periodically reviews the needs of ACRA's stakeholders - which include the business community, service providers and other private and public sector agencies. IRD also helps to facilitate their need for information by introducing information products and value-added services. The division also conducts research and analysis of ACRA's business data and stakeholder feedback so as to fine-tune ACRA's policy-making and institutional frameworks.

Information Technology Strategy Division

The Information Technology Strategy Division (ITSD) strategises and actualises value-creating ICT solutions in alignment with ACRA's corporate and operational objectives. ITSD's key responsibilities include ICT governance, application systems and technical services management and maintenance. It capitalises on IT as a strategic tool for continuous improvement and agency's overall business transformation.

CORPORATE SERVICES DEPARTMENT

The Corporate Services Department (CSD) oversees the Human Resource Division, Management Services Division and matters on organisational excellence. It sets the strategic direction and alignment of divisions' objectives with ACRA's goals, and creates partnerships with line divisions to enable internal operational efficiency and attainment of common goals. It also facilitates organisational change and supports ACRA in creating a culture of excellence.

OUR DEPARTMENTS AND DIVISIONS

CORPORATE SERVICES DEPARTMENT (CONT'D)

Human Resource Division

The Human Resource Division (HRD) works towards building ACRA's reputation as the trusted and best choice for talents. Its mission is to provide an environment that fosters trust and respect, where people are empowered to create value and grow their careers. HRD comprises two units – Talent Attraction & Development (TAD) and Talent Management (TM). The core functions of TAD include manpower planning, recruitment and selection, and training and development. The focus of TM is to facilitate talent retention through performance management, compensation and benefits management, and staff communications.

Management Services Division

The Management Services Division (MSD) provides architecture support to the organisation, manages ACRA's records, tangible assets and facilities, thereby creating favourable situations for ACRA to execute its activities and attain strategic outcomes. MSD comprises three units, namely the Records & Registry Unit (RR), Procurement & Facilities Unit (PF) and Assets & Admin Unit (AA). The core function of RR is to provide timely and accurate services for processing and managing records. As for PF, it provides general logistical support to the other divisions in the areas of facilities and amenities management, procurement management, asset management as well as security management. The AA takes care of assets management to ensure that ACRA's assets are accounted for.

LEGAL SERVICES DEPARTMENT

The Legal Services Department (LSD) provides legal support to ACRA on a broad range of legal and policy work. LSD advises the ACRA Board, Public Accountants Oversight Committee, ACRA departments and divisions on the interpretation and application of the legislation that are under ACRA's purview, drafts and vets contracts and tender documents, advises on financial surveillance and enforcement issues for breaches of the ACRA-administered legislation. LSD officers also undertake policy review, law reform projects and perform statutory functions under the various ACRA legislation.

PUBLIC ACCOUNTANCY SECTOR DEPARTMENT

The Public Accountancy Sector Department (PASD) regulates and facilitates the development of Singapore's public accountancy sector. It is made up of the Practice Monitoring Division (PMD), the Professional Oversight Division (POD), and the Strategy and External Relations Division (SERD). It supports ACRA's role as the national regulator of public accountants and promotes high professional standards in the public accountancy sector. Its key responsibilities include registration of public accountants and public accounting entities; performing practice reviews of audits carried out by public accountants; upholding professional conduct of public accountants; developing strategy, regulations and policy to support ACRA's oversight of the public accountancy profession, as well as external engagement with other audit regulators.

Practice Monitoring Division

The Practice Monitoring Division (PMD) supports ACRA in its strategic objective of promoting high quality audit and corporate financial reporting through the administration of the Practice Monitoring Programme under Part V of the Accountants Act, Cap. 2, which includes performing practice reviews of audits carried out by public accountants in Singapore. In addition to being active in engagement with various stakeholders, PMD supports ACRA's regulatory efforts in monitoring events and trends in the local and international marketplace and carries out other regulatory activities on the work and independence of public accountants when required.

PUBLIC ACCOUNTANCY SECTOR DEPARTMENT (CONT'D)

Professional Oversight Division

The Professional Oversight Division (POD) oversees the registration of public accountants and accounting entities as well as key aspects of regulation, enforcement and development of the profession. Its functions include conducting compliance checks on public accountants to ensure adherence to regulatory requirements, reviewing complaints made against public accountants and accounting entities, developing practice bulletins for the guidance of public accountants and to supplement prescribed professional standards.

Strategy and External Relations Division

The Strategy and External Relations Division (SERD) helps ACRA to have good regulations for its auditor oversight and to cooperate with stakeholders who share ACRA's goal of raising audit quality and maintaining a trusted business environment. This involves developing strategy, regulations and policy, including research and consulting with stakeholders on proposals. To promote messages like the importance of high quality audit and to call people to action, SERD has dialogues and publishes articles, speeches and joint research projects. The division also helps ACRA cooperate with other audit regulators. SERD also supports the Public Accountants Oversight Committee which administers the Accountants Act.

Financial Reporting Surveillance Division

The Financial Reporting Surveillance Division (FRSD) oversees general compliance in corporate financial reporting, with the goal to achieve high quality corporate financial reporting in Singapore while establishing an effective regulatory environment that enables optimal compliance of the accounting standards. FRSD seeks to achieve this strategic goal via its administration of the Companies Act's applications and its Financial Reporting Surveillance Programme, whereby selected financial statements filed with ACRA are reviewed for potential non-compliances with applicable accounting standards. FRSD also performs regular reviews of policies and exemptions granted to companies with the aim of achieving a good balance between compliance and the need to be pro-business.

Audit Division

The Audit Division (AD) reports to the Audit and Risk Management Committee (ARMC) and assists the ACRA Board by performing independent and objective audit reviews of the internal control system of ACRA. The key roles of the division include providing the the advisory and assurance that risks of ACRA have been properly identified and managed through internal audit services. The division reviews the process and proposes relevant recommendations to improve internal control mechanisms that would add value to the organisation's operations. This aids ACRA in realising its full competencies in most efficient and effective ways.

Business Registry and Facilitation Division

The Business Registry and Facilitation Division (BRFD) plays an important role in facilitating the starting and doing of businesses in Singapore. The division oversees the registration of business entities, i.e. sole proprietorships/partnerships, local companies, foreign branches, limited partnerships and limited liability partnerships in Singapore. BRFD also manages the registration of documents, notices and returns filed by business entities through its electronic filing system, BizFile. To facilitate the ease of doing business, BRFD conducts benchmarking studies and reviews existing policies and procedures, engages our key stakeholders and develops new initiatives to make it easier to start and do business in Singapore. The division also participates regularly in outreach events organised by ACRA and other agencies. These events serve as platforms for public education for the business community and aspiring entrepreneurs.

OUR DEPARTMENTS AND DIVISIONS

Client Engagement Division

The Client Engagement Division (CED) manages ACRA's customer touch-points, including phone calls, e-mails, correspondences and walk-in customers. With the changing environment and customer expectations, CED continuously gathers feedback and introduces new initiatives to enhance the quality of service and deliver a positive experience to our customers and stakeholders. CED also manages the ISO 9001:2008 certification for ACRA. The division maintains the Quality Management System (QMS), plans and conducts the yearly internal and external audits, reviews and enhances existing processes, and promotes quality awareness to ensure compliance with the ISO standards.

Corporate Communications Division

The Corporate Communications Division (CCD) develops and executes communications strategies and plans to promote ACRA's corporate profile and promulgate ACRA's key messages. CCD also coordinates ACRA's stakeholder engagement and public outreach efforts through various platforms to foster better understanding of the corporate regulatory framework and requirements, engender support for ACRA's role as the national regulator for businesses and public accountants, and promote high quality auditing and financial reporting.

Enforcement Division

The Enforcement Division (ED) oversees compliance in the disclosure of corporate and financial information of businesses and aims to achieve voluntary compliance through public education initiatives and programmes. In furtherance of ACRA's goal to provide an effective regulatory environment that enables optimal compliance, ED will not hesitate to take swift and just enforcement action, where necessary. The core functions of ED include managing cases identified for prosecution – including warrant cases – and administering these cases for mention in Courts or for execution. ED also undertakes focused and targeted enforcement based on strategic plans and directions endorsed by ACRA, such as the active enforcement of non-filing of annual returns / declarations by businesses. In addition, ED considers applications and legal representations made by the various and individuals that ACRA regulates and undertakes strategic studies and reviews on enforcement and develops appropriate policies and initiatives for implementation.

Finance Division

The Finance Division (FD) takes charge of all aspects of ACRA's budgetary decisions, accounting processes and financial reporting. Exercising financial prudence, FD ensures optimal allocation of monetary resources to meet ACRA's operational needs and organisational objectives. FD collaborates with the other divisions in areas of fee review, processing of refund applications and is responsible for the Deposit Service Account which facilitates regular transactions lodged by the professional firms. FD is also responsible for the four funds established under the Statutory Board Approved Funds Scheme. Set aside from the Authority's accumulated surplus, the funds aim to develop the business community through various initiatives and projects.

Governance Surveillance Division

The Governance Surveillance Division (GSD) oversees compliance and governance matters of registered business entities and investigates into alleged breaches of the various laws under ACRA's purview, so as to achieve a responsive and trusted regulatory environment. The officers handle all forms of complaints including governance-related matters and breaches under the legislation administered by ACRA and works closely with other government agencies to ensure that appropriate enforcement steps are taken against the offenders.

REALISING POTENTIAL

Getting the best out
of our diverse talents
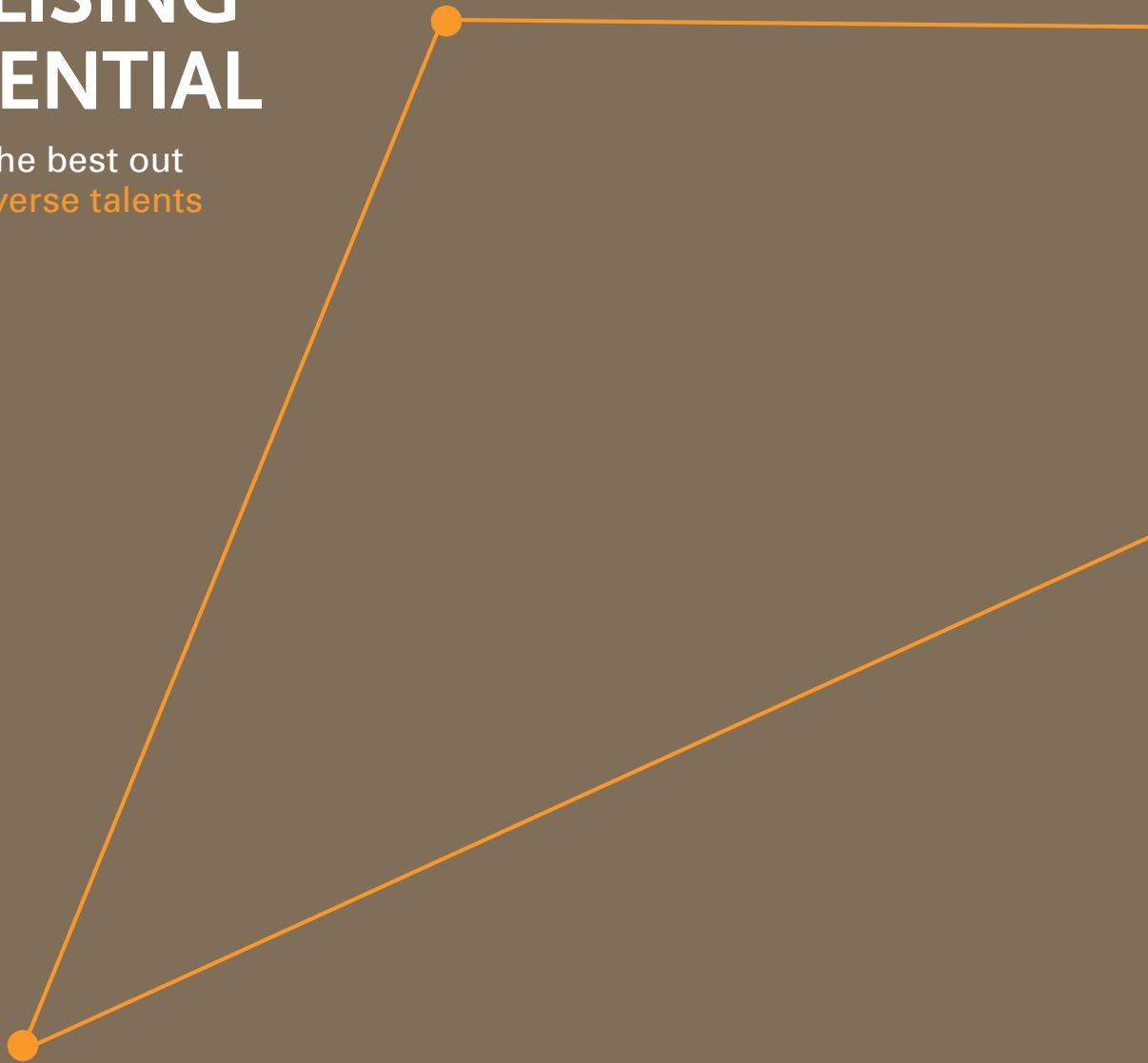
ACRA'S SERVICE STAR

The face of an organisation is that of the person at the frontline. For 17 years, Ms Rusiah Yusof's sunshine smile and unwavering commitment to service has shown customers that ACRA is an organisation that cares. What keeps her going is her personal motto of "serving with a heart and a smile."

By going all out to help them, the customer service officer has received more than 80 unsolicited compliment letters from happy customers last year – one said, "I came in a bad mood but she got me smiling."

Rusiah handles a broad range of enquiries ranging from business registration to statutory compliance. She impresses customers with her ability to address their concerns, even for highly complex issues. In fact, to help all frontline staff deliver such top-notch service in all kinds of situations, the Client Engagement Division (CED) introduced twice-yearly assessments in January. They include questions that test officers' abilities to react to different scenarios.

ACRA's continual investment in customer service training has resulted in a bumper crop of 24 officers who won the national level Excellent Service Award (EXSA) for FY 11/12. Rusiah was again honoured for her stellar efforts with an EXSA for the third year running. She also received the PS21 Star Service Award for the second year consecutively.

Russiah shares, "As a frontline staff of ACRA, I represent ACRA and it is my duty to uphold the I-ACRA values (Integrity, Alert & Agile, Collaborative, Respect, Add Value) in my daily work. It makes me glad to be able to help customers resolve their queries and put a smile on their faces. The kind words from our customers are always a source of encouragement for me."

Thanks to dedicated frontline officers like Rusiah, ACRA was selected as one of the top 25 service organisations for the Singapore Service Excellence Medallion last year. ➤

COUNTERS
< 1 / 2 / 3

COUNTERS
4 / 5 / 6 >

ACRA

BIZFILE
KIOSK
8

BIZFILE
KIOSK
9

GOING FAR AT ACRA

For the first six years of his career, Wong Kee Wei worked as an accountant in the private sector. In 2010, he joined ACRA as he wanted to work in a family-friendly environment. Although he had to moderate his expectations on the pay front, he has found greater satisfaction in a challenging job which has stretched his potential and world view.

"In the past, I'd look at things from the perspective of a single company. At ACRA, I have to broaden my perspective, to look at the entire accountancy sector. I see the ramifications of every policy made on the ground," said Kee Wei, who is also a proud father of two baby girls.

As a lead inspector in ACRA's Practice Monitoring Division (PMD), the bulk of his time is spent on reviewing audits done by public accountants in Singapore in order to ensure that the audits are up to standard. But his work still brings him overseas, giving him "the chance to look beyond Singapore's borders to the region and the rest of the world." About once a year, he accompanies his boss to international conferences in cities such as Frankfurt and London, to share Singapore's perspective on issues like audit quality.

Kee Wei, who was recently promoted, says he has been given many opportunities to grow in his career. A high point in his four-year career at ACRA was when he organised the inaugural meeting of auditors from ASEAN, in the ASEAN Audit Regulators Workshop in January 2012. Nearly 30 representatives from eight countries attended the workshop, during which best practices were shared. Kee Wei gave a talk on Singapore's inspection processes.

"Audit regulation is still in its infant stages in the region. As Singapore is one of the more established countries, we had much to share," he said. "It was also an opportunity for all of us to get updates on what we're doing respectively, and to discuss how we can do better as a group."

Apart from fulfilling his official duties, Kee Wei also chips in to make ACRA a better place to work in. Last year, the recreational runner helped to organise various running activities under the PS21 banner for his colleagues. ➤

REALISING POTENTIAL

Our people are our intrinsic talent and resource. Dedicated, patient, service-oriented and driven to continually improve, they enable ACRA to make a positive difference to our customers and to the business community.

ORGANISATIONAL DEVELOPMENT

Sharpening the PS21 Edge

PS21 is the Singapore Government's drive to build a Public Service that is dynamic, responsive and innovative. In May 2013, ACRA launched its revised PS21 framework, which has an added people-centric focus to reflect the views and aspirations of ACRA staff. As a result, there is now greater inclusiveness and more decisions are made with a bottom-up approach. ACRA also formed committees looking into key issues such as service excellence, staff bonding and welfare, organisational excellence and corporate social responsibility. These committees brainstorm on and introduce ways to reinforce Public Service values of productivity, innovation, service excellence and staff well-being.

Ensuring Consistent Quality Management

The ISO 9001:2008 certification is an internationally-recognised benchmark for the management of quality systems. It marks the dedication to continually improve our processes and procedures so as to achieve consistent service quality. ACRA successfully completed its annual ISO 9001:2008 continuing assessment in 2012 when its Quality Management System (QMS) was given a clean bill of health by an external ISO auditor.

Enhancing Risk Management Oversight

Given the volume and complexity of risks which businesses face across most industries, robust risk management must be entrenched. Risk management practices scan and identify potential risks and obstacles, helping ACRA to monitor and manage them. They guide ACRA's Board and Management to deploy its resources strategically – striking a balance between achieving goals and weighing their associated risks. In 2012, risk management practice oversight was further enhanced when it was included as part of ACRA's internal controls assurance.

ACRA's Audit Committee, which is helmed by ACRA Board members, was also re-named the Audit and Risk Management Committee (ARMC), to reflect the new emphasis on risk management. ARMC's role is to oversee and ensure that the management in ACRA has implemented adequate internal controls in managing identified risks, thereby strengthening corporate governance within ACRA.

PEOPLE DEVELOPMENT

Raising Service Standards

As ACRA's range of online services continues to grow, the volume of customers that it serves has grown exponentially. In a changing, competitive business environment where customers' needs are increasingly complex, ACRA is responding to this challenge by continually working on improving its customer touch points and customer experience. This includes developing a new queue management system to better serve our walk-in customers. ACRA regularly reviews its systems and processes to ensure that service standards remain high. This includes boosting standards for its Helpdesk, email enquiry services and customer service counters by enhancing customer service training.

Customer Service Training

ACRA's frontline officers are our service ambassadors. Every day, these officers from the Client Engagement Division (CED) and the Helpdesk address a diverse range of queries. To ensure that they are able to assist their customers expediently, ACRA introduced a twice-yearly proficiency test in January 2013. Officers are trained so that they are equipped with up-to-date knowledge on ACRA's policies, products and processes.

The test does not only focus on finding out officers' product knowledge in areas like business registration, but also poses scenarios with complex questions that require analytical thinking to handle a wider range of scenarios adeptly. Officers subsequently feedback that they were better able to respond when they encountered similar scenarios with clients, hence raising customer service standards. They can handle more queries independently without having to consult other team members, hence boosting staff productivity and saving costs.

Ms Rusiah Yusof from CED (left) receives the PS21 Star Service Award for the second year running.

Recognising Service Excellence

In 2012, a record 24 ACRA staff won the national Excellent Service Awards (EXSA). One of the winners, Ms Rusiah Yusof from CED, went on to win the public service-wide PS21 Star Service Award for the second consecutive year. Underscoring its service track record, ACRA was selected as one of the top 25 organisations in the Singapore Service Excellence Medallion 2012. The award recognises the top performing customer-centric organisations and individuals who provide service excellence.

REALISING POTENTIAL

Boosting Staff Competencies

In order to build staff capabilities, ACRA appointed global management consultant, Hay Group to create a competency framework based on ACRA's values: I-ACRA (Integrity, Alert & Agile, Collaborative, Respect, Add Value). With the framework, ACRA staff now have a clearer perspective of how their work ultimately contributes to organisational values. The framework also guides them to improve the way they work. For instance, to realise the value of greater collaboration, cross-divisional working groups were set up to review issues that would impact their work. The framework will set the foundation for recruitment, people development and performance appraisal.


Chief Executive Kenneth Yap (on guitar) leading the rest of ACRA's senior management in performing song items for the residents of Geylang East Home for the Aged.

Visit to Project Dignity Kitchen, Singapore's first hawker training school for disabled and disadvantaged people.

Helping in the Community

ACRA is also taking on greater responsibility as a corporate citizen with added focus on corporate social responsibility. This includes supporting green initiatives as an organisation and continuing to encourage staff to volunteer in community projects. On 20 September 2012, 20 ACRA staff visited Project Dignity Kitchen, Singapore's first hawker training school for disabled and disadvantaged people and learned how social enterprises help to build better lives. In conjunction with the visit, ACRA sponsored and served lunch to residents from the Bukit Batok Home for the Aged. On 19 February 2013, ACRA staff made their annual Chinese New Year visit to their adopted charity, Geylang East Home for the Aged and distributed mandarin oranges and served dinner to the residents. ACRA's senior management even put up a choir performance for the residents, accompanied by Chief Executive Kenneth Yap strumming the guitar.
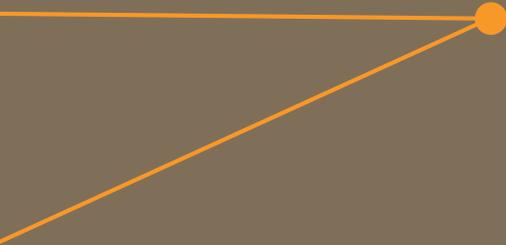
TRANSFORMING PERFORMANCE

Seeking new and better ways
of doing things

RADICAL APPROACH TO CORPORATE COMPLIANCE

Is taking punitive measures to punish errant companies and their directors the only way to correct non-compliant behaviour?

This question arose when a team of ACRA officers was trying to address the issue of company directors who continually neglect their various legal obligations despite receiving repeated reminders and warning of prosecutorial action. The team came up with a radical suggestion: why not try a non-punitive route and get these errant directors "back to school" instead?

"We have been moving in the direction of voluntary compliance," said Mr William Lee, Head of the Enforcement Division, on the rationale behind the team's novel idea. "Instead of prosecuting them for non-compliance, we prefer to take a preventive approach to help them stay 'healthy' on their own, in the area of compliance. However, we will not hesitate to take prompt enforcement actions against the really errant ones who want to game the system."

The team conducted an internal study in 2008 and found that 60% of the directors who were prosecuted had little or no knowledge of statutory compliance. Offences relating to the holding of Annual General Meetings and the filing of Annual Returns topped the list. Most of them were directors of smaller private limited companies.

Motivated by the findings, the team went on to conceptualise and develop the Director's Proficiency Programme (DPP), which was launched in September 2012.

The one-day classroom style seminar aims to raise the competency of the participants on the ins and outs of ACRA's requirements, and will be held four times a year. The modules were developed in collaboration with our partners - Singapore Institute of Directors (SID), Institute of Singapore Chartered Accountants (ISCA) and Singapore Association of the Chartered Secretaries & Administrators (SAICSA), as well as their trainers who provided pro bono services for the training. The initiative has enabled ACRA to reach out to these company directors who have already been issued warning letters or penalised for non- or late statutory compliance. Attesting to the quality of the course and the efforts put in, the DPP has received several awards. It won the Silver award in the National Innovation and Quality Circle Awards, the Pro-Enterprise Panel (PEP) Award's Public Sector Pro-Enterprise Initiative category in 2012, as well as PEP's Best Pro-Enterprise Idea Quarterly Award (August – October 2012).

The programme has had a positive impact with close to 80% of the cohort having gone on to rectify their defaults. Going forward, the team is looking at increasing the frequency of training and developing an online programme to widen its reach to both existing and aspiring directors. "On-site training has its limitations in terms of schedule. Online, they can learn 24/7 at their own pace," said William.
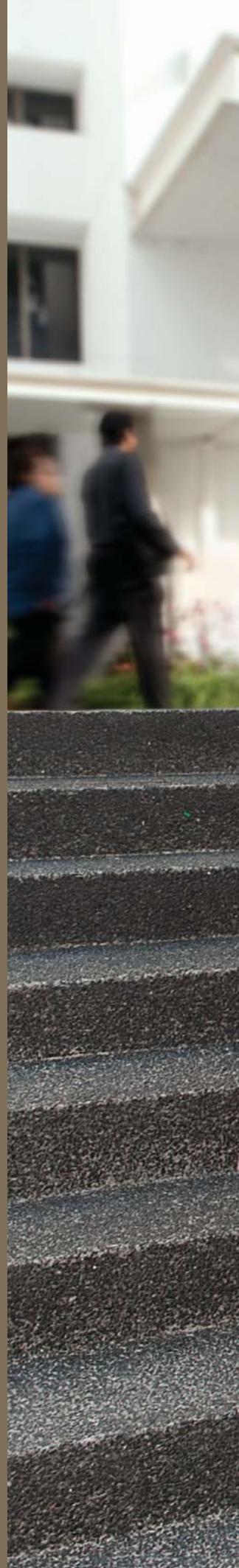
TRANSFORMING PERFORMANCE

We work hard to ensure that our processes and regulatory framework create a responsive and trusted business environment.

CREATING A RESPONSIVE AND TRUSTED BUSINESS ENVIRONMENT

As the national regulator of business entities and public accountants, ACRA seeks to safeguard and promote Singapore's reputation as a trusted international finance and business hub. To this end, it balances its roles in maintaining and updating the regulatory framework to provide business confidence and protect public interests, while ensuring that these regulations do not inadvertently stifle the spirit of enterprise. ACRA's proactive initiatives to facilitate business ensure that Singapore remains as one of the most conducive places to do business in the world.

In 2012, Singapore was ranked the easiest place in the world to do business in the World Bank Doing Business Report for the seventh year running. In the area of Starting a Business, we were ranked 4th for the fourth year running. ACRA also leapt up the Singapore Pro-Enterprise Ranking (PER) survey, from 22nd spot in 2011 to 8th spot in 2012.

Assistant Chief Executive (Legal and Regulatory Compliance) Toh Wee San receiving on behalf of ACRA the Most Improved Agency Award from Minister of State for Trade and Industry Teo Ser Luck at the PEP-SBF Awards 2012.

EASE OF STARTING A BUSINESS

One of ACRA's most successful and impactful pro-enterprise initiatives is BizFile, an online filing tool which registers businesses within minutes. With 1.2 million transactions per year, BizFile holds financial and corporate information on over 400,000 registered businesses in Singapore. Going beyond business registration, ACRA's business facilitation efforts were brought to a new level in FY 2012/2013 when ACRA partnered five banks – DBS Bank, the Oversea-Chinese Banking Corporation, United Overseas Bank, Maybank and Bank of China – to allow business owners to conveniently open a corporate account immediately after registration with ACRA.

MAKING BUSINESS DATA RELIABLE AND ACCESSIBLE

Business data that is accessible and reliable raises business transparency, promotes good corporate governance, and facilitates business needs. In 2012, more than 400,000 BizFile transactions to purchase corporate and business data from ACRA were made. This demand is growing.

To ensure that ACRA continues providing high quality data, the Information Resource Division pro-actively scans and profiles business data to check for compliance with the Singapore Government Data Reference Model standards as well as business and system rules.

As a nod to ACRA's high standards, its corporate compliance rating continues to be a prerequisite for the Singapore 1000, Singapore SME1000, and Singapore International 100 awards, which are conferred to corporations with outstanding quantitative management.

Members of the public may purchase the data compiled by ACRA via iShop@ACRA, a one-stop online business information portal. From March 2013, seven new products were made available for subscription by the public and private sectors, in addition to the existing 47 products. A new information product, the Corporate Compliance and Financial Profile (CCFP), came online in August 2012. It provides an overview of a company's financial health, including its

ACRA's new information product Corporate Compliance and Financial Profile (CCFP) which was introduced in August 2012 has been sold in 33 countries.

balance sheet, cash flow, financial ratios, non-financial information and regulatory compliance information. A financial analyst can potentially save 3½ hours by using the CCFP instead of having to search through various financial statements. ACRA's reputation for providing trusted and reliable data has also garnered international recognition. From August 2012 to July 2013, 2,637 copies of CCFP were sold in 33 countries, including Malaysia, United Kingdom, Australia, China, USA and India.

TRANSFORMING PERFORMANCE

ACRA collaborates with The Business Times in an ongoing research series in The SME Magazine.

VALUE-ADDED SERVICES

ACRA continues to support the business community with additional business intelligence through an ongoing research collaboration series with The Business Times (BT). In 2012, ACRA provided data analysis for three articles on the growth of healthcare and clean tech industries in Singapore. A regular BT-ACRA research column also shares insights on Singapore business statistics and trends.

In May 2012, ACRA launched a new service called BizQuery – a quick and easy navigation resource. It also allows business owners and entrepreneurs to gain insights into the types of businesses near them. BizQuery enables users of the Singapore Land Authority's (SLA) integrated online map system, OneMap (www.onemap.sg) to seamlessly locate registered businesses and buy information on the company from iShop@ACRA. This whole-of-government (WOG) initiative won the Gold award in the National Innovation and Quality Circle (NIQC) Award in October 2012.

ENHANCING THE REGULATORY FRAMEWORK

ACRA constantly seeks feedback from stakeholders in its regular review of its business laws, to ensure that they remain relevant to evolving business needs. In 2012, it organised public consultations and feedback sessions with professional partners including the Law Society of Singapore, Association of International Accountants (AIA), Institute of Company Accountants (ICA), Institute of Singapore Chartered Accountants (ISCA) and the Singapore Association of the Institute of Chartered Secretaries and Administrators (SAICSA), to review the Companies Act, ACRA Act and Business Registration Act. The legislative amendments to these three Acts are expected to come into effect in 2014. ACRA also conducted public consultation in 2012 on proposals to improve audit regulation under the Accountants Act, which will lead to proposed enhancements in 2014.

ENGAGING STAKEHOLDERS AND THE PUBLIC

To keep up with the evolving needs of the business community, ACRA reaches out to key stakeholders and the wider public to better understand their needs and concerns and shares with them ACRA's strategic plans and directions for the corporate and public accounting landscape.

Dialogues

ACRA also holds focus group discussions and regular dialogues, for example with professional partners such as the Singapore Association of Institute of Chartered Secretaries and Administrators (SAICSA), the Law Society and the Institute of Singapore Chartered Accountants (ISCA).

ACRA@The Heartlands

In line with its goal to nurture a pro-business environment in Singapore, ACRA brings informative talks to the heartlands to help new and aspiring entrepreneurs with the basics in setting up and doing business in Singapore.

The ACRA@The Heartlands talks feature not only ACRA staff but also public officers from other relevant agencies. These comprehensive one-stop roadshows allow aspiring entrepreneurs to clarify queries with ACRA, Housing & Development Board (HDB), Inland Revenue Authority of Singapore (IRAS), Central Provident Fund Board (CPFB) and SPRING Singapore officers. Two talks were conducted in 2013, on 2 March at the Woodlands Community Club, and on 30 March at the Yuhua Community Club. Attesting to the growing Singapore entrepreneurial spirit, both talks received overwhelming response. At Yuhua, 650 turned up instead of the expected 400.

Over 650 people attended the ACRA@The Heartlands talk at Yuhua Community Centre held on 30 March 2013.

66 I heard about the talk via word-of-mouth. I've never attended such a talk before and I was prepared to do all the research on my own. But when I went, I found it very useful. It saved me a lot of time, hassle and possible frustration, by not making mistakes from the start. It is very good that the government is helping people like me to start our businesses. 99

– ACRA@TheHeartlands participant Johnson Tan, 34, who is starting an import-export distribution business

66 We were going to register our company as private limited, but we learnt after the talk that LLP [limited liability partnership] is more suitable for our business model because of the ease of registration and there are less formalities. We also spoke to officers from the Association of Small and Medium Enterprises who were there at the talk, who gave us advice on what grants we can apply for. 99

– ACRA@TheHeartlands participant Mohamed Shameel, 24, who is starting a company to run a social activity smartphone app

ACRA@The Heartlands talks reach out to new and aspiring entrepreneurs to provide them with the essential knowledge in setting up and doing business in Singapore.

ACRA's seventh annual Public Accountants Conference discussed ways to raise audit quality and add further value to the local accounting services sector.

Improving Customer Experience

In early 2012, ACRA mobilised its staff to contribute ideas on how to streamline their work in order to boost customer service standards. In July 2012, a task force called F.I.X. Team (Further Improving the Customer eXperience) comprising staff from ACRA's key divisions was set up. It drew up 39 recommendations. In January 2013, the team tapped the rest of the organisation for more ideas. All these have been collated and will be implemented before the end of FY2013.

Making the Connections

Public Accountants Conference

ACRA held its seventh annual flagship event, the Public Accountants Conference in August 2012, with the theme "Enhancing Productivity and Quality in the Accounting Profession". More than 800 public accountants, audit staff and other stakeholders in the public accountancy sector gathered to discuss how to tackle challenges confronting the accountancy profession, such as talent retention, raising audit quality and boosting productivity. ACRA commissioned ACCA to conduct an in-depth survey of 1,200 audit staff to get to the root of the talent retention issue. The survey results were shared at the conference. The sixth annual Practice Monitoring Programme Public Report

was also presented. Audit firms were reminded that a crucial antidote to poor quality auditing is timely and upfront partner supervision of audit work, sufficient staff training and effective internal quality reviews to check on audit quality.

ACRAConnect

ACRAConnect, a half-yearly e-newsletter specially targeted for professional stakeholders such as law firms, public accountant firms and chartered secretarial firms, was launched in October 2012. The issues are also readily available on mobile devices. The ACRA Facebook page was also launched in June 2013 to provide another platform for ACRA to interact with its customers and the public at large.

Audit Practice Bulletins

To help audit firms set up good quality control systems that encompass the six overlapping Singapore Standard on Quality Control (SSQC) elements and in doing so, raise audit quality, ACRA issued a four-part series of Audit Practice Bulletins. Firms can make use of the information to perform self-assessments and address gaps in their system of quality control.

GOING GLOBAL

Sharing Singapore's Experience in Business Registration Reforms

As a pioneer in business registration reforms, ACRA is often invited to share its experiences at international conferences. ACRA staff participated and spoke at several international conferences, including the World Bank "Doing Business in Russia" event in Moscow from 3-4 December 2012, and the Corporate Registers Forum (CRF) annual conference which was held in Auckland, New Zealand from 11-15 March 2013. In the same month, ACRA was re-elected as a member of the Executive Committee of CRF for the term 2013-2014.

Building Singapore and ASEAN's Presence on the International Audit Regulation Scene

On the world stage, ACRA is a founding member of the International Forum of Independent Audit Regulators (IFIAR), which comprises independent audit regulators from 46 jurisdictions. It enables Singapore to benchmark its audit regulation with international practice. Through such international platforms, ACRA engages the international accounting community on cross-border issues that affect the provision of high-quality trusted financial information.

In April 2013, ACRA was elected as a member of the Advisory Council for a four-year term. This position enables ACRA to play a more active role in the shaping of audit regulations and standards and also to bring a Southeast Asian voice to this international platform.

In 2011, ACRA formed the ASEAN Audit Regulators Group (AARG) in 2011 with two fellow ASEAN audit regulators, Malaysia's Audit Oversight Board and Thailand's Securities and Exchange Commission. AARG aims to help raise confidence in the financial reporting in the ASEAN region, by cooperating and sharing experiences within the group and also helping other developing ASEAN economies to raise the bar and institute independent audit regulation. As part of a regular series of meetings and collaboration, the second AARG Inspection Workshop was held from 14–16 January 2013 in Kuala Lumpur, Malaysia. Other regulators from Cambodia, Indonesia, Laos, Vietnam, Hong Kong SAR and Japan were also present. They shared their experiences and best practices in regulating audit and promoting audit quality.

ACRA's senior management also attended the International Auditing and Assurance Standards Board (IAASB)'s Asia-Pacific

ACRA joined over 45 jurisdictions at the Corporate Registers Forum's annual conference held in Auckland, New Zealand in March 2013.

ACRA's senior management catching up with their Malaysian counterparts from the Auditor Oversight Board at the 12th plenary meeting of the International Forum of Independent Audit Regulators (IFIAR) held in the Netherlands in April 2013.

ACRA officers led by Assistant Chief Executive (Accountancy) Julia Tay attended the 2nd ASEAN Audit Regulators Group (AARG) Inspection Workshop held from 14 to 16 January 2013 in Malaysia.

Roundtable in Kuala Lumpur, Malaysia, held by the IAASB together with the Malaysian Institute of Certified Public Accountants, the Institute of Chartered Accountants in Australia and the Malaysian Institute of Accountants on 8 October 2012. ACRA shared Singapore's views and experience on the IAASB's suggested improvements to the auditor's report, including implementation challenges from the regulator's perspective.

TRANSFORMING PERFORMANCE

Visiting Delegations

ACRA hosted several visits by foreign delegates during which best practices in corporate registry, business regulation and facilitation were shared. The visiting delegations came from:

- World Bank – International Finance Corporation (The Philippines), 11 May 2012

- United States of America – Department of Small and Local Business Development Washington DC, 15 May 2012

- Islamic Republic of Pakistan – Securities & Exchange Commission, 15–16 July 2012

- Kingdom of Bhutan – Company Registry Division, 13 September 2012

- Sultanate of Oman – Ministry of Commerce and Industry, 8 November 2012

- Republic of South Africa – Gauteng province, 9 November 2012

- World Bank – International Finance Corporation Workshop (Singapore), 28 November 2012

- Papua New Guinea – Ministry of Trade, Commerce and Industry, 31 January 2013

- Samoa – Samoa International Finance Authority (SIFA), 28 January – 4 February 2013

- Republic of Ireland – Forfás (Ireland's policy advisory board for enterprise, trade, science, technology and innovation), 25 March 2013.


ACRA held a briefing on its online filing and information retrieval system, BizFile for international participants of the World Bank-International Finance Corporation Workshop held in Singapore in November 2012.

ACRA hosted a visit by the Hon. Richard Maru, Minister for Trade, Commerce and Industry, Papua New Guinea on 31 January 2013.

CREATING POSSIBILITIES

Meeting changing needs
with future-focused ideas
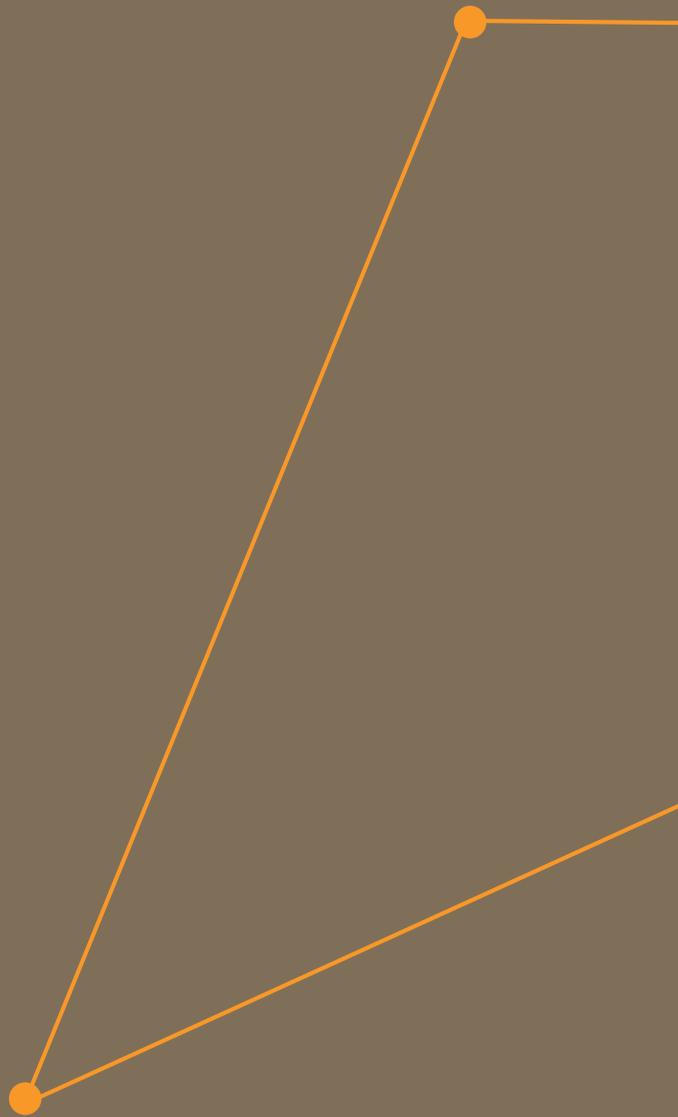
STAYING AHEAD OF THE CURVE WITH BIZFILE

Ms K Latha, Head of ACRA's Business Registry and Facilitation Division (BRFD), has been with ACRA for 33 years, when it was first known as the Registry of Companies and Businesses. "In an environment where I am constantly learning on the job and being surrounded by supportive colleagues, time flies," she said.

Latha recalls helping out at the counters in the early days when there was a manual system for the registration and filing of documents. Once the documents were lodged over the counter, backroom staff had to key in the information into a database.

Latha was part of the team that worked on the award-winning BizFile system, which was launched in 2003 and has transformed the way ACRA interacts with its customers.

The design of BizFile stemmed from the need to create a system that makes it easy for entrepreneurs to register a new business in Singapore, file changes and purchase information products.

When working on the BizFile project, the ACRA team first reviewed the existing rules and questioned the need for documents like statutory declarations, hard copy certificates, bulky attachments and even signatures. This review broke new grounds and made it easier for customers to e-file with ACRA. It also slashed the cost of registering a business from between $1,200 and $35,000 to a mere $300.

ACRA was mindful of not merely converting a manual process into an e-solution. Any change made not only had to reduce cost and boost productivity, but the final solution must also provide better service to ACRA's customers.

When BizFile was launched, the system was integrated with the systems of ACRA's partners such as the Inland Revenue Authority of Singapore, Singapore Customs, Singapore Network Information Centre, SPRING Singapore as well as banks through what is known as the One-Stop iShop@ACRA. Instead of visiting multiple agencies, the entrepreneur can now sign up for a host of services from Internet domain reservation to the activation of customs account through one portal.

Latha cited an example of an entrepreneur who was in the midst of discussion for a possible business venture and needed to register a business. He went online, completed the business registration within 15 minutes and then went on to seal the deal. "This is just one of many instances of people who have provided feedback about how impressed they are with the online system," she shared.

Today, ACRA is preparing for the next big leap – to launch the revamped BizFile in late 2014. "Technology has advanced so much in the past 12 years. We are now working on an enhanced BizFile system which is simpler to use and personalised, making it easier for the customer to e-file with ACRA," said Latha.

RIDING THE BIG DATA WAVE WITH ACRA

With advanced technology, comes a deluge of data in today's world. Knowing how to tap Big Data – the massive volume and variety of data that is collected every second – gives businesses the ability to make better-informed decisions and an edge over others.

As the national regulator of business entities and public accountants in Singapore, ACRA sits on a treasure trove of corporate information that can be tapped for analytics.

ACRA officers such as Ms Sia Su Chun and Mr Tan Yong Tat harness technology to manage and package the information, in order to meet the varying needs of its users.

Su Chun, who is Head of the Financial Information Division, is working on a revamped eXtensible Business Reporting Language (XBRL) filing system that aims to make the whole financial information supply chain more efficient and useful. Ultimately, better business intelligence and analytics will play a critical role in increasing productivity, reducing costs and saving time.

Those who have gotten used to the XBRL system launched in 2007 can expect changes in the interface, dictionary, taxonomy and the amount of information they need to file. From partial filing, they will now have to file full financial statements in XBRL.

But they can also expect goodies, like a free one-time usage of data analysis for companies each time they file a full set of financial statements in XBRL.

Su Chun said, "We want to encourage more people to use our data instead of downloading PDFs and searching for information, so they can see how it can increase their productivity and lower costs. It would also encourage them to file more detailed information in XBRL once they see the benefits."

The challenge is in how to strike a balance between different customer groups. Added Su Chun, "The customer always wants more data, but the preparer (who keys in the information into XBRL) will want to give less. It is after all more onerous than simply submitting a PDF document. But the message we try to get across is that XBRL-enabled data analysis helps companies to stay agile and competitive, and is very important in the larger scheme of things."

Yong Tat, an Assistant Director who heads the Information Sales and Operations unit of the Information Resource Division, is in charge of iShop@ACRA, a one-stop online business information portal. Here, ACRA's data is packaged into useful information such as business profiles and extracts, as well as copies of forms and attachments filed by business entities, such as Memorandum and Articles of Association, Annual Returns or audited accounts. With such information, businesses can compare their performance against their competitors, get a clear overview of their position in the market and identify business improvement opportunities.

"People want more data of a higher quality and they want it fast. Expectations are higher," he explained.

With a background in product marketing and business development, Yong Tat works with his team to come up with products like the Corporate Compliance and Financial Profile (CCFP). This is a financial summary document containing information on key indicators including business profile, compliance rating, financial profile (based on three years of comparative data) as well as non-financial information (including the audit opinion) that can potentially save hours in financial analysis. With the intention to help CCFP users to make informed decisions, it is attested to receive recognition by winning the Best Public Sector Pro-Enterprise Initiative's Quarterly Idea Award (January – March 2013).

The business community is increasingly aware of the growing wealth of business information, as ACRA makes it a point to engage companies, particularly small and medium enterprises (SMEs). Yong Tat has talked to business advisors at SPRING's SME Centres, to advise them on how to use CCFP to gain a competitive edge.

He is also excited at how upcoming system upgrades like Next Generation Nationwide Broadband Network (NextGen NBN) and the revamped BizFile will boost the bandwidth and speed of transactions, not only for iShop@ACRA but across the entire organisation.
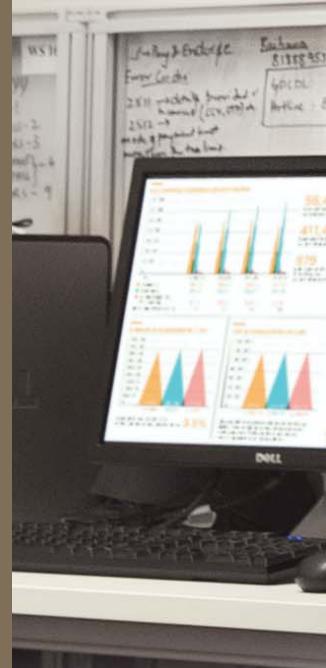
CREATING POSSIBILITIES

Amid market volatility and an ever-changing business environment, we will continue to uphold investors' trust and confidence in Singapore. We will ensure our regulatory regime remains forward-looking, effective and efficient by leveraging IT, raising the bar on financial reporting and planning ahead to prepare for future challenges and opportunities.

RAISING THE BAR ON THE QUALITY OF FINANCIAL REPORTING AND AUDITS

ACRA envisions Singapore as the most trusted place for business, hence the need to maintain high public confidence in the reliability and integrity of financial information in our marketplace is paramount.

To this end, ACRA regulates the entire financial reporting value chain starting with the directors who are responsible for ensuring that financial statements comply with the Financial Reporting Standards issued by the Accounting Standards Council.

In 2011, ACRA established the Financial Reporting Surveillance Programme (FRSP) whereby selected financial statements are reviewed for compliance with the Singapore Financial Reporting Standards (SFRS). In 2011 and 2012, the financial statements of 140 listed companies were reviewed and ACRA's warnings were subsequently issued to directors on the need for compliance.

Similarly, ACRA oversees auditors who have to abide by auditing standards in their work. Companies also have to file within a given time frame so that financial information stays relevant.

ACRA ensures rigorous regulatory oversight of public accountants through its Practice Monitoring Programme (PMP). Annually, ACRA issues its PMP public report, which highlights key findings of ACRA's audit inspections on audit firms and other activities, to promote audit quality.

Last year, Singapore topped the Asian Corporate Governance Association's rankings and was recognised for setting the benchmark for independent regulation of auditors in the region.

As accounting standards become more complex, financial preparers have to exercise more subjective judgement in arriving at their figures. Investors are also demanding greater assurance and certainty amidst a backdrop of market volatility.

ACRA will stay focused on raising the quality of financial reporting and audits by further strengthening the financial reporting eco-system.

The FRSP will move beyond its pilot phase and surveillance will be gradually stepped up. We will also increase awareness of the audit committee's key role in audit quality. Audit committees will be encouraged to favour quality and reliability over price in purchasing audit services.

ACRA will continue to adopt a collaborative approach and work closely with stakeholders in the financial reporting value chain. These include government agencies such as the Singapore Accountancy Commission and the Accounting Standards Council, the national accountancy body (the Institute of Singapore Chartered Accountants), professional bodies such as CPA Australia and ACCA, audit firms, preparers of financial reports, audit committees, company directors and many others.

A BizFile focus group comprising corporate service providers in deep discussion. Such useful feedback is taken into account as the BizFile undergoes a major revamp targeted to be completed by late 2014.

REVAMPING BIZFILE
FOR A NEW EXPERIENCE

When ACRA launched its online filing and information retrieval system, BizFile, in January 2003, it was the world's first corporate registry to offer all its services online. BizFile leverages technology, significantly reduces regulatory burden and costs, increases efficiency and cuts red tape.

Prior to the launch of BizFile, the process of business registration and filing was a long and tedious manual process involving long queues at the counter and large volumes of documents. Today, registering a business can be done in the comfort of one's office or home with a computer and Internet access. Business registration takes a mere 15 minutes.

Since 2003, the volume of business registration and filing has continued to climb steadily. In FY2012 alone, there was a 3.9% increase in BizFile transactions to about 1.25 million compared to the year before. To better meet user expectations and provide

enhanced services, ACRA has been working on revamping the current system and launching an enhanced system since 2011.

ACRA has been engaging its stakeholders to find out what their needs are, particularly the corporate service providers who provide filing services to companies and are regular users of BizFile. The revamped BizFile is targeted to launch in late 2014. New features include enabling users to access e-services via mobile devices. The interface will be more user-friendly with a personalised dashboard and prominent navigational tools. Self-help guides will also enhance the filing experience. The changes will ensure ACRA stay at the forefront of business registration solutions.

At the same time, user experience of iShop@ACRA and the service quality of ACRA Information services will be enhanced. This will be supported with technical tools for disaster recovery, business intelligence, analytics and content quality assurance.

TRANSFORMING PERFORMANCE

The inaugural Singapore XBRL National Conference was held in May 2012. It brought together standard setters, national regulators, company filers and XBRL experts around the world to share on global developments of XBRL business reporting.

ENHANCING THE XBRL SYSTEM

When ACRA implemented the move to XBRL (eXtensible Business Reporting Language) filing in 2007, it marked the start of a new era in online filing for financial statements and more accessibility to financial information.

XBRL is an internationally recognised language format for the electronic communication of business and financial data. As XBRL-tagged financial information is standardised and machine-readable, the public can access publicly available financial data from the 60,000 companies that need to file financial information with greater ease. Before the introduction of XBRL filing, one needed to download PDFs of annual reports and labour over the text.

To ease the transition into electronic filing, companies could choose to file their financial statements in either full or partial XBRL format. XBRL filings have grown each year, from 43,000 filings in 2008 to about 270,000 filings as of end-March 2013. To further

boost the transparency, usability and accessibility of business information in Singapore, companies will be required to file a full set of financial statements in XBRL from December 2013.

This will further expand the pool of XBRL-enabled data that can be accessed and analysed by users for business insights as well as peer-to-peer and industry comparisons easily. Filings will be made through ACRA's new business financial information portal, BizFin[x] that will also link companies to data analysis services that tap XBRL data.

As part of the preparation for this new phase, extensive consultations started in 2012 with various stakeholders including accounting firms, companies and corporate service providers and professional partners. From the feedback, the financial reporting XBRL taxonomy was expanded and a new BizFin[x] preparation tool was developed and offered at no charge in June this year to financial statement preparers. ACRA has also set aside a $1.8 million training fund to provide training support to companies to ease them through the transition into full electronic filing.
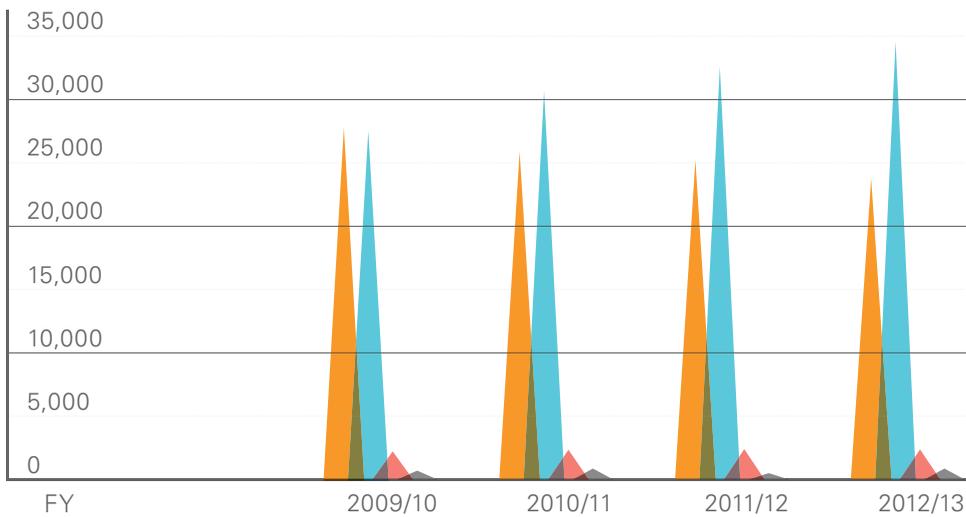

Financial statement preparers attending one of many training seminars organised by ACRA's professional partners to prepare for the transition to full electronic (XBRL) filing from December 2013 onwards.

KEY STATISTICAL HIGHLIGHTS

FINANCIAL HIGHLIGHTS

KEY STATISTICAL HIGHLIGHTS

NEW ENTITIES REGISTERED/INCORPORATED

FY	2009/10	2010/11	2011/12	2012/13
■ Business	25,780	23,995	23,396	22,057
■ Company	25,524	28,511	30,284	32,076
■ Limited Liability Partnership	2,084	2,199	2,283	2,253
■ Limited Partnership	41	54	38	55

56,441
new business entities
were formed in FY12/13.

411,412
business entities,
as of 31 March 2013

979
public accountants
in the Register,
as of 31 March 2013

NUMBER OF REGISTERED ENTITIES

2010/11	2011/12	2012/13
381,949	397,257	411,412
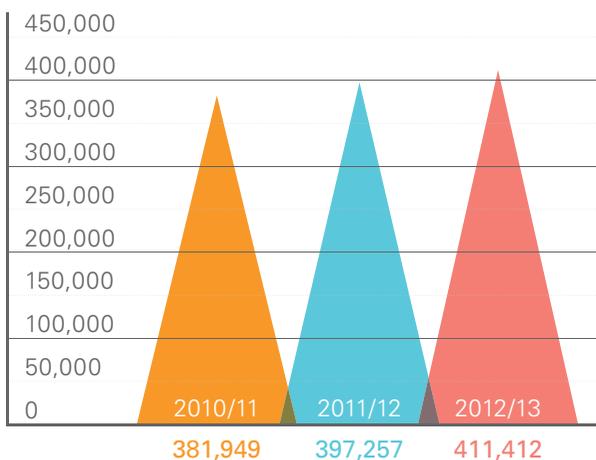
Average annual growth rate
of the number of registered entities **3.5%**

BIZFILE TRANSACTION VOLUME

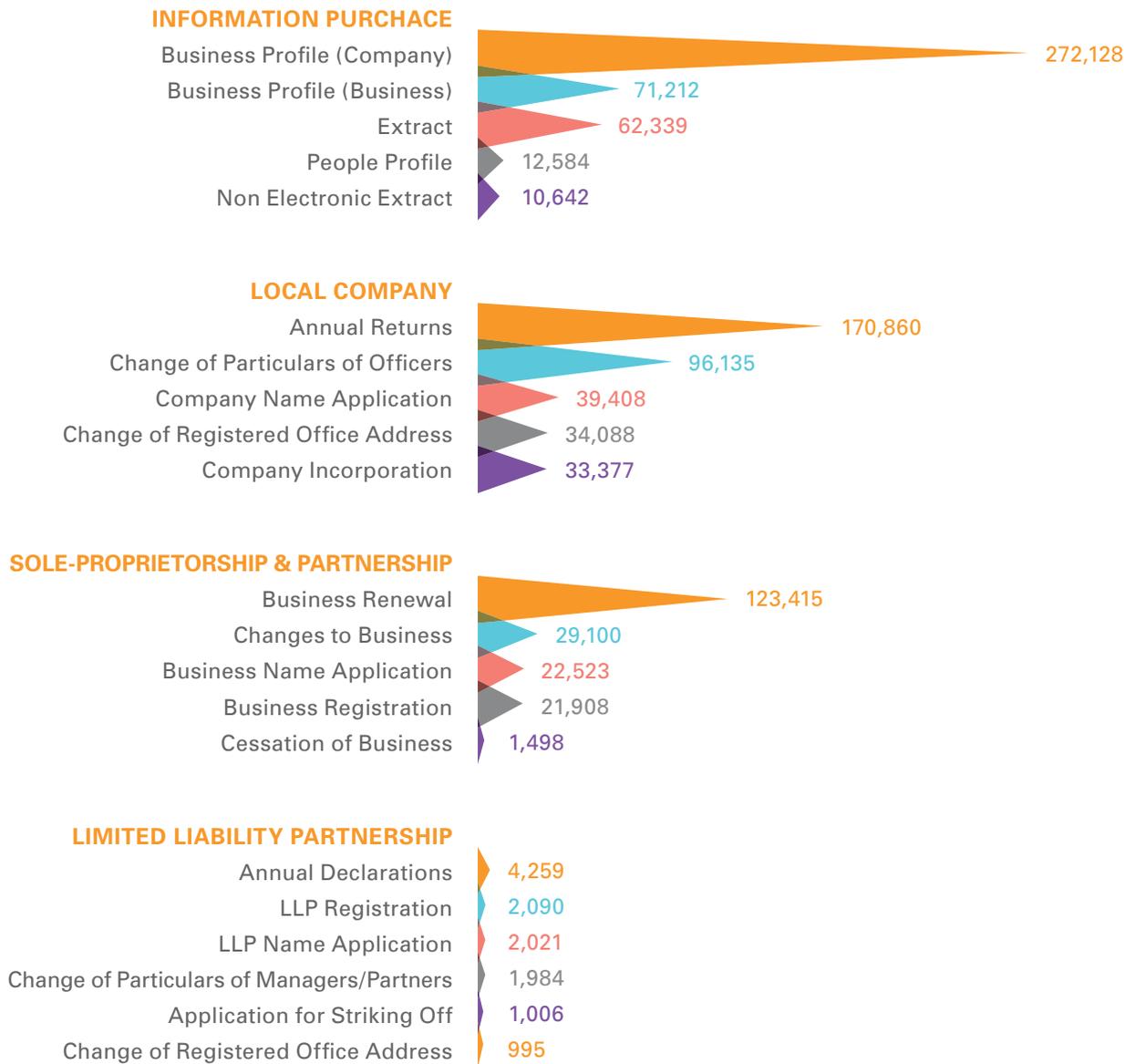| 2010/11	2011/12	2012/13
1,203,179	1,243,377	1,249,596
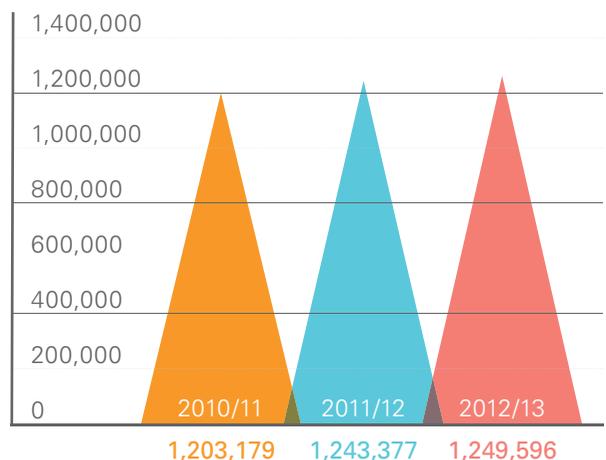
Close to 300 forms are available online through
BizFile. Over a million transactions were done
each year since FY05 and there has been a general
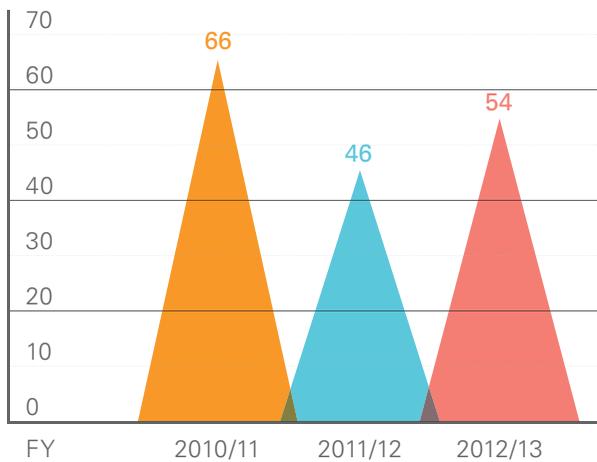upward trend in the volume.

COMMON BIZFILE TRANSACTIONS (FY12)

The chart shows the most common transactions for the top 4 BizFile categories namely Information Purchase, Local Company, Sole-proprietorship & Partnership, and Limited Liability Partnership. In FY12/13, there were 1,249,596 online transactions.

INFORMATION PURCHACE

Business Profile (Company)	272,128
Business Profile (Business)	71,212
Extract	62,339
People Profile	12,584
Non Electronic Extract	10,642

LOCAL COMPANY

Annual Returns	170,860
Change of Particulars of Officers	96,135
Company Name Application	39,408
Change of Registered Office Address	34,088
Company Incorporation	33,377

SOLE-PROPRIETORSHIP & PARTNERSHIP

Business Renewal	123,415
Changes to Business	29,100
Business Name Application	22,523
Business Registration	21,908
Cessation of Business	1,498

LIMITED LIABILITY PARTNERSHIP

Annual Declarations	4,259
LLP Registration	2,090
LLP Name Application	2,021
Change of Particulars of Managers/Partners	1,984
Application for Striking Off	1,006
Change of Registered Office Address	995

KEY STATISTICAL HIGHLIGHTS

REGISTRATION OF PUBLIC ACCOUNTANTS (PA)

FY	2010/11	2011/12	2012/13
	66	46	54

Total number of Public Accountants registered as at 31 March 2013

979

NEW PUBLIC ACCOUNTANTS (PA) AGE PROFILE

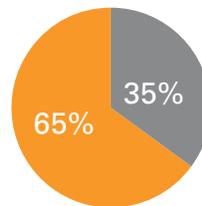| Age	<31	31-40	41-50	51-60
	2	33	17	2
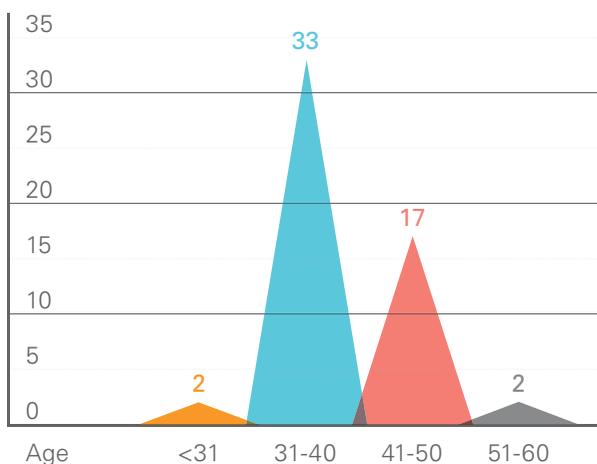
Total number of new registered Public Accountants from 1 April 2012 to 31 March 2013

54
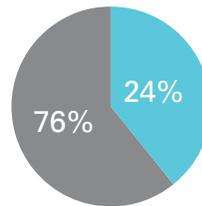
NEW PUBLIC ACCOUNTANTS (PA) QUALIFICATION PROFILE

76% / 24%

	Local	41
	Foreign	13

NEW PUBLIC ACCOUNTANTS (PA) GENDER PROFILE

65% / 35%

	Male	35
	Female	19
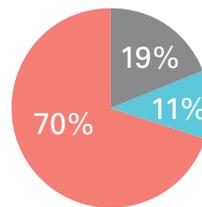
INTENDED PRACTICE OF NEW PUBLIC ACCOUNTANTS (PA)

19% / 11% / 70%

	Big	10
	Medium	6
	Small	38

NUMBER OF ACCOUNTING ENTITIES*

7 Big accounting entities**

7 Medium-sized accounting entities***

625 Small accounting entities****

639 Total

* Number based on Public Accountants renewal declaration (as at 31 March 2013)
** Audited 30 or more listed corporations
*** Audited 5 or more listed corporations but less than 30
**** Audited less than 5 listed corporations

FINANCIAL HIGHLIGHTS

Financial Results

Income

For the financial year ended 31 March 2013, income grew moderately by S$2.4 million or 4% to S$57.8 million (2011/12: S$55.4 million).

Company Registration and related fees grew 5% or S$0.9 million to S$20.4 million (2011/12: S$19.5 million), arising mainly from the increase in number of company incorporations.

Information Service fees grew S$1.3 million or 12% to S$12.1 million (2011/12: S$10.8 million) due to the increase in sales volume as well as a fee revision implemented on 1 January 2012.

Public Accountant Registration and related fees increased S$0.2 million or 13% to S$1.8 million (2011/12: S$1.6 million).

Expenditure

Operating expenditure decreased by S$0.5 million or 1% to S$35.1 million in 2012/13 (2011/12: S$35.6 million).

Notwithstanding other costs movement, staff cost shrunk by S$0.1 million to S$15.8 million in 2012/13 (2011/12: S$15.9 million). System enhancement cost had also come down by $0.3 million from S$0.4 million to S$0.1 million due to a more robust demand management.

Operating Surplus

Operating surplus for 2012/13 is at S$22.7 million as compared to S$19.8 million in the previous financial year.

Capital Expenditure

Capital expenditure incurred for the year was S$4.2 million (2011/12: S$6.1 million). This was mainly incurred to develop applications to replace the existing online filing and information retrieval system as well as the XBRL financial reporting system.

FINANCIAL HIGHLIGHTS

Income and Expenditure Summary

Year ended 31 March 2013	S$ million
Income	57.8
Staff Costs	(15.8)
Services	(8.9)
Other Costs	(10.4)
Expenditure	**(35.1)**
Surplus	22.7
Less: Contribution to Government Consolidated Fund	(3.9)
Net Surplus	**18.8**

Financial Position

Assets

Total assets increased by S$18.5 million or 12% to S$167.9 million (2011/12: S$149.4 million) as at 31 March 2013.

Cash and cash equivalents increased by S$17.0 million or 12% to S$153.5 million (2011/12: S$136.5 million). These are mainly placed with Accountant-General Department under Whole-of-Government Centralised Liquidity Management and Statutory Board Approved Funds Scheme.

Liabilities

Current liabilities remain unchanged from previous year at S$12.9 million. These consist mainly of trade and other payables (S$6.6 million) and provision for contribution to Government Consolidated Fund (S$3.9 million).

Cashflow

In line with the reduction in expenditure, net cash flow increased to S$17.0 million compared with S$12.1 million in the previous financial year. This was supported by S$21.5 million generated from operating activities and offset by outflow of S$4.5 million from investing activities.

Balance Sheet Summary

As at 31 March 2013	S$ million
Fixed and Intangible Assets	8.7
Development Projects-In-Progress	4.0
Current Assets	155.2
Total Assets	**167.9**
Less:	
Current Liabilities	(12.9)
Non-current Liabilities	(0.9)
Net Assets	**154.1**
Share Capital	8.6
Accumulated Surplus	145.5
Capital and Reserves	**154.1**

THANK YOU

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

- Accountant-General's Department
- Accounting Standards Council
- Agri-Food & Veterinary Authority of Singapore
- Association of Banks in Singapore
- Association of Chartered Certified Accountants
- Association of International Accountants, Singapore
- Association of Small and Medium Enterprises
- Attorney-General's Chambers
- Auditor-General's Office
- Audit Oversight Board, Malaysia
- Bank of China Limited (Singapore Branch)
- Board of Architects
- Central Provident Fund Board
- Certis CISCO
- Charities Unit (Ministry of Culture, Community and Youth)
- Chartered Institute of Management Accountants
- Commercial Affairs Department
- Consumers Association of Singapore
- Corporate Governance Council
- Corporate Registers Forum
- Corrupt Practices Investigation Bureau
- Council for Estate Agencies
- CPA Australia
- Credit Management Consultancy (Asia) Pte Ltd
- CrimsonLogic Pte Ltd
- DBS Bank Ltd
- Defence Science & Technology Agency
- Deloitte & Touche – XBRL
- Department of Statistics
- DP Bureau Pte Ltd
- DP Information Network Pte Ltd
- Dun & Bradstreet (Singapore) Pte Ltd
- Ecquaria Technologies Pte Ltd
- European Corporate Registers Forum (ECRF)
- Housing and Development Board
- Icon Business Solutions Pte Ltd
- Immigration and Checkpoints Authority
- Infocomm Development Authority of Singapore
- Inland Revenue Authority of Singapore
- Insolvency and Public Trustee's Office
- Institute of Singapore Chartered Accountants
- Institute of Chartered Accountants of England and Wales
- Institute of Company Accountants, Singapore
- Institute of Internal Auditors Singapore
- Intellectual Property Office of Singapore
- International Association of Corporate Administrators
- International Enterprise Singapore
- International Federation of Accountants
- Investment Management Association of Singapore
- IRIS Business Services Limited
- JTC Corporation
- Land Transport Authority

- Law Society of Singapore
- Majlis Ugama Islam of Singapore
- Maybank Singapore
- Ministry of Culture, Community And Youth
- Ministry of Defence
- Ministry of Education
- Ministry of Finance
- Ministry of Foreign Affairs
- Ministry of Home Affairs
- Ministry of Manpower
- Ministry of Social and Family Development
- Ministry of Trade and Industry
- Monetary Authority of Singapore
- Nanyang Technological University
- National University of Singapore
- NCS Pte Ltd
- Network for Electronic Transfers (Singapore) Pte Ltd
- Ngee Ann Polytechnic
- OCBC Bank
- People's Association
- Registrar of Societies
- Securities and Exchange Commission of Thailand
- Securities Investors Association of Singapore
- Singapore Accountancy Commission
- Singapore Association of the Institute of Chartered Secretaries and Administrators
- Singapore Business Federation
- Singapore Customs
- Singapore Exchange
- Singapore Human Resources Institute
- Singapore Institute of Directors
- Singapore International Chamber of Commerce
- Singapore Land Authority
- Singapore Management University
- Singapore National Employers Federation
- Singapore Network Information Centre Pte Ltd
- Singapore Police Force (Licensing Division)
- Singapore Police Force (Warrant Enforcement Unit)
- Singapore Prisons
- Singapore Tourism Board
- Singapore Venture Capital & Private Equity Association
- Singapore Workforce Development Agency
- Smart Regulations Committee
- Smartwares Pte Ltd
- SPRING Singapore
- State Bank of India Singapore
- Subordinate Courts
- Tech Mahindra
- The World Bank
- United Overseas Bank Ltd
- Vital.org
- XBRL International

Scan to access
ACRA website