

RELIABLE, RESPONSIVE, RESOURCEFUL

PROMOTING A TRUSTED AND VIBRANT
BUSINESS ENVIRONMENT IN SINGAPORE



Annual Report 2017/18

ABOUT ACRA

The **Accounting and Corporate Regulatory Authority (ACRA)** is the national regulator of business entities, public accountants and corporate service providers in Singapore. We promote a trusted and vibrant environment for businesses to thrive and flourish, and contribute towards making Singapore the best place for business.

CORPORATE STATEMENT, GOALS AND VALUES

CORPORATE STATEMENT

Promoting a trusted and vibrant business environment in Singapore

CORPORATE GOALS

- To be a leading business registry
- To be a respected corporate and accounting regulator
- To provide excellent service
- To be an innovative, efficient and effective team

CORE VALUES

'I-ACRA', ACRA's core values, guide us in all that we do:

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

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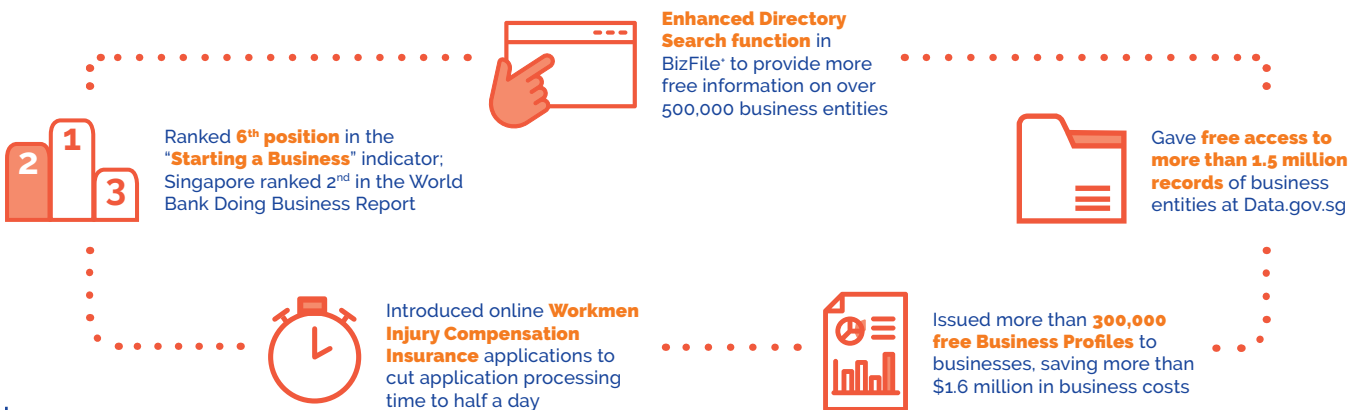
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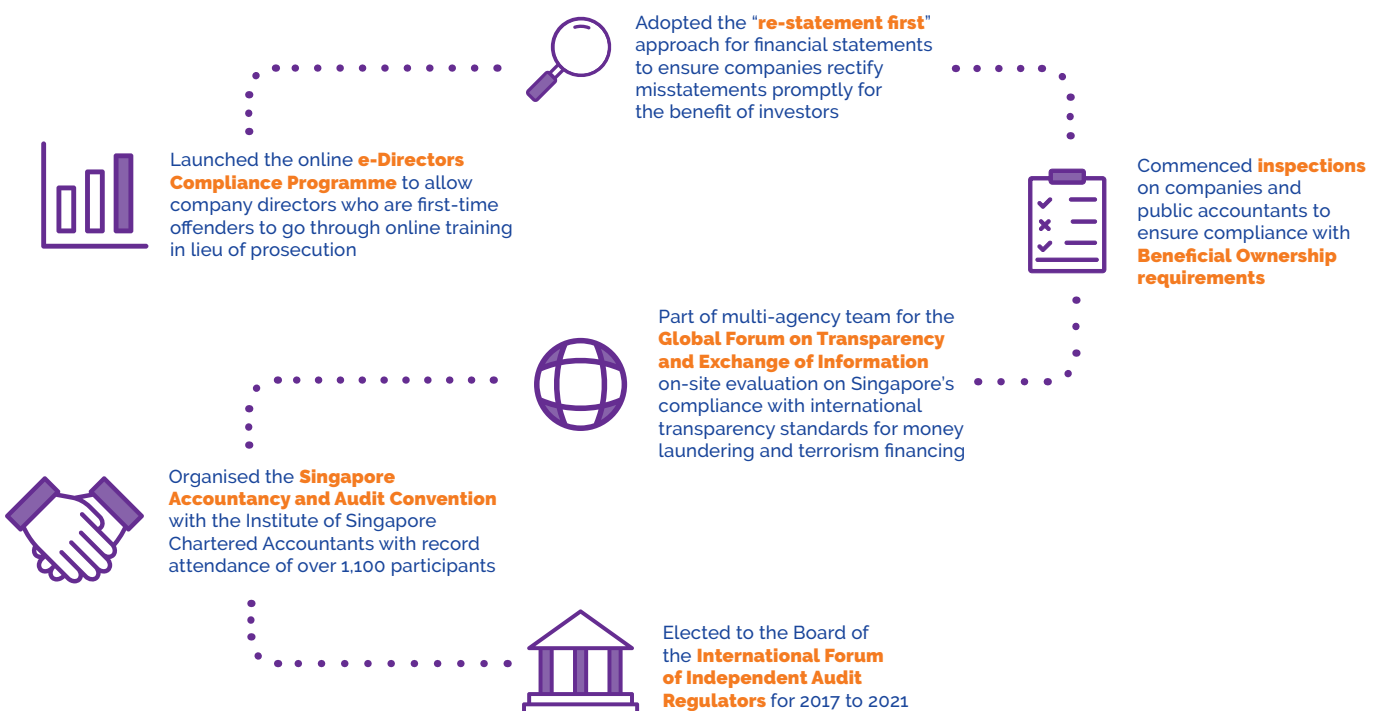
AT A GLANCE

In 2017/2018, ACRA undertook new initiatives to **strengthen Singapore's attractiveness as a leading business hub** that is conducive for setting up businesses and underpinned by a trusted environment for businesses and investors. Guided by our new corporate statement and corporate goals, our achievements for the year include:

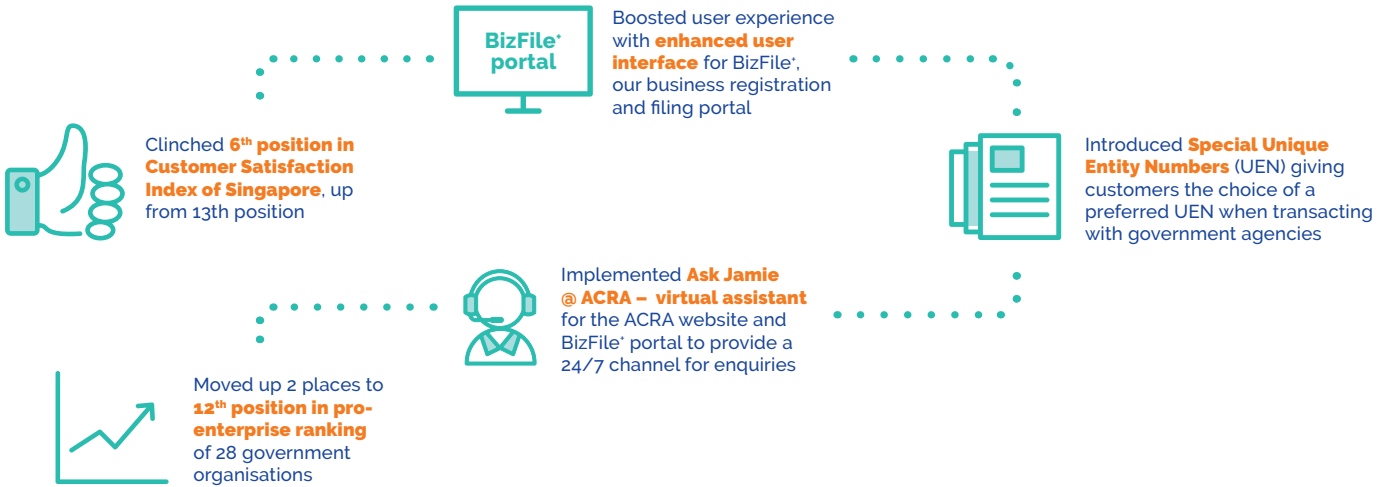
TO BE A LEADING BUSINESS REGISTRY



TO BE A RESPECTED CORPORATE AND ACCOUNTING REGULATOR



TO PROVIDE EXCELLENT SERVICE



TO BE AN INNOVATIVE, EFFICIENT AND EFFECTIVE TEAM





CHAIRMAN'S MESSAGE

“ACRA will take a whole-of-government approach to make it easy and convenient for businesses to transact with us and find information to help them manage and grow their business.”

Singapore is operating in an increasingly complex environment. All sectors in our economy are facing technological disruptions and having to mount a robust response. ACRA, like other public sector agencies and companies, too cannot continue in a business-as-usual mode. ACRA has to take a hard look at how it can carry out its role of facilitating enterprise in the most efficient and effective manner.

EMBARKING ON ACRA'S TRANSFORMATION JOURNEY

In 2017, ACRA began its journey of transformation. The ACRA Board, under the leadership of Ms Lim Soo Hoon, saw ACRA's role as that of *Promoting a Vibrant and Trusted Business Environment in Singapore*. The Board and Management set out corporate goals and strategies to deliver ease of doing business, strong public confidence in audit and financial reporting, and seamless customer service in a cost-efficient manner. These in turn contribute to a business-friendly Singapore, and help build a better future for Singaporeans.

ACRA has geared up to achieve these outcomes, as part of its transformation journey. This journey will take a few years, but will have clear targets and milestones. ACRA will take a whole-of-government approach to make it easy and convenient for businesses to transact with us and find information to help them manage and grow their business. The ACRA team will draw insights from their interactions with the business community to co-create policies and co-develop applications that meet businesses' needs. ACRA will take an outside-in approach to build a business registry operating model that is digital to the core, that not only reduces regulatory costs for businesses but also enhances corporate transparency.

CHANGING LEGISLATIONS TO REDUCE COMPLIANCE COSTS

As part of the changes to the Companies Act announced in March 2017, a foreign company can now transfer its registration from its original jurisdiction to Singapore without having to set up a subsidiary here, thus reducing operational disruption to the company. The re-domiciliation regime, which took effect from October 2017, will boost Singapore's position as a global exchange for international commercial business by allowing businesses to anchor themselves in Singapore and aggregate here.

Later this year, private companies will not be required to hold annual general meetings, subject to some rules. This is part of ACRA's efforts to simplify rules and keep compliance burden low for companies. ACRA is also reviewing the Accountants Act with the aim of strengthening audit quality in Singapore. Feedback from various stakeholder groups is being sought so as to shape a progressive audit regulatory regime that promotes market confidence and keeps compliance cost low for businesses.

It is important that Singapore maintains its reputation as a clean and trusted international financial hub. To this end, ACRA implemented the beneficial ownership regime which requires companies to maintain registers of beneficial owners and nominee directors. This is a major step in promoting greater transparency in the ownership and control of business entities in Singapore. As part of nation-wide efforts to combat money laundering and terrorism financing, ACRA enhanced the set of guidelines for Registered Filing Agents by including guidance on risk assessment, requiring identification of beneficial owners and other customer due diligence measures, and also commenced compliance checks on public accountants in 2017.

INNOVATING AND INTEGRATING TO BENEFIT BUSINESSES

To support our small and medium-sized enterprises (SMEs) in adopting digital technologies, ACRA is collaborating with government agencies and other stakeholders to develop integrated digital solutions that empower businesses to run their business and meet their regulatory obligations more easily. One such collaboration is with the Association of Small and Medium Enterprises, Enterprise Singapore and the Inland Revenue Authority of Singapore (IRAS) and to develop the SME Cloud Exchange Network accounting software. This software will enable SMEs to prepare their financial statements and tax submissions and submit them directly to ACRA and IRAS, thus fulfilling their statutory obligations seamlessly. We can look forward to more collaborations that streamline the multiple touchpoints and transactions with different government agencies for the convenience of businesses.

In line with the Smart Nation initiative to widen public access to data, ACRA now provides free data – more than 1.5 million business records – for public consumption at the government data portal Data.Gov.Sg. Widening public access to ACRA's data will also help to enhance corporate transparency. Later this year, ACRA will introduce Application Programming Interfaces as another means for businesses and members of the public to access ACRA's data, so that they can build applications and create new business solutions with the data. Such open access allows capabilities and innovations beyond the government to be tapped for the benefit of Singapore.

UPHOLDING STANDARDS OF OUR REGULATORY REGIMES

To stay abreast of international best practices and contribute towards the development of financial reporting, audit and corporate regulatory standards, ACRA continued to participate actively in various international and regional fora. In 2017, we were re-elected to the International Forum of Independent Audit Regulators Board for a four-year term. Earlier this year, we were also re-elected to the Executive Committee of the Corporate Registers Forum. These are recognitions that augur well for us as we continue to play our part in the international community by sharing best practices and uphold the standards of our regulatory regimes.

IN APPRECIATION

I would like to take this opportunity to acknowledge the contributions of our key stakeholders and partners.

On behalf of the Board, I would like to express our deepest appreciation to Ms Lim Soo Hoon who served as Chairman from April 2012 to March 2018. Under Soo Hoon's leadership, ACRA undertook the comprehensive review of the Companies Act in 2014, leading to the implementation of over 200 legislative amendments, the largest number since the Act was enacted in 1967. The amendments have helped to reduce regulatory burden on companies, provide greater business flexibility and improve the corporate governance landscape in Singapore.

My deep appreciation also goes to our Board members for their invaluable contributions to ACRA. I would like to express my gratitude to Mr Sajjad Akhtar, Ms Melissa Khoo, Mr Alan Nisbet and Mr Muthukrishnan Ramaswami, who have recently stepped down from the Board, for their insightful advice and dedicated service. I warmly welcome our new Board members Mr Muhammad Hidhir, Mr Paul Lee, Mr Bruce Liang and Mr Kevin Wong.

On behalf of the Board, I would also like to extend our heartfelt appreciation to the staff of ACRA for their commitment and hard work as we seek to promote a vibrant and trusted business environment in Singapore for businesses to thrive and flourish.

MRS TAN CHING YEE
Chairman



CHIEF EXECUTIVE'S MESSAGE

"Our aim is to promote a trusted and vibrant environment in Singapore where businesses will thrive, with fair and transparent capital markets, supported by a strong, responsive corporate regulatory framework."

2017 was a significant year for ACRA. We took stock of what we did and changes in the business environment, and reviewed our strategic plans.

Our aim is to promote a trusted and vibrant environment in Singapore where businesses thrive, with fair and transparent capital markets, supported by a strong, responsive corporate regulatory framework.

We have embarked on several initiatives with other agencies to make it easy for businesses to deal with us. Businesses can look forward to seamless and integrated services, and a more consistent experience across government agencies in the coming years.

Work has started on making the corporate data lodged with ACRA easily accessible through Application Programming Interfaces so that the public and business community can create business value from them. We will also improve the accuracy of data in our registry to boost investor and consumer trust and confidence, and adopt a data-driven and intelligence-led enforcement approach for better regulatory outcomes.

ENSURING SINGAPORE REMAINS THE BEST PLACE TO DO BUSINESS

New initiatives were introduced in 2017 to boost Singapore's value proposition as an efficient business hub known for its ease of doing business. To reduce compliance burden, we simplified the annual return filing process significantly for about 150,000 exempt private companies.

We started to issue free business profiles containing essential information about their business when businesses register with us or when they file their annual returns. These profiles verify their corporate and financial status and facilitate their dealings with clients. We added to our suite of one-stop business registration services by enabling businesses to apply online for Workmen Injury Compensation Insurance. We will be undertaking a study to fundamentally review the design of our online business registration and filing portal, so as to leverage new enabling technologies and enhance user experience.

We will continue to review our policies and simplify our rules to meet the needs of the business community, and make it easy for them to start and grow in Singapore.

UPHOLDING STRONG MARKET CONFIDENCE

To address growing global concerns on money laundering and terrorism financing risks, new regulatory measures were introduced while others were tightened, to enhance corporate transparency and governance, and reduce opportunities for misuse of corporate entities for illicit purposes.

We refined the guidelines on customer due diligence measures for corporate service providers that are registered as filing agents with ACRA, as well as commenced checks on public accountants to ensure that they comply with measures to counter money laundering and terrorism financing.

To drive voluntary compliance, we launched an online training portal in June 2017. We now offer the Directors Compliance Programme as an online module for directors who have failed to comply with their filing requirements for the first time. These directors undergo the programme in lieu of prosecution. To enhance market transparency, we have started adopting a "re-statement first" approach where companies whose financial statements were reviewed by ACRA take voluntary action to remediate the financial reporting gaps highlighted. The aim is to ensure that companies rectify misstatements on a timely basis and communicate these promptly for the benefit of investors.

2017 also saw some encouraging improvement in audit quality. The proportion of audit inspections for non-listed companies with at least one finding has reduced by 15%. More public accountants are taking steps to address recurring audit deficiencies by addressing root causes and developing effective action plans.

In the coming year, we will be reviewing the existing regulatory regime for public accountants with a view to further strengthen it.

PROVIDING EXCELLENT SERVICE

Customers are at the centre of what we do. We consulted and took into consideration customers' feedback and suggestions in the redesign of our BizFile[®] user interface to improve user experience. We also launched a virtual assistant, "Ask Jamie @ ACRA", on our website to provide customers with a 24/7 channel for quick answers to simple questions on business registration. More than 163,000 customers used the virtual assistant between September 2017 and March 2018, which helped to reduce the volume of enquiries by 15%.

In response to customers' feedback, a Special Unique Entity Number service was introduced in February 2018 to give businesses the option to choose and purchase their preferred unique entity number.

ACRA REDEFINED

We value our staff highly and are committed to their learning and development. To prepare our officers for jobs of the future, we have developed a training roadmap to guide the training of our officers in new core job competencies. In 2017, our staff attended foundational data analytics programmes and design thinking courses. More advanced training programmes will be rolled out in the coming year.

We have started to use digital tools, like Robotic Process Automation to streamline our internal processes, and data analytics to help us make policy decisions and business process changes.

We will enhance organisational capabilities and improve our workforce competencies so that we can continue to deliver results and contribute effectively as a team.

ACKNOWLEDGEMENT

It would not have been possible to implement these initiatives and achieve our objectives without the strong support of the wider public and key stakeholders like the Institute of Singapore Chartered Accountants, Singapore Institute of Directors, Chartered Secretaries Institute of Singapore and Singapore Investors Association of Singapore. They have provided invaluable feedback on our service initiatives and plans to improve our regulatory frameworks. We will continue to engage and work with them to develop better solutions together.

I would also like to thank the Board and our stakeholders for their unwavering support, and to all ACRA colleagues for their dedication and commitment.

MR ONG KHIAW HONG
Chief Executive

BOARD MEMBERS

AS AT 1 APRIL 2018



CHAIRMAN
MRS TAN CHING YEE
Permanent Secretary (Finance),
Ministry of Finance



CHIEF EXECUTIVE, ACRA
MR ONG KHIAW HONG



MS AMEERA ASHRAF
Partner and Head of Competition
and Regulatory Practice,
WongPartnership LLP



MR ADRIAN CHAN
Head of Corporate Department
and Senior Partner, Lee & Lee
Advocates & Solicitors



MR HO MENG KIT
Chief Executive Officer,
Singapore Business Federation



MR PAUL LEE
Managing Partner,
RSM Singapore



MR LEE BOON NGAIP
Assistant Managing Director
(Capital Markets),
Monetary Authority of Singapore



MR LEE WAI FAI
Group Chief Financial Officer,
United Overseas Bank Limited



MR BRUCE LIANG
Chief Executive Officer, Integrated
Health Information Systems Pte
Ltd (IHIS) and Chief Information
Officer, Ministry of Health



MR MAX LOH
Managing Partner, Ernst & Young,
ASEAN and Singapore



MS CHANDRA MALLIKA
Managing Director/Chief Operating
Officer Asia Pacific, Deutsche Bank
AG, Singapore Branch



**MR MUHAMMAD HIDHIR
BIN ABDUL MAJID**
Principal District Judge and Principal
Director, Family Justice Courts



MR OW FOOK CHUEN
Accountant-General,
Accountant-General's Department



PROF TAN CHENG HAN
Professor, Faculty of Law,
National University of
Singapore



MR THAM SAI CHOY
Chartered Accountant



MR KEVIN WONG
Advocate and Solicitor

BOARD COMMITTEES

AUDIT AND RISK MANAGEMENT COMMITTEE

Mr Adrian Chan (Chairman)
Mr Lee Wai Fai
Mr Bruce Liang
Mr Muhammad Hidhir

HUMAN RESOURCE AND FINANCE COMMITTEE

Mrs Tan Ching Yee (Chairman)
Mr Ho Meng Kit
Mr Lee Boon Ngiap
Ms Chandra Mallika
Mr Ong Khiaw Hong

PUBLIC ACCOUNTANTS OVERSIGHT COMMITTEE

Prof Tan Cheng Han (Chairman)
Ms Ameera Ashraf
Mr Paul Lee
Mr Max Loh
Mr Ow Fook Chuen
Mr Tham Sai Choy
Mr Kevin Wong

ACRA MANAGEMENT

AS AT 1 APRIL 2018

Mr Ong Khiaw Hong	CHIEF EXECUTIVE
Ms Chin Li Fen	DEPUTY CHIEF EXECUTIVE, CORPORATE AND OPERATIONS GROUP DIVISIONAL DIRECTOR, CORPORATE SERVICES DIVISION (COVERING)
Mr Andy Sim	ASSISTANT CHIEF EXECUTIVE, LEGAL SERVICES AND COMPLIANCE GROUP
Ms Lim Jen Hui	DIVISIONAL DIRECTOR, COMPLIANCE DIVISION
Ms Ang Siok Hui	DIVISIONAL DIRECTOR, CORPORATE DEVELOPMENT DIVISION
Mr Mohamed Farouk	DIVISIONAL DIRECTOR, CUSTOMER EXPERIENCE DIVISION
Ms Bong Yap Kim	DIVISIONAL DIRECTOR, FINANCIAL REPORTING DIVISION
Ms Bernice Quek	DIVISIONAL DIRECTOR, INFORMATION AND TECHNOLOGY DIVISION
Mr Lee Tze Shiong	DIVISIONAL DIRECTOR, PUBLIC ACCOUNTANCY DIVISION

DIVISIONS AND DEPARTMENTS

CORPORATE DEVELOPMENT DIVISION

The Corporate Development Division oversees the ACRA Academy, Corporate Communications Department and Corporate Planning Department. The division drives the organisation's growth through the development of strategies, policies and systems. It oversees ACRA's external communications, international engagements and stakeholders' training and education programme.

CUSTOMER EXPERIENCE DIVISION

The Customer Experience Division oversees the Business Innovation Office and Registry Services Department. The division sets the strategic direction for ACRA's service delivery, registry operations and innovation efforts.

CORPORATE SERVICES DIVISION

The Corporate Services Division oversees the Administration Department and Human Resource Department. The division partners line departments to achieve operational efficiency and effectiveness.

COMPLIANCE DIVISION

The Compliance Division oversees the Enforcement Department and Prosecution Department. The division sets the strategic direction for ACRA's enforcement and prosecution efforts.

INFORMATION AND TECHNOLOGY DIVISION

The Information and Technology Division oversees the Information Resource Department and InfoComm Technology Department. The division sets strategic directions for ACRA's digitalisation efforts and manages all matters related to quality of data and value of information.

FINANCIAL REPORTING DIVISION

The Financial Reporting Division oversees the Finance Department, Financial Information Department and Financial Reporting Surveillance Department. The division sets the strategic direction for promoting high quality financial reporting and filing by companies.

PUBLIC ACCOUNTANCY DIVISION

The Public Accountancy Division oversees the Practice Monitoring Department and Professional Oversight Department. The division regulates and facilitates the development of the public accountancy sector. It promotes high professional standards in the public accountancy sector.

ACCOUNTING POLICY DEPARTMENT

The Accounting Policy Department is responsible for developing strategy and policies for the accountancy sector, including the review of Accountants Act, and engaging with the various stakeholders to promote quality of audit and financial reporting, both in Singapore and internationally.

LEGAL SERVICES DEPARTMENT

The Legal Services Department advises the ACRA Board, Public Accountants Oversight Committee and other ACRA divisions and departments on all legal matters; drafts and reviews contracts and tenders; and advises on civil actions that may impact ACRA. The department also works with other divisions on legislative reforms and amendments to Acts under ACRA's purview.




The above illustration depicts a vibrant and bustling business environment, highlighting how ACRA plays an important role in helping businesses grow and flourish. The ribbon cutting signifies the establishment of new businesses and communicates the idea of growth and opportunities.

CHAPTER 1

TO BE A LEADING BUSINESS REGISTRY

We continually review our regulatory frameworks and processes to ensure they are robust and business-friendly. By streamlining processes and leveraging digital solutions, we seek to provide a trusted and pro-business ecosystem that helps businesses to grow and flourish.

MORE FREE BUSINESS DATA FOR PUBLIC USE



Data Sharing for Public Use

More business information from ACRA's database available on data.gov.sg

As part of our Open Data initiative, ACRA provides the public with free and easy access to online business datasets.

ACRA's public register of business entities in Singapore offers a wealth of business information that can be harnessed by the public and private sectors. In support of Singapore's Smart Nation initiatives, we are one of the key agencies providing data for public consumption at Data.gov.sg, the government's one-stop portal for open and free data.

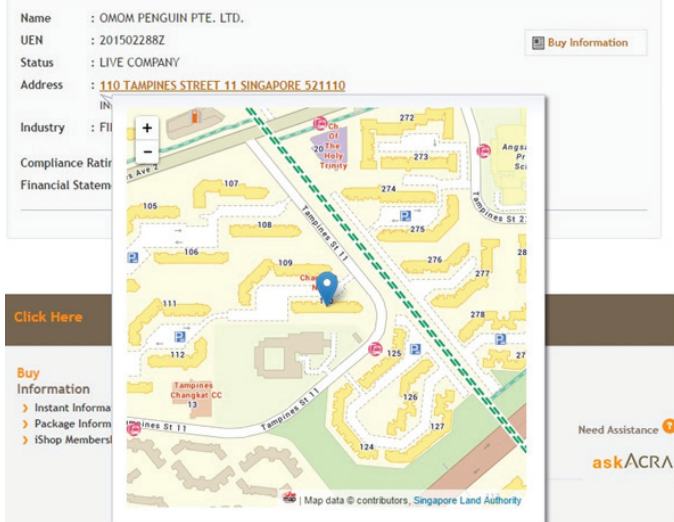
More than 1.5 million records of business entities registered with ACRA have been made available for public access, through data download or API calls. Updated on a monthly basis, the free data comprises nine datasets with a total of 94 data elements, to enable researchers and developers to glean insights and develop applications for businesses.

MORE INFORMATION ON BUSINESS ENTITIES AVAILABLE IN BIZFILE*

To promote corporate transparency, ACRA's BizFile* portal offers a free entity search service for members of the public to search for information on more than 500,000 business entities registered with ACRA.

In June 2017, ACRA's online entity search service was enhanced to provide the following additional information:

- Business activity (SSIC code)
- Filing history of the entity
- Validity of the registered business address
- Map location of the registered business address




Name : OMOM PENGUIN PTE. LTD.
 UEN : 201502288Z
 Status : LIVE COMPANY
 Address : **110 TAMPINES STREET 11 SINGAPORE 521110**

Industry : FII
 Compliance Rati
 Financial Statem

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In addition to displaying the registered address of an entity, the public can now click on the address to access a map view showing the exact location of the entity.

EASE OF DOING BUSINESS IN SINGAPORE

In FY2017, Singapore was once again ranked second in the World Bank Doing Business report and sixth for the indicator on "Starting a Business". It takes just two and a half days to start a business in Singapore.

We continue to review our policies and streamline our business registration processes to improve the ease of doing business and keep compliance burden low.



In the "Starting a Business" category of the World Bank Survey on Doing Business, it was found that Singapore takes just two and a half days to start a business, thus placing Singapore in sixth place globally. (Source: World Bank)

FACILITATING TRANSFER OF REGISTRATION BY FOREIGN CORPORATE ENTITIES

To further strengthen Singapore's position as a global exchange for international commercial business, the inward re-domiciliation regime was implemented in October 2017. Foreign companies can now transfer their registration to Singapore while retaining their corporate history and branding from their original jurisdiction.



ACRA established a new re-domiciliation framework since 11 October 2017, allowing eligible foreign corporate entities to transfer their company registration to Singapore.

BUSINESS-FRIENDLY INITIATIVES

FREE BUSINESS PROFILES

Since June 2017, new business entities will receive a free copy of their Business Profile in electronic form upon successful registration or incorporation. Existing business entities registered with ACRA will also receive a free copy of their Business Profile after successfully renewing their business registration, or filing their Annual Returns or Annual Declarations.

Commonly used to meet banking requirements as well as other business related applications, the Business Profile helps business entities reduce their business costs. In FY2017, over 310,000 free Business Profiles were given out. This is equivalent to total savings of more than \$1.6 million for businesses.

ENHANCING THE BUSINESS REGISTRATION PROCESS - WORKMEN INJURY COMPENSATION INSURANCE

New business owners can now save time when purchasing insurance for their employees. In October 2017, a new Workmen Injury Compensation Insurance online service was introduced in the BizFile* portal as part of our efforts to further streamline the online business registration process.

✓ Adding Value to your Business Needs

Business Profiles now provided to business entities upon registration and after annual filings



ACRA has been offering new business entities free Business Profiles upon their successful registration since June 2017. Existing entities also receive a free copy of their Business Profile after renewing their business registration, or filing their Annual Returns or Annual Declarations.

Application for Work Injury Compensation Insurance

The Work Injury Compensation Act (WICA) requires all employers to cover Work Injury Compensation Insurance for all their local or foreign employees who are under a contract of service or contract of apprenticeship, regardless of salary, age or nationality.

It does not cover the following:

- Independent contractors and the self-employed.
- Domestic workers.
- Uniformed personnel - members of the Singapore Armed Forces, Singapore Police Forces, Singapore Civil Defence Forces, Central Narcotics Bureau and Singapore Prison Service.

Entity Information

UEN T17FC0041K	Name of Entity FDGRRTUYYTU (SINGAPORE BRANCH)
Entity Type Company	Country of Incorporation / Registration INDIA
Date of Incorporation / Registration 03/09/2017	Website Address HAPPYBIRDS
Entity's Contact Number* +65 5321	Email Address REALLYHAPPYBIRD@GMAIL.COM
Primary Activity 55103, CHALETS	
Registered Office Address	Mailing Address is same as Registered Address <input checked="" type="checkbox"/>
Postal Code 520886	Postal Code 520886
Block No/House No 886	Block No/House No 886
Street Name TAMPINES STREET 83	Street Name TAMPINES STREET 83
Level/Unit	Level/Unit
Building/Estate Name	Building/Estate Name

From October 2017, new and existing business owners can purchase Workmen Injury Compensation Insurance for their employees via BizFile*.

SHARING BEST PRACTICES WITH INTERNATIONAL COUNTERPARTS

ACRA actively participates in international corporate registry forums. In August 2017, our officers spoke at the Corporate Registers Forum (CRF) Technical Workshop held in South Africa. We shared our digitalisation plans with our global counterparts on how we would enhance our business registration and filing services to meet the changing needs of the business community and public.

ACRA represented Singapore in May 2017 at two ASEAN Task Force meetings on "Starting a Business" which seeks to enhance the ease of doing businesses in ASEAN, and facilitate cross border businesses for ASEAN member states.

ACRA also hosted foreign delegations keen to learn more about our business registration processes and regulatory framework and data sharing practices.



Dr Tran Thi Hong Minh, Director General of Viet Nam Agency for Business Registration (5-6 June 2017)



Dr Phirany Phissamay, Deputy Director-General of the Accounting Department of the Ministry of Finance, Lao People's Democratic Republic (19 July 2017)



Delegation led by Mr Fazle Kabir, Governor of Bangladesh Bank, who visited Singapore under the auspices of the World Bank (3 August 2017)



ACRA Chief Executive Mr Ong Khaiw Hong hosted a visit from Mr Greg Patchell, Deputy Chief Executive (Market Services) from the New Zealand Ministry of Business, Innovation & Employment and Mr Ross van der Schyff, the Registrar of Companies for New Zealand (21 November 2017)



The above illustration depicts ACRA's efforts in regulating and ensuring compliance among businesses in order to establish a trusted and respected corporate environment.

CHAPTER 2

TO BE A RESPECTED CORPORATE AND ACCOUNTING REGULATOR

High regulatory compliance is crucial in upholding strong public confidence in the corporate regulatory framework and in audit and financial reporting.

REFINING ENFORCEMENT STRATEGIES FOR THE BENEFIT OF INVESTORS

To boost the quality of financial reporting, ACRA's Financial Reporting Surveillance Programme adopted the "re-statement first" approach at the start of FY2017. The aim is to have companies rectify misstatements on a timely basis and communicate these promptly to investors. A Financial Reporting Practice Guidance highlighting the areas of review focus for the coming year was published on the ACRA website, to guide directors and other financial statements preparers on the risks of misstatements in the financial statements, as well as how to better meet the information needs of investors and other users of financial statements.



1	2017	2	2017/5	0.00	
1	2017	2	24378	1.00	
1	2017	2	26852	0.00	0.
1	2017	2	23384	46.00	92.
1	2017	2	510515	0.00	0.
1	2017	2	506781	0.00	0.
1	2017	2	92001	0.00	0.
1	2017	2	95001	0.00	0.
1	2017	2	94011	0.00	0.
1	2017	2	514278	0.00	0.
1	2017	2	518003	99.00	99.
1	2017	2	534941	0.00	0.
1	2017	2	90010	20.00	20.
1	2017	2	90120	0.00	0.

From 1 April 2017, ACRA has been working with companies to rectify misstatements by restating the financial statements on a timely basis and communicating these promptly to investors, as part of the Financial Reporting Surveillance Programme.

TAPPING ON DIGITAL MEANS TO RAISE COMPLIANCE

To encourage voluntary compliance, the online e-Directors Compliance Programme was launched in June 2017 to allow first-time offenders who have failed to comply with statutory filing requirements under the Companies Act, to go through an online training programme in lieu of prosecution.



In June 2017, ACRA launched the online version of the Directors Compliance Programme for participants to log on at their convenience for lessons on directors' duties and corporate governance.

NEW REGULATORY MEASURES TO ENHANCE CORPORATE TRANSPARENCY

As part of larger nation-wide efforts to strengthen Singapore's regulatory framework to combat money laundering and terrorism financing, ACRA introduced the Beneficial Ownership regime that provides greater transparency in the ownership and control of corporate entities.

REGISTER OF CONTROLLERS

Since 31 May 2017, ACRA requires all existing companies and limited liability partnerships to set up a Register of Controllers to maintain beneficial ownership information that must be made available to public agencies upon request. In line with international standards, this aims to establish a reliable and transparent business register that seeks to prevent the misuse of corporate entities for illicit purposes.

BENEFICIAL OWNERSHIP REGIME COMPLIANCE CHECKS

Over 140 inspections were conducted from September 2017 to March 2018, with enforcement actions taken against companies that were non-compliant.

Since February 2017, such compliance checks were also included in the audit inspections on public accountants and public accountants entities.

ACRA also revised the guidelines for Registered Filing Agents in August 2017 to include new obligations on the identification of beneficial owners and strengthening of some customer due diligence measures.

GLOBAL FORUM ON TRANSPARENCY AND EXCHANGE OF INFORMATION

ACRA was part of a multi-agency team that participated in the Global Forum on Transparency and Exchange of Information on-site evaluation from 19 to 23 March 2018, during which Singapore was assessed for our adherence to international transparency standards. Singapore was assessed to be compliant with the Global Forum's standard.



SINGAPORE ACCOUNTANCY AND AUDIT CONVENTION 2017



A record 1,100 participants including accountants, auditors and business leaders joined us at the Singapore Accountancy and Audit Convention 2017 on 3 October 2017.

ACRA held the Singapore Accountancy and Audit Convention (SAAC) on 3 October 2017 with the Institute of Singapore Chartered Accountants and the Singapore Accountancy Commission. The event saw a record turnout of over 1,100 participants comprising accountants, auditors and business leaders.

RAISING THE AUDIT QUALITY BAR

REVIEW OF ACCOUNTANTS ACT

At the Singapore Accountancy and Audit Convention 2017, Ms Indranee Rajah, Senior Minister of State for Law and Finance, announced that the Ministry of Finance and ACRA will review the Accountants Act to further raise audit quality. One area under consideration is to make firm-level audit inspection a statutory requirement. Public consultations will be held in 2018 to gather feedback on the proposed legislative amendments.



Guest-of-Honour Ms Indranee Rajah, Senior Minister of State for Law and Finance, announced a review of the Accountants Act to further raise audit quality standards for the accountancy sector.

STUDY ON ENHANCED AUDITOR REPORTING STANDARDS

At SAAC 2017, ACRA released findings from a study on the annual reports of 180 companies listed on the Singapore Exchange that examined the impact of the first-year implementation of Enhanced Auditor Reporting standards in Singapore. It was revealed that the more insightful auditor's reports had led to greater corporate disclosures. Investors were also using these enhanced reports to identify significant accounting and audit issues. This bodes well for ACRA's on-going efforts to enhance corporate transparency.

The study was a collaboration between ACRA, Association of Chartered Certified Accountants, Institute of Singapore Chartered Accountants and Nanyang Technological University.

ADDRESSING REPEATED AUDIT DEFICIENCIES

The latest round of audit inspections by ACRA's Practice Monitoring Programme showed noticeable improvements in audit quality for the segment comprising audit firms auditing non-listed companies. However, some firms in this segment continued to show recurring audit deficiencies. Since 1 April 2017, ACRA has published on its website the names of public accountants who have failed a second or revisit inspection and who have been issued a hot review or restriction order, to deter repeated audit deficiencies and uphold market transparency. It is an extension of the current audit regime which already publishes the names of public accountants whose licenses have been suspended or cancelled for serious audit deficiencies found during ACRA's inspections.



PROMOTING HIGH VOLUNTARY COMPLIANCE

We continue to reach out to the business community with support from our partners to raise awareness and promote voluntary compliance with our regulatory regimes. On 12 April 2017, ACRA and the Singapore Institute of Directors (SID) conducted a deep-dive session for over 60 audit committee members on the use of ACRA's Audit Quality Indicators Disclosure Framework to better evaluate and select the right auditors, and on key learning points from ACRA's Financial Reporting Surveillance Programme.

At ISCA's Quality Assurance Seminar held on 22 May 2017, over 300 participants from the public accountancy sector were updated on upcoming audit regulatory initiatives and key observations from the Ethics Pronouncement 200 inspections conducted under ACRA's Practice Monitoring Programme.

ACRA organised the fourth ACRA-SGX-SID Audit Committee Seminar together with the Singapore Exchange (SGX) and SID on 16 January 2018. Using case studies, ACRA and SGX shared with over 450 directors of listed companies on how they could improve the quality of their financial reporting and fulfil their obligations as directors.



ACRA Chief Executive Mr Ong Khiaw Hong addressed an audience of over 450 directors of listed companies at the fourth ACRA-SGX-SID Audit Committee Seminar held on 16 January 2018.



ACRA Divisional Director for the Public Accountancy Division, Mr Lee Tze Shiong, provided regulatory updates at the ISCA Quality Assurance Seminar on 22 May 2017.

CONTRIBUTING TO BETTER GLOBAL AUDIT QUALITY

ACRA continues to actively support regional and international efforts to raise global audit quality.

INTERNATIONAL FORUM OF INDEPENDENT AUDIT REGULATORS (IFIAR)

ACRA was elected to the IFIAR Board on 7 April 2017 for a four-year term. IFIAR promotes global collaboration and sharing of experience among audit regulators. It actively engages the global leadership of the six largest international networks of audit firms to drive audit quality.

VISITS BY FOREIGN COUNTERPARTS

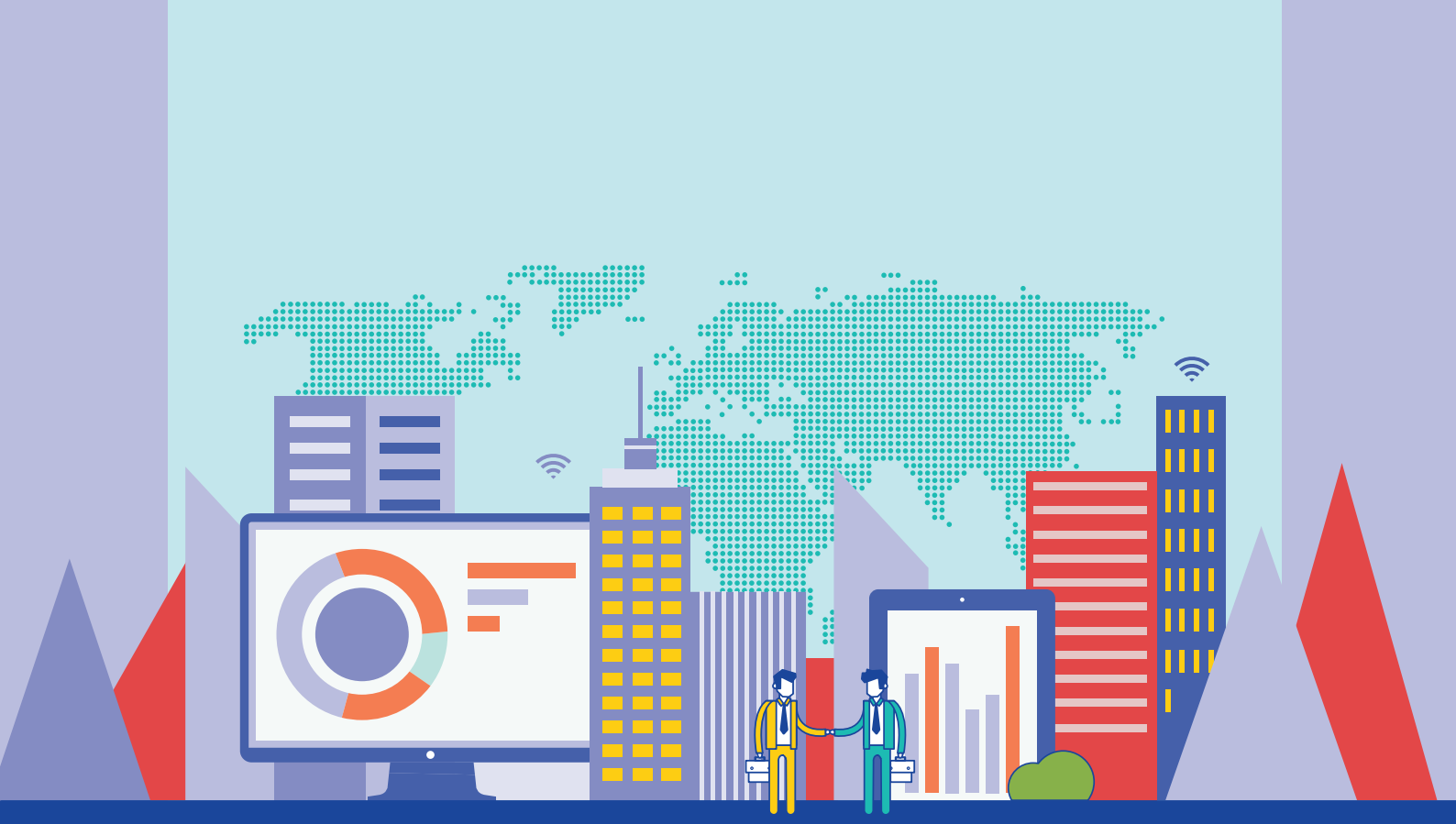
ACRA shared our audit regulatory experience when hosting foreign delegations, such as the United Kingdom's Financial Reporting Council and the International Auditing and Assurance Board.



Former ACRA Chairman Ms Lim Soo Hoon received Sir Winfried Bischoff, Chairman of the United Kingdom's Financial Reporting Council (19 September 2017).



ACRA Chief Executive Mr Ong Khiaw Hong hosted Mr Arnold Schilder, International Auditing and Assurance Board Chairman, and Mr James Gunn, International Federation of Accountants Managing Director (29 January 2018).



The above illustration depicts ACRA reaching out to engage customers and our focus on delivering excellent customer service.

CHAPTER 3

TO PROVIDE EXCELLENT SERVICE

We strive to provide service that exceeds customer expectations and constantly seek new ways to deliver positive customer experience. Active engagement with our customers and partners is crucial in ensuring we continue to tailor our services to meet the needs of our customers.

IMPROVEMENT IN PRO-BUSINESS RANKING

ACRA improved on our ranking in the Pro-Enterprise Index from the Pro-Enterprise Ranking Survey, moving up to 12th position from 14th in 2016. The survey assessed 28 government agencies on how business-friendly they were. We also attained sixth position in the Customer Satisfaction Index of Singapore (CSISG) among 18 public agencies, up from 13th position previously. The CSISG, jointly developed by Singapore Management University and Workforce Development Agency, measures customer satisfaction across sectors in the service industry and serves as an objective gauge of service competitiveness in Singapore.



By focusing on delivering positive customer experiences, ACRA has improved our ranking in the Customer Satisfaction Index of Singapore to be rated sixth position among 18 public agencies.

DELIVERING POSITIVE CUSTOMER EXPERIENCE

ACRA reviews our services regularly so that they are intuitive, simple and easy to use. New initiatives are introduced to meet the evolving needs of customers.

ENHANCED USER INTERFACE FOR BIZFILE*

Tapping on user feedback, ACRA redesigned and launched a new user interface for BizFile* in February 2018. The layout, navigation and content were reorganised using the UX design approach to make BizFile* easier for customers to use.



ACRA enhanced the user interface for our BizFile system in February 2018 to make it more user-friendly and intuitive.*

NEW SPECIAL UNIQUE ENTITY NUMBER

The Special Unique Entity Number (SUN) service was introduced in February 2018 to give customers the option of choosing a preferred Unique Entity Number (UEN) from a list of selected UENs at a fee. With SUN, entity owners can easily recall their UEN when transacting with government agencies.

ENHANCING CUSTOMER SERVICE TOUCHPOINTS

On 1 September 2017, the Ask Jamie @ ACRA virtual assistant service was implemented on the ACRA corporate website, and on the BizFile* portal in December 2017. Customers now have an additional customer service channel that delivers real-time service 24/7. To minimise waiting time and for better resource management, we implemented an e-appointment system in November 2017.

ACRA ON THE GO MOBILE APP

The ACRA On The Go mobile app allows business owners to access up to 20 app functions while on the move, including frequently used services such as accessing ACRA's registry, filing transactions, or buying business information. To encourage business owners to download and use the ACRA On The Go mobile app to file simple transactions, a six-week promotion campaign was held in November and December 2017. During this period, smartphone or tablet users could receive five free Business Profiles when they logged into the app with their SingPass or CorpPass.

"Hi I am Jamie, and I am here to answer your questions."

ASK JAMIE@ACRA

The Ask Jamie @ ACRA virtual assistant was rolled out on the ACRA website and BizFile portal to answer queries on ACRA-related matters.*

Download **ACRA On The Go** app
And get **Five Free Business Profiles**

**from now until 14 Jan 2018,
when you login using SingPass / CorpPass*

A six-week promotion campaign was held in November 2017 to encourage business owners to download and use the ACRA On The Go mobile app.

ENGAGING THE PUBLIC

To help new and aspiring entrepreneurs start and do business in Singapore on the right footing, we organise community outreach talks.

ACRA@THE HEARTLANDS

On 18 November 2017, ACRA held an ACRA@The Heartlands outreach talk at the Ang Mo Kio Community Club. More than 200 participants heard officers from ACRA, the Central Provident Fund Board, the Housing & Development Board, the Inland Revenue Authority of Singapore, and the SME Centre at the Singapore Malay Chamber of Commerce & Industry share about key business regulations and assistance schemes. Business Clinics at the end of the talk allowed participants to have one-on-one enquiry sessions with the officers.

REACHING OUT TO YOUNG ASPIRING ENTREPRENEURS

Through the ACRA Academy, outreach talks were held at institutes of higher learning including the National University of Singapore, Nanyang Technological University, Nanyang Polytechnic, Republic Polytechnic, Institute of Technical Education (ITE) College Central and ITE College West on the fundamentals of starting a business. Over 900 students attended the talks.



Mr Vincent Guee from the ACRA Registry Services Department presented on *Doing Business in Singapore* to a crowd of more than 200 new and aspiring business owners at Ang Mo Kio CC on 18 November 2017.



Reaching out to young entrepreneurs on doing business at the Youth Symposium @ NUS Business School on 15 June 2017.



ACRA officers together with invited speakers and participants from the Nanyang Technological University on 18 September 2017.



The above illustration features ACRA's efforts in leveraging technology to improve capabilities and effectiveness of our people.

CHAPTER 4

TO BE AN INNOVATIVE, EFFICIENT AND EFFECTIVE TEAM

We seek to equip our officers with the necessary skill sets to stay agile and responsive in an ever changing business environment. Leveraging technology, we strive to improve our efficiency and effectiveness.

OUR TRANSFORMATION JOURNEY – OneACRA REDEFINED

In FY2017, we reviewed the strategic directions for ACRA. In line with the public service transformation plans for a more integrated and technology-enabled government, we have embarked on a transformation journey "OneACRA Redefined" to promote a trusted and vibrant business environment and to make Singapore the best place for business.

We have set ambitious goals for ourselves. Over the next few years, we seek to harness technology to raise compliance with the law, improve service delivery, enhance organisational capabilities and improve workforce competencies.

In FY2017, ACRA completed a design thinking study to review our operating model for business registration and filing. Results from the study would help to determine customer needs, as we plan for the next-generation business filing system.

STREAMLINED PROCESSES TO IMPROVE ACRA'S EFFICIENCY AND EFFECTIVENESS

Leading the way for ACRA's digital transformation drive, the Finance Department tapped on Robotic Process Automation (RPA) to automate manual processes including reconciliation of payments from BizFile* customers, and sorting of vendor invoices. The switch to RPA software has enabled the department to eliminate time-consuming and repetitive processes, resulting in savings in manpower resources. The department was able to allocate the freed up manpower to handle higher value added tasks.

ACRA also updated our quality management system to the new ISO 9001:2015 standard.



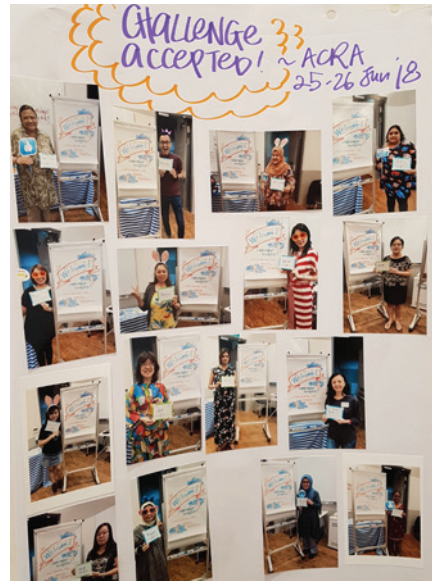
Members from the Finance Department and InfoComm Technology Department who worked on the Robotic Process Automation project together (from L-R): Ms Susan Ng, Ms Tew Hwee Pheng, Ms Yee Sai Leng, Ms Esther Poon, Mr Elan Arunasalam and Ms Karen Low.

"Finance Department's collaboration with our IT colleagues enabled us to design and implement the RPA successfully. With the automation of the reconciliations and e-invoice routing functions, our productivity is higher than before."

**Ms Tew Hwee Pheng,
Senior Finance Officer,
Finance Department**

STAFF TRAINING TO BUILD A COMPETENT AND INNOVATIVE TEAM

We are enhancing our organisational capabilities and improving our workforce competencies as we continue on our transformation journey. In FY2017, more than 60% of ACRA staff attended data analytics awareness talks and the majority of senior officers attended design thinking workshops. We have also embarked on a number of data analytics projects with in-depth, intermediate data analytics training rolled out for staff. An ACRA-wide competency roadmap has been developed with specific target outcomes for different groups of officers to acquire new skills.



ACRA officers attended a SkillsFuture Digital Workplace course which focused on welcoming technological changes to the workplace and how to take advantage of new opportunities in the future economy.

OUR COMMITMENT TO CONTINUOUS IMPROVEMENT

Our officers did ACRA proud when two of our projects clinched the MOF Most Innovative Project Awards. A revamp of the ACRA On The Go mobile app expanded the suite of services offered to users including enabling business owners to renew their business registration via mobile devices while on the go. A new online training portal was set up to better meet the training needs of key customer groups such as company directors through customised online courses offering interactive quizzes, bite-sized training modules and 24/7 access.

In addition, the MOF Best Suggestion Award 2017 was awarded to an innovative initiative that offers instant 24/7 business information product self-service checks. The ACRA team came up with a solution for customers to conveniently verify if the information in the Business Profiles is accurate and up to date. By incorporating a QR code in the Business Profile, customers can easily check online if the information in the Business Profile had been digitally tampered with. This project was implemented in November 2017.



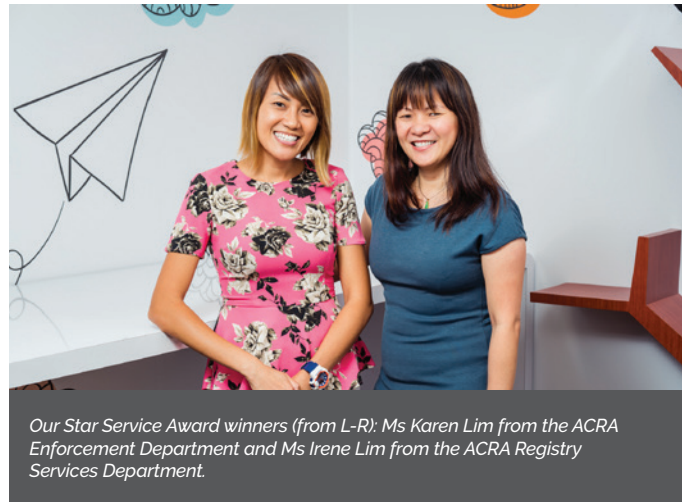
Winners of the MOF Best Suggestion Award 2017 (from L-R): Mr Tay Kok Kiang, Ms Juminah Binte Yusof, Mr Foo Toon Hui Jeff, Ms Shamila K, Mr Syed Alif Bin Syed and Ms Noorezah Binte Mohd Jamil.

OUR STAR SERVICE AWARD RECIPIENTS

Two ACRA officers were recognised at the Public Sector Transformation 2018 Award Ceremony.

Enforcement Manager Karen Lim received the Star Service Individual award. Among the many compliments she has received, in the course of her 12 years with ACRA, was a glowing commendation from an elderly business owner for Karen's fair and yet empathetic approach in handling an appeal on a compliance matter.

Irene Lim, Senior Manager in the Registry Services Department, received the Star Manager award for her exemplary leadership in inspiring and guiding her team members to consistently put customers at the centre of business, and delivering excellent service. Irene is constantly seeking new and innovative ways to improve ACRA's service to customers. One of her suggestions to help customers learn to use ACRA's online services won her the first prize at ACRA's CE-for-a-Day Competition.



Our Star Service Award winners (from L-R): Ms Karen Lim from the ACRA Enforcement Department and Ms Irene Lim from the ACRA Registry Services Department.

OUR NATIONAL DAY AWARDS RECIPIENTS

Four of our officers were honoured with the 2017 National Day Awards.

Er Siew Leng, Senior Operations Officer, who has 30 years of business registry experience was recognised with the Efficiency Medal for her outstanding contributions.

Three ACRA officers were conferred with the Long Service Medal at the National Day Awards:

- Andy Sim, Assistant Chief Executive (Legal Services and Compliance Group)
- Thilagavathi d/o Thirupppathivasan, Senior Procurement Officer
- Annie Wong Hee Voke, Senior Customer Relations Officer



Ms Er Siew Leng from the ACRA Registry Services Department was conferred the Efficiency Medal at the 2017 National Day Awards.

OUR COMMUNITY SERVICE PROJECT – “BLESS A CHILD” INITIATIVE

In March 2018, as part of our corporate social responsibility programme, ACRA officers participated in the “Bless a Child” (BAC) project which supports the educational needs of underprivileged children. Apart from making donations, our officers procured, prepared and delivered new schoolbags packed with stationery and book vouchers to 80 underprivileged children. Each schoolbag also had a short handwritten message of encouragement penned by an ACRA officer.

The BAC initiative is ACRA's collaboration with the Salvation Army Prison Support Services under their Kids-In-Play programme which provides professional and emotional support to children of incarcerated parents.



Under the Bless A Child initiative, ACRA staff donated funds and bought items such as schoolbags, stationery and book vouchers for 80 underprivileged children.



ACRA volunteers after a session of packing the bags for the children.

KEY STATISTICAL HIGHLIGHTS

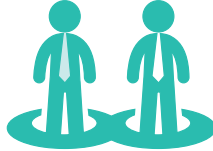
I LIVE ENTITIES AS AT 31 MARCH 2018



153,255
BUSINESSES



320,181
COMPANIES



16,545
LIMITED LIABILITY
PARTNERSHIPS



444
LIMITED
PARTNERSHIPS

490,911

Entities as at
31 March 2018

3.2%

Growth of total
entity count from
FY2016 to FY2017



1,111
Registered Public
Accountants as at
31 March 2018



2,608
Registered Filing
Agents as at
31 March 2018



2,958
Registered
Qualified
Individuals as
at 31 March 2018

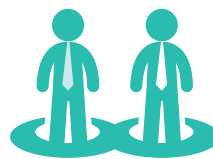
I NEW ENTITIES FORMED IN FY2017



19,854
BUSINESSES



39,240
COMPANIES



2,294
LIMITED LIABILITY
PARTNERSHIPS



182
LIMITED
PARTNERSHIPS

61,570

New entities
formed in FY2017

FY2017/2018 FINANCIAL HIGHLIGHTS

INCOME AND EXPENDITURE SUMMARY

(All in S\$ million)

	2017/2018	2016/2017
Income	76.6	77.7
Less: Expenditure	59.6	55.4
Staff costs	23.8	22.4
Services	16.0	15.3
Other costs	19.8	17.7
Surplus	17.0	22.3
Less: Contribution to Government Consolidated Fund	2.9	3.8
Net Surplus	14.1	18.5

INCOME

Our income was \$76.6 million, \$1.1 million lower than that of last year. The decrease was due to:

- Other income** decreased by \$1.9 million. Last year, a vendor paid us a one-off liquidated damages of \$2.1 million for the delay in commissioning an IT system.
- This was offset by **Company incorporation and related fees** that increased by \$1.0 million, following a 9%-growth in the volume of company incorporation.

EXPENDITURE

Our expenditure was \$59.6 million, \$4.2 million higher than that of last year. The increase was due to:

- Staff Costs** — These increased by \$1.4 million to \$23.8 million due to salary adjustments and bonus payments.
- Other Costs** — These increased by \$2.1 million to \$19.8 million due mainly to:
 - Rental, maintenance and supplies** — These increased by \$3.8 million due to new maintenance fee of \$3.7 million incurred for an IT system since May 2017. Last year, the IT system was under warranty and no maintenance cost was incurred.
 - This was offset by **Other expenditure** that decreased by \$2.3 million. During the year, the funding of \$10.0 million provided to Singapore Accountancy Commission for Singapore Chartered Accountants Programme was fully drawn down.

FY2017/2018 FINANCIAL HIGHLIGHTS

BALANCE SHEET SUMMARY

(All in S\$ million)

	31 Mar 2018	31 Mar 2017
Cash and cash equivalents	168.8	186.5
Fixed and intangible assets	18.3	23.8
Other current assets	5.9	7.4
Total assets	193.0	217.7
Current liabilities	18.8	56.5
Non-current liabilities	2.4	3.1
Total liabilities	21.2	59.6
Net assets	171.8	158.1
Share Capital	8.6	8.6
Accumulated surplus	163.2	149.5
Capital and reserves	171.8	158.1

ASSETS

Our total assets amounted to \$193.0 million, \$24.7 million lower than that of last year. The decrease was due to:

- 1) **Cash and cash equivalents** — These decreased by \$17.7 million to \$168.8 million due mainly to the remittance of ring-fenced composition sums and penalties of \$33.9 million to the Government Consolidated Fund and milestone payments of \$6.7 million. This was offset by cash generated from operating activities of \$22.0 million.
- 2) **Fixed and intangible assets** — These decreased by \$5.5 million to \$18.3 million due to:
 - (a) **Completed assets** — These decreased by \$2.7 million due to the depreciation and amortisation charge of \$7.0 million. This was offset by the transfer from development projects-in-progress of \$4.1 million, following the Phase 2 commissioning of an IT system.
 - (b) **Development projects-in-progress** — These decreased by \$2.9 million due to the transfer of \$4.1 million to completed assets, offset by an addition of \$1.2 million for new IT systems under development.

FY2017/2018 FINANCIAL HIGHLIGHTS

LIABILITIES

Our total liabilities amounted to \$21.2 million, \$38.4 million lower than that of last year. The decrease was due to:

- 1) Provision for contribution to government consolidated fund** — This decreased by \$34.9 million due mainly to the remittance of ring-fenced composition sums and penalties of \$33.9 million to the Government Consolidated Fund.
- 2) Trade and other payables** — These decreased by \$3.5 million due mainly to the settlement of accrued final milestone payments for an IT system.

CAPITAL AND RESERVES

Our accumulated surplus was \$163.2 million, \$13.7 million higher than that of last year. The increase was due to a net surplus of \$14.1 million generated during the year.

**ACCOUNTING AND CORPORATE
REGULATORY AUTHORITY**

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