

What if I have received a summons but all the company directors have just been disqualified due to bankruptcy?

We will offer to compound the offences at \$700 for each defendant, without having to file the AR.

Will a Warrant of Arrest be issued if I did not "receive" the summons?

Yes. Summonses are sent by registered post to the last known address as shown in our records and it would be deemed as good service of the summons.

Why am I under a Warrant of Arrest if I have filed my AR?

You may not have settled the composition fine and/or may not have attended court on the mention date when the matter was still outstanding.

If I filed the AR but am under a Warrant of Arrest, can I still pay the composition fine?

Yes, provided you contact us to cancel the Warrant of Arrest against you. After we have cancelled the Warrant of Arrest and re-fix the summons for mention you can settle the composition fine. If the composition fine is settled before the mention date, we will apply to withdraw the charges and to dispense with your attendance in court.

I am under a Warrant of Arrest. What should I do?

You should report to the Warrant Enforcement Unit to have the Warrant of Arrest executed.

I have executed the Warrant of Arrest and my case is fixed for mention in court. However, I have settled payment for the summons against me before the mention date. Can I leave the country?

You will be on bail until the case is concluded in court. To leave the country, you have to make an application at the Subordinate Court's Crime Registry or in Court 14.

Where is the Warrant Enforcement Unit?

The Warrant Enforcement Unit's contact details are:
319 New Bridge Road D0308
Police Cantonment Complex, Singapore 088762
Tel: 65365085, Fax: 62268473

Where is the Subordinate Courts?

The Subordinate Courts' contact details are:
1 Havelock Square, Singapore 059724
Tel: 64355912, Fax: 64355122
www.subcourts.gov.sg

Do I have to pay any fine in court?

If you have settled payment for the summons with ACRA for the offences committed, you need not pay any fine in court. If you decide to plead guilty to the charges against you, the Court will convict and impose a fine on you.

Can the composition fine be waived if I was a director but am now bankrupt?

Yes, the fine may be waived if you were a bankrupt before the offence dates. If you were made a bankrupt after the offence dates, you will still be liable for the charges.

Can a sleeping director be issued with a summons?

Yes. The law does not make any distinction between an "active" and "sleeping" director. Any person who consents to act as a director must discharge his duties as required under the Companies Act. He is liable for prosecution if he does not carry out his legal obligations diligently.

I was a bailor for a defendant. Will the court require me to attend court to offer an explanation why my bail sum should not be forfeited?

Yes. Even if the defendant has compounded and settled the matter with ACRA, you will have to attend court to explain why your bail sum should not be forfeited.

Glossary

Ordinarily resident in Singapore – Includes persons with a local residential address and can legally remain in Singapore for a long period i.e. Singapore Citizens, Singapore Permanent Residents, Employment Pass and Dependant Pass holders.

Lack of quorum of shareholders – Insufficient shareholders attending the AGM.

Dormant company – A company is considered dormant during a period in which no accounting transaction occurs.

Frequently Asked Questions on COMPLIANCE ISSUES



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ACRA Website
www.acra.gov.sg

Bizfile Website (eFiling)
www.bizfile.gov.sg

Enquiry Website
www.acra.gov.sg/askacra

Feedback Website
www.acra.gov.sg/feedback

This brochure addresses some common queries on compliance. The following contents serve as a guide only and should be read with the relevant legislation. Always seek legal advice if you are unsure of any matter.

DIRECTOR RESPONSIBILITIES

As the only local director of a company, am I allowed to resign?

No. The Companies Act requires every company to have at least one director who is ordinarily resident in Singapore.

What should I do if I am made a bankrupt and the other director(s) cannot be contacted to file a notification with ACRA?

You can file a notification of disqualification to act as a director by following a few simple steps:

- Log on to www.bizfile.gov.sg with your SingPass ID/ Professional No. and password.
- Click “Local Company Transactions”.
- Click “Applications Under the Companies Act”.
- Click “Notification of cessation of appointment of director by that director under section 173(6A)”.

What if the director(s) of a company becomes bankrupt?

The shareholders have to appoint new director(s).

A company has two directors, one local and one foreigner. If the foreign director cannot be contacted, will the local director be held responsible for the company?

Yes. Any person who consents to act as a director must discharge his duties as required under the Companies Act.

If I, being ignorant of the law, consent to my name being used as a director to incorporate a company, will I be held responsible for the company?

Yes. Any person who consents to act as a director must discharge his duties as required under the Companies Act. Ignorance of the law is no excuse.

ANNUAL GENERAL MEETINGS AND ANNUAL RETURNS

What situations could cause a lack of quorum of shareholders at the Annual General Meeting (AGM)?

A private limited company may be unable to hold the AGM if one or more of its shareholders

- Cannot be contacted
- Is declared bankrupt
- Has recently passed away

Can my company file the Annual Returns (AR) if it is unable to hold the AGM due to a lack of quorum of shareholders?

Yes. The company should first make an application to file the AR without holding the AGM. Once your application is approved, you should then file the AR. At the same time, do take steps to resolve the lack of quorum of shareholders, as future applications may not be approved if remedial action is not taken.

If you require more information, please refer to the brochure titled “Application for Filing Annual Returns without Annual General Meeting and/or With One Director’s Signature”, or at ACRA website at www.acra.gov.sg under the heading “Publications” followed by “Information Brochures”.

If an application to file the AR without holding the AGM has been approved, does it mean that I have complied with Section 175 of the Companies Act?

No. The approval just shows that you have attempted to comply.

My company is dormant. Can a dormant company be exempted from filing the AR with audited accounts?

You are still required to file the AR, but your company’s accounts need not be audited if its financial year commences on or after 15 May 2003. When you file the AR online, the online declarations corresponding to the selected company type will appear. You no longer need to attach the Statement exempting your company from audit requirements.

Must my company still hold an AGM if it is dormant?

Yes, but if all the shareholders have passed a resolution to dispense with the holding of an AGM the company need not physically hold the AGM. A shareholder may still require that the company hold an AGM.

IRAS can exempt my dormant company from filing its tax return, why does ACRA still require the same company to file the AR?

ACRA needs to enforce the timely disclosure of corporate information, so that stakeholders, eg. trade creditors, shareholders, etc. are not prejudiced due to the lack of information. The purpose for the respective filings is different.

PROSECUTION AND PENALTIES

How are penalties for late lodgment and composition fines calculated?

Guidelines on penalties and composition fines can be found at www.acra.gov.sg under “Compliance” followed by “Penalties”.

What if I have a summons to attend court for the first time and will not be able to file the AR within the stipulated time?

You can attend court to apply for an adjournment of up to 12 weeks.

How can I obtain a copy of the summons?

You can purchase a copy from ACRA at \$5.25 each. If another person is collecting on your behalf, a letter of authorisation is required.

Who can represent me in court?

Only a lawyer can represent you in court. If you cannot attend, the lawyer needs to apply to court in advance to dispense with your attendance.

I have already filed the AR and paid a composition fine for the summons issued against me. Am I still required to attend court?

No, if you settle the composition fine before 3.00pm on the mention date for summons in the night court, or if you have settled the composition fine before the Pre-trial Conference (PTC) date in the day court.