

COMPARISON OF PUBLIC ACCOUNTING ENTITIES IN SINGAPORE

	Public Accounting Firm	Accounting Limited Liability Partnership	Public Accounting Corporation
Applicable legislation	Accountants Act	<ul style="list-style-type: none"> Limited Liability Partnership Act Accountants Act 	<ul style="list-style-type: none"> Companies Act Accountants Act
Entity type	Sole-proprietorship or partnership	Limited liability partnership	Company
Legal Status	<p>Not a separate legal entity</p> <p>Sole-proprietor or partners have unlimited liability</p> <p>Can sue or be sued in individual's or firm's name</p> <p>Partners personally liable for partnership's debts and losses incurred by other partners.</p>	<p>A separate legal entity from its partners</p> <p>Partners have limited liability</p> <p>Can sue or be sued in LLP's name</p> <p>Partners personally liable for debts and losses resulting from their own wrongful actions.</p> <p>Partners not personally liable for debts and losses of LLP incurred by other partners.</p>	<p>A separate legal entity from its directors and shareholders</p> <p>Shareholders have limited liability</p> <p>Can sue or be sued in company's name</p> <p>Shareholders not personally liable for debts and losses of company.</p>
Statutory Obligations	None	Annual declaration of solvency/insolvency must be lodged	<p>Must appoint a company secretary within 6 months of incorporation.</p> <p>Annual returns must be filed. Statutory requirements for general meetings, directors, company secretary, share allotments must also be complied with.</p>
Special name requirements	None	None	Must have "Public Accounting Corporation" as part of its name, or the acronym "PAC" at the end of its name.
Requirements for directors, owners or partners	<p>Sole-proprietors must be public accountants.</p> <p>If there are two partners, at least one must be a public accountant.</p> <p>If there are more than two partners, at least two-thirds must be public accountants.</p>	<p>If there are two partners, at least one must be a public accountant.</p> <p>If there are more than two partners, at least two-thirds must be public accountants.</p> <p>There must be at least one partner holding the position "Partner under section</p>	<p>At least one company director must be a public accountant.</p> <p>If there are two directors, at least one of them must be a public accountant.</p> <p>If there are more than two company directors, at least two-thirds must be public accountants.</p>

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	There must be at least one partner holding the position “Partner under section 18(3)(c) of the Accountants Act”. This partner who is ordinarily resident in Singapore will control and manage the supply of the firm’s public accountancy services in Singapore.	18A(3)(e) of the Accountants Act”. This partner who is ordinarily resident in Singapore will control and manage the supply of the LLP’s provision of public accountancy services in Singapore.	There must be at least one director holding the position “Director under section 17(3)(d) of the Accountants Act”. This director who is ordinarily resident in Singapore will control and manage the provision of the PAC’s provision of public accountancy services in Singapore Company directors must also be shareholders Directors should ensure that all invoices and official correspondences of the PAC bear the statement that it is incorporated with limited liability
Shareholdings	None	Paid-up capital must be at least \$50,000	Paid-up share capital must be at least \$50,000. At least two-thirds of the voting shares must be owned by corporate practitioners . Only natural persons (i.e. non-entities) can hold the shares . No share may be held by a person as nominee for another person, and no security may be created over any share in the PAC. Note: Corporate practitioners refer to directors or employees who are public accountants practising in the PAC.
Professional indemnity insurance	None	Must be covered by professional indemnity insurance of the higher amount among: <ul style="list-style-type: none"> • \$1 million, or 	Must be covered by professional indemnity insurance of the higher amount among: <ul style="list-style-type: none"> • \$1 million, or

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		<ul style="list-style-type: none"> • a sum equal to the total of \$500,000 for every corporate practitioner in the ALLP, or • a sum equal to 2.5 times the gross income of the ALLP in the last completed financial year of the ALLP, subject to a maximum sum of \$50 million <p>Note: Corporate practitioners refer to partners or employees who are public accountants practising in the ALLP.</p>	<ul style="list-style-type: none"> • a sum equal to the total of \$500,000 for every corporate practitioner in the PAC, or • a sum equal to 2.5 times the gross income of the PAC in the last completed financial year of the PAC, subject to a maximum sum of \$50 million
Registration fees	\$115 <ul style="list-style-type: none"> • \$15 PAF name application • \$100 PAF application 	\$430 <ul style="list-style-type: none"> • \$15 LLP name application • \$15 ALLP name application • \$100 LLP application • \$300 ALLP application 	\$615 <ul style="list-style-type: none"> • \$15 company name application • \$300 company incorporation application • \$300 PAC incorporation application
Taxes	Profits taxed at sole-proprietors or partners' personal income tax rates.	Profits taxed at partners' personal income tax rates.	Profits taxed at corporate tax rates.