

PRACTICE DIRECTION 1 OF 2007
RENEWAL OF APPROVAL TO ACT AS LIQUIDATOR

1. This Practice Direction sets out the process for renewing the approval given to an individual to continue to act as a liquidator and also highlights the salient points that liquidators should take note of in the renewal process.

Background

2. Section 9(4) of the Companies Act states that:

“Every approval under subsection (2)¹ including a renewal of approval of a liquidator shall remain in force until 31st March in the third year following the year in which the approval was granted unless sooner revoked by the Minister”.

3. The following table provides an example to illustrate the renewal timelines:

Date of Approval/ Renewal of Approval	Expiry Date
Approval of Liquidator granted on any date between 1 January 2006 to 31 December 2006	By 31 March 2009
Renewal of approval of a Liquidator granted on or before 31 March 2006	By 31 March 2009

Submission Period for Renewal Application

4. The submission period for the application of renewal of approval of a liquidator is from 1 March to 31 March each year. In order to have the renewal approved from the start of the renewal period i.e. 1 April of the renewal period, please ensure that the duly completed renewal application form and payment reaches ACRA no later than 7 calendar days before 31 March of the year in which the approval expires (i.e. no later than 24 March).

Renewal Process

5. All liquidators must put in their renewal applications to ACRA by completing the manual renewal form and mailing it back to ACRA, attaching a cheque of \$40 made payable to “ACRA”. The completed form and payment should be sent to ACRA in an envelope marked “APPROVAL FOR RENEWAL OF LIQUIDATOR” and to the attention of “Assistant Registrar of Public Accountants, Regulations Division”.

Renewal Form

6. The renewal form is made available for downloading at ACRA’s website. ACRA will not be sending out copies of the forms to liquidators before the expiry dates of their approvals.

¹ Section 9(2) of the Accountants Act states that “Any person who does not fall within a class of persons declared under sub-section (1) may apply to the Minister to be approved as a liquidator for the purposes of this Act, and the Minister, if satisfied as to the experience and capacity of the applicant, may, on payment of the fee set out in the Second Schedule, approve such person as a liquidator for the purpose of this Act.”

7. The renewal form can be downloaded from: <http://www.bizfile.gov.sg>.

Late Renewals

8. Liquidators should ensure that their approval to act as a liquidator is renewed promptly. All renewal applications received after the expiry date of the liquidator's approval will be **rejected**. Fresh application would then need to be submitted and the applicant would have to meet the same requirements applicable to a first-time applicant at time of the application in order to be granted the liquidator license.

9. For more details of the existing requirements in order to be a liquidator under section 9 of the Companies Act, please refer to [Practice Direction No. 5 of 2005: Application to be an Approved Liquidator under the Companies Act – Requirements as to “Experience” and “Capacity”](#).²

Conditions for approval for liquidators who are also Public Accountants

10. For liquidators who are also public accountants, approval to be a liquidator will remain so long as the applicants remain as registered public accountants under the Accountants Act. If the liquidator ceases to be a public accountant, the following conditions will apply with regards to the validity of his/her liquidator's approval:

- i. a person who has been disciplined and has had his registration revoked, suspended, or not renewed as a result may have his approval to be a liquidator revoked. The approval will lapse together with the cancellation, suspension or non-renewal of the public accountant registration.
- ii. a person who resigns voluntarily as a public accountant may continue to be a liquidator upon an application made in writing and upon approval granted by the Registrar. The application should be made before his proposed date of resignation as a public accountant. Otherwise, the liquidator license will lapse together with his/her de-registration as a public accountant.
- iii. any person who ceases to be a public accountant and whose application for approval to act as a liquidator is not renewed may appeal to the Minister to retain/reinstate his approval to be a liquidator. This appeal in writing must provide supporting reasons.

Fees Payable

11. The following table shows the fees payable:

a.	Application to Minister for approval of a liquidator	\$100
b.	Application to Minister for renewal of approval of a liquidator	\$40

² <https://www.acra.gov.sg/docs/default-source/default-document-library/training-and-resources/publications/practice-directions/2005/PracticeDirectionNo5of2005.pdf>

Legal Provisions

12. The legal provisions relevant to and referred to in this Practice Direction are:

- a. Section 9 of the Companies Act; and
- b. Item 113 of the Second Schedule to the Companies Act.

Related Practice Directions

13. A related Practice Direction is: [Practice Direction No. 5 of 2005: Application to be an Approved Liquidator under the Companies Act – Requirements as to “Experience” and “Capacity”³](#)

Further Clarification

14. Further enquiries can be sent through <https://www.acra.gov.sg/enquiry/>.

Issued on 28 February 2007

Ms Juthika Ramanathan
Chief Executive and Registrar of Public Accountants
Accounting & Corporate Regulatory Authority (ACRA)
SINGAPORE

³ <https://www.acra.gov.sg/docs/default-source/default-document-library/training-and-resources/publications/practice-directions/2005/PracticeDirectionNo5of2005.pdf>