



Annual Report 2022/2023

**ENABLING BUSINESSES,
FOSTERING A TRUSTED ENVIRONMENT**

ABOUT ACRA

The Accounting and Corporate Regulatory Authority (ACRA) is the regulator of business registration, financial reporting, public accountants and corporate service providers; we also facilitate enterprise. We provide a trusted and vibrant environment for businesses to thrive and flourish, and contribute towards making Singapore the best place for business.

Vision

Singapore: The Best Place for Business

Mission

Provide a trusted and vibrant business environment in Singapore

Corporate Goals

- Sustainable business growth
- High compliance
- Excellent customer experience
- High performing team

Core Values

INTEGRITY

We do what is right without fear or favour, and serve with passion and purpose.

TEAMWORK

We help one another be the best that we can be, with mutual trust and respect.

AGILITY

We are resilient and adapt to changes swiftly to do what is best for ACRA.

PROFESSIONALISM

We pursue excellence in all that we do; we value our customers and are highly regarded by them.

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CHAIRMAN'S MESSAGE

Many companies and businesses are confronted with changes and disruptions on several fronts. Uncertainties around the global macroeconomic environment, geopolitical tensions, rapid technological developments and ESG-related concerns feature high in business strategies and operational resilience. As the regulator of business registration, financial reporting, public accountants, and corporate service providers, ACRA is committed to providing a responsive and forward-looking regulatory environment that supports enterprise and innovation in Singapore.

SERVING THE ACCOUNTANCY SECTOR AS ONE ENTITY

From 1 April 2023, ACRA is also responsible for setting accounting standards for companies, charities, co-operative societies, and societies in Singapore, and developing the accountancy sector. These two functions were previously held by the Accounting and Standards Council and the Singapore Accountancy Commission, respectively. The consolidation of these functions in the merged entity, ACRA, is aimed at strengthening the effectiveness of regulation, standards-setting, and sector development to meet evolving needs. We were honoured that Deputy Prime Minister and Minister for Finance Mr Lawrence Wong officiated at our Merger Commemoration on 27 June 2023 to mark this important milestone with ACRA's key stakeholders, partners, and staff.

A strong accountancy sector is essential to Singapore's success as a financial and business hub. Singapore's accounting standards are already benchmarked to standards of the International Accounting Standards Board (IASB). One of the immediate tasks of the merged entity is also to work with the accounting profession to address the talent crunch in the accountancy sector. On this front, ACRA is supporting the Accountancy Workforce Review Committee, set up by the Ministry of Finance and comprising key industry players and academics, to develop strategies to build a steady pipeline of accountancy professionals in Singapore. ACRA is also developing a closer partnership model with the Institute of Singapore Chartered Accountants (ISCA) to enhance and promote the Singapore Chartered Accountant Qualification (SCAQ) programme.

FOSTERING A TRUSTED BUSINESS ENVIRONMENT

High quality audits, financial reporting and business information underpin trust and transparency in the economy. In FY2022, ACRA introduced several legislative changes to keep its regulatory framework robust.

Audit is vital to giving confidence in the quality of financial reporting. ACRA has introduced mandatory quality control inspections on public accounting entities as well as a tiered assessment and sanctions framework. These new measures will further steer the drive to raise audit quality standards and to increase transparency and accountability of public accountants.

“As the regulator of business registration, financial reporting, public accountants, and corporate service providers, ACRA is committed to providing a responsive and forward-looking regulatory environment that supports enterprise and innovation in Singapore.”



Given the heightened risks globally of money laundering and illicit financing activities, public accounting entities will now be inspected by ACRA to ascertain that they comply with Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) requirements. ACRA has also put out a public consultation document on several legislative changes to address the risks from the misuse of nominee arrangements for the creation of companies to facilitate money laundering and financing of terrorism, and to strengthen compliance in accordance with the Financial Action Task Force (FATF) requirements relating to AML/CFT measures.

ACRA, together with other relevant public sector agencies, will not hesitate to take tough and proactive enforcement actions to ensure that our business regime is trustworthy and reliable.

CONTRIBUTING TO A GREEN ECONOMY

In 2022, ACRA set up a Sustainability Reporting Office to drive sustainability reporting adoption by businesses. Companies and organisations that report their sustainability performance will be able to meet increased stakeholder expectations and to remain competitive.

ACRA and the Singapore Exchange Regulation (SGX RegCo) have issued a public consultation document on the recommendations by the Sustainability Reporting Advisory Committee, an industry-led committee set up to advise on a roadmap to advance sustainability reporting in Singapore to enhance Singapore's attractiveness as a global business hub. The recommendations include the timeline to mandate listed companies and large non-

listed companies to make climate-related disclosures, and the disclosure standards, among others. Disclosure requirements will be aligned to the inaugural Scope 1 and Scope 2 global sustainability-related standards of the International Sustainability Standards Board (ISSB). A dedicated working group was set up to advise on a roadmap to advance sustainability reporting in Singapore to enhance Singapore's attractiveness as a global business hub. A dedicated working group under the Green Skills Committee, led by ACRA and Enterprise Singapore, has been set up to develop a capacity building and skills plan for sustainability reporting and assurance. ACRA will also support and work with professional bodies and industry stakeholders to develop training programmes to equip professionals with the requisite sustainability reporting and assurance skillsets .

ACRA's role in sustainability reporting will be an important pillar in support of the national sustainable development under the Singapore Green Plan 2030.

A BUSINESS ENABLER AND A SMART REGULATOR

Since 2020, ACRA has embarked on a multi-year transformation journey to make the strategic shift from being an information provider to a business enabler, leveraging data as a vital strategic asset.

To support the transformation, a new business registration and regulatory system is being developed to enable ACRA to provide anticipatory and seamless service to its customers, and implement policy, service, and process improvements to respond to the changing

environment quickly. Equipped with data analytics capabilities and artificial intelligence, the system will also better support the identification and detection of non-compliant and high-risk entities. The new system will be completed by FY2024.

In the interim, I am heartened to note that ACRA has not let up on its efforts to make it easier for businesses to comply with the laws, improve customer service, and refine its compliance strategies.

To facilitate digitalisation while ensuring that shareholders' rights are upheld, the option is now given to companies to hold fully virtual or hybrid company meetings. Digital services, like trustBar, have also been introduced to make it easy for customers to authenticate ACRA's information products, especially for cross-border transactions. An integrated compliance and enforcement approach involving expertise in financial reporting, audit inspection, investigation and prosecution has been adopted in the handling of offences of serious negative impact on the business ecosystem. It is most noteworthy that ACRA staff have readily embraced digital, data and design-thinking to improve their performance.

ACRA has also continued to engage local and international stakeholders to keep abreast of emerging trends and best practices in corporate registry, financial reporting, audit, legal and information technology. ACRA's senior officers also participate actively in international meetings and groupings, such as the International Forum of Independent Audit Regulators and the international Corporate Registers Forum.



IN APPRECIATION

I would like to take this opportunity to acknowledge the support and contributions of our key stakeholders and partners. Your participation and perspectives have benefited ACRA greatly.

On behalf of the Board, I would also like to express our deepest appreciation to Mrs Tan Ching Yee for her visionary leadership as Chairman of the ACRA Board from April 2018 to June 2022. Mrs Tan led the Board in charting the strategic direction for ACRA on many areas of business direction, governance and oversight including over the "COVID years". Under her leadership, the Board provided invaluable steer to ACRA's transformation journey to be digital-to-the-core while serving its corporate mission with passion and heart. Mrs Tan also fostered a close working relationship between ACRA and our parent Ministry, given her public sector leadership. I am personally grateful to have worked as her Deputy on the Board for a period and we wish her all the very best.

My appreciation also goes to my fellow Board members for their time, contributions and support. It is my privilege and honour to work with these amazing colleagues.

On behalf of all in ACRA, I would like to express my gratitude to Mr Muhammad Hidhir Bin Abdul Majid and Mr Lam Yi Young who have stepped down from the Board. Their insightful advice and contributions will be missed. I also have the pleasure to welcome new Board members Mr Ramlee Bin Buang, Mr Tan Puay Boon, Ms Yeo Wenshan and Mr Kok Ping Soon. I know that all of us on the Board look forward to working closely with these new members.

On behalf of the Board, I would also like to extend our heartfelt appreciation to ACRA staff for their commitment and hard work.

ACRA has started on a new chapter as a larger single merged entity with the previous ASC and SAC now brought together. We look forward to continuing the close work with all our partners and stakeholders. We will work together to keep Singapore a world-class and vibrant business hub.

Ong Chong Tee
Chairman





“We continued to make progress on our multi-year transformation journey to make the strategic shift from an information provider to be a business enabler.”

CHIEF EXECUTIVE'S MESSAGE

FY2022 was an eventful year. We laid the groundwork for several significant milestone changes in our organisational mandate, key systems, and processes, as well as regulatory regimes.

We executed the merger of the Singapore Accountancy Commission (SAC) and the Accounting Standards Council (ASC) into a strengthened accountancy function under the merged entity, ACRA. We made legislative amendments to transfer the roles and functions to ACRA, and the corresponding changes in corporate governance structures, finance, and human resource processes. We also engaged with and communicated the changes to our stakeholders. That the merger was smoothly effected on 1 April 2023 was largely due to the close partnership between colleagues in the Ministry of Finance, the Attorney General's Chambers, SAC, ASC and ACRA, as well as the strong support given by representatives from the Amalgamated Union of Public Employees (AUPE), the professional bodies and stakeholders.

To better serve the accountancy sector, we will be transferring the administration of the Singapore Chartered Accountant Qualification programme to the Institute of Chartered Accountants (ISCA) on 1 January 2024.

We continued to make progress on our multi-year transformation journey to make the strategic shift from an information provider to be a business enabler.

IMPROVING CUSTOMER EXPERIENCE

We began the development of our new mission-critical Business Registry and Regulatory System (BR2S) to enable a digital, data-driven ACRA that supports enterprise, delivers value to businesses and stakeholders, and excels in regulatory effectiveness and operational efficiency.

BR2S will be rolled out in two releases, using agile methodology. Release 1 is on track to be rolled out in September 2023. It includes a new digital Officer Workspace, integrated case management and customer relationship management system to facilitate service delivery and enforcement actions. Release 2 provides seamless business registration and filing processes and predictive and personalised self-help assistance for customers, offers faster search and retrieval services for business and people information, among other services. To be completed in FY2024, it is currently in the 'Build' phase. We will continue to engage with our user-community, comprising corporate service providers, company directors and business owners, for feedback and inputs, to help improve the design of BR2S.

We continued to introduce new initiatives that enhance customer experience, improve transparency of information and operational efficiency.

We introduced the trustBar service to offer members of the public and businesses quick and easy verification of Business Profiles (BPs) and Business Certificates (BCs). BPs and BCs are two important documents that contain basic information about a business, like its date of registration, business owners and business activities. They are used for verifying key information of businesses, and their owners and key officers. With the trustBar service, users no longer need to spend time and incur cost to engage a notary public to attest to the authenticity of these documents.

We expanded 'Ask Ada', ACRA's Digital Assistant service, to handle a wider range of common enquiries, and guide users to complete transactions within the same chat interface without the need to log onto the filing and information portal, BizFile*. 'Ask Ada' has contributed to a 14% reduction in the frontline contacts, allowing our officers to focus on the more complex enquiries. I am pleased that 'Ask Ada' won the CRF 2023 Innovation (Commendation) Award given by the Corporate Registers Forum (CRF), an international association made up of 63 jurisdictions. The Award recognises outstanding business innovation that makes a positive impact on stakeholders and promotes the spirit of continuous improvement.

IMPROVING CORPORATE TRANSPARENCY, RAISING AUDIT QUALITY

We expanded our legislative powers to improve compliance. To reflect the severity of the offence and deter wrongdoings, the Companies Act was amended to provide for higher penalties for companies that do not comply with accounting standards.

To improve the effectiveness of our enforcement approach, we introduced a "Prosecution Highlights" page on our website on the outcomes of prosecutions under the Companies Act. In 2022, two directors were prosecuted for giving false information to ACRA. As of March 2023, prosecutions against nine nominee directors for false filing were pending court proceedings. We also struck off about 6,000 entities for repeated non-compliance.

We reviewed the laws to strengthen resilience against money laundering and terrorism financing, and to align with prevailing international anti-money laundering, and countering the financing of terrorism (AML/CFT) standards. In the coming year, we will be introducing legislative changes relating to corporate service providers to provide for more severe punishments against those who breach AML/CFT requirements, and a new requirement on customer screening and risk assessments, among other changes. We will also limit the number of directorships an individual can hold if the individual or his firm is in the business of providing directors to companies. These changes will enhance the regulatory regime and maintain Singapore's reputation as a trusted financial hub.

In FY2022, we stepped up our enforcement efforts on the errant corporate service providers. Five Registered Filing Agents (RFAs) and Registered Qualified Individuals (RQI) had their registrations cancelled because of various breaches with their AML/CFT obligations.

To improve the effectiveness of our regulatory regimes in audit practice monitoring, the laws now empower ACRA to conduct quality-control inspections on public accounting entities and take them to task for non-compliance with quality-control standards.

We also enhanced the Practice Monitoring Programme inspection methodology and sanctions framework. Under the new framework, if the quality of audit falls short of standards, a public accountant may be required to disclose to his client the inspection findings by ACRA. Similarly, a public accounting entity that did not comply with quality-control standards may be liable to sanctions, ranging from restriction orders, financial penalties, to suspension and even cancellation of its registration. These changes aimed to promote compliance and raise audit quality.

Together with our international counterparts, we continued our efforts to raise the global audit quality. We hosted the International Forum of Independent Audit Regulators' (IFIAR) Global Audit Quality Working Group Meeting in March 2023 for 74 delegates, including global leaders from the six largest international networks of audit firms.

PROGRESSIVE BUSINESS REGULATORY REGIME

We continued to work closely with our partners and stakeholders to co-create a progressive business regulatory regime.

ACRA and the Intellectual Property Office of Singapore (IPOS) have been working closely with an industry working group to develop an Intangible Disclosure Framework. The framework, among the first in the world, aims to enable businesses in Singapore to identify, measure, manage and communicate their intangible assets (IA) and intellectual property (IP) to support their business growth. This is part of the Singapore Intellectual Property Strategy 2030 to position Singapore as a global hub for IA and IP. The framework was launched by Second Minister for Finance, Ms Indraneel Rajah, at the IP Week @ SG 2023 on 4 September 2023.



Together with the Singapore Exchange Regulation (SGX RegCo), we issued the Sustainability Reporting (SR) implementation roadmap for companies for public consultation in July 2023 to help Singapore achieve net zero emissions, develop our green economy, and meet growing global demand for SR. This milestone would not have been possible without the valuable guidance and advice of the members of the Sustainability Reporting Advisory Committee. To prepare companies for climate-related regulations and disclosures, we have been working with Enterprise Singapore to equip preparers and assurance professionals with the necessary capabilities and skills.

BUILDING CAPABILITIES

To upscale our Data, Digital and Design competencies, we started a structured training programme for all our officers.

We built a cloud-based platform that consolidates and generates business insights using data across various ACRA systems. When BR2S is completed, these insights will be used to drive service improvements and operational efficiency, to enable us to provide anticipatory service to our customers and take timely enforcement actions against errant ones.

We have also enhanced our risk-profiling models to detect breaches and potential non-compliance early, and taken a targeted approach to investigation, corresponding to the degree of harm and public interest. We have shared data, insights, and our expertise with colleagues from other regulatory agencies and have played a key role in the collective efforts to combat corporate fraud and wrongdoings. Being actively involved in several joint investigation cases offer opportunities for us to hone our skills, improve the quality of our approaches and processes and plug the gaps in regulatory regimes.

One of the objectives in the design of our office and working environment in Revenue House was to promote a sustainable environment. The award of the Green Mark Gold certification by the Building & Construction Authority attests to our efforts in supporting GreenGov.sg initiative. My management team and staff will do our part to embrace sustainability practices and contribute actively towards a low-carbon and sustainable future for Singapore.

ACKNOWLEDGEMENTS

I wish to thank our valued partners, including the professional bodies, industry associations, and accounting profession who had worked closely with ACRA, SAC and ASC all these years, for their continuous support and partnership. The merger will create exciting new opportunities for us and the professional bodies, as we continue to build an accountancy sector that supports Singapore's success as a trusted business and financial hub.

I would also like to express my appreciation to the Board for their guidance and support.

To all my ACRA colleagues, thank you for your hard work and contributions. Together, we have made impressive progress in building ACRA's capabilities as a future-ready organisation. I look forward to working with all of you in the years ahead to realise ACRA's vision, Singapore: The Best Place for Business.

Ong Khiaw Hong
Chief Executive



BOARD MEMBERS

As at 1 April 2023



Mr Ong Chong Tee
CHAIRMAN



Mr Ong Khiaw Hong
Chief Executive,
Accounting and Corporate
Regulatory Authority



Mr Kevin Wong
Non-Executive
Company Director



Ms Lai Chin Yee
Finance Director,
Qian Hu Corporation
Limited



Ms Lock Yin Mei
Managing Director,
Venture Law LLC



Mr Ow Fook Chuen
Accountant-General,
Accountant-General's
Department



Ms Ameera Ashraf
Partner and Head
of Antitrust &
Competition Practice,
WongPartnership LLP



**Mr Mohammad Shariq
Sayeed Barmaky**
Audit & Assurance Leader,
Singapore and Regional
Managing Partner, Audit &
Assurance, Southeast Asia,
Deloitte & Touche LLP



Ms Catherine Lee
Independent Director,
Far East Hospitality Trust



Mr Paul Lee
Managing Partner,
RSM Chio Lim LLP



Mr Tan Puay Boon
Chairman,
Competition Appeal
Board, Ministry of Trade
and Industry



Mr Ramlee Bin Buang
Life & Executive Coach
and Independent Director,
Uyko Advisory



Mr Glen Francis
Strategic Advisor,
Google Cloud



Ms Yeo Wenshan
Senior Director (Housing),
Ministry of National
Development

BOARD COMMITTEES

As at 1 April 2023

HUMAN RESOURCE AND FINANCE COMMITTEE (HRFC)

Mr Ong Chong Tee (Chairman)

Mr Ong Khiaw Hong

Ms Lock Yin Mei

PUBLIC ACCOUNTANTS OVERSIGHT COMMITTEE (PAOC)

Mr Kevin Wong (Chairman)

Mr Ow Fook Chuen

Ms Ameera Ashraf

Mr Mohammad Shariq Sayeed Barmaky

Ms Catherine Lee

Mr Paul Lee

Mr Tan Puay Boon

AUDIT AND RISK MANAGEMENT COMMITTEE (ARMC)

Ms Lai Chin Yee (Chairman)

Mr Ramlee Bin Buang

Mr Glen Francis

Ms Yeo Wenshan

ACRA SENIOR MANAGEMENT

As at 1 April 2023

Mr Ong Khiaw Hong

Chief Executive

Ms Chin Li Fen

Deputy Chief Executive, Corporate and Services Group

Ms Kuldip Gill

Assistant Chief Executive, Accounting and Compliance Group

Mr Evan Law

Assistant Chief Executive, Industry Development & Engagement Group

Mr Wong Kee Wei

Divisional Director, Corporate Development Division

Mr Tan Kok Hoe

Divisional Director, Corporate Services Division

Ms Ang Siok Hui

Divisional Director, Customer Experience Division

Mr Hans Avinder

Divisional Director, Compliance Division

Ms Bong Yap Kim

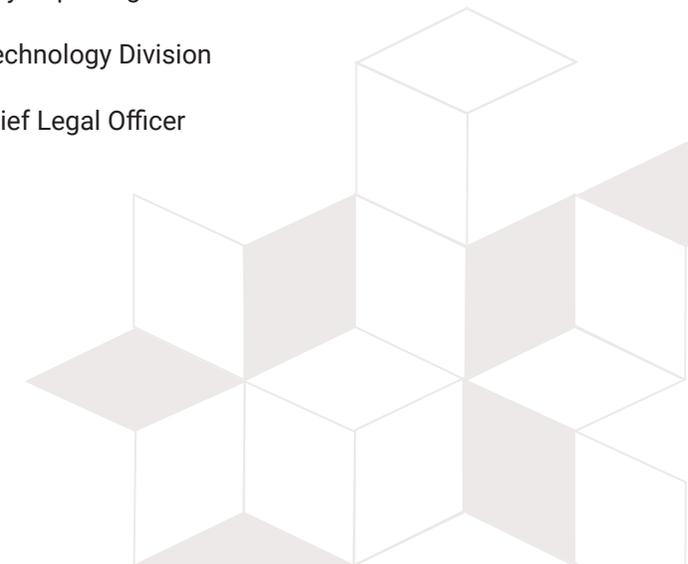
Senior Technical Director, Sustainability Reporting Office

Ms Poh Lai Khim

Divisional Director, Information and Technology Division

Mr Leong Weng Tat

Divisional Director (Law Division) / Chief Legal Officer



DIVISIONS AND DEPARTMENTS

As at 1 April 2023

AUDIT AND FINANCIAL REPORTING DIVISION

The Audit and Financial Reporting Division (AFRD) comprises the Accounting Policy Department, Financial Reporting and Information Department, Practice Monitoring Department, and Professional Oversight Department. The division carries out ACRA's role as the regulator of public accountants and promotes high professional standards in the public accountancy sector. It is also responsible for companies' compliance with financial reporting requirements.

SUSTAINABILITY REPORTING OFFICE

The Sustainability Reporting Office (SRO) is responsible for the development and implementation of the sustainability reporting regime for Singapore-incorporated companies, including the development of standards, and implementation of roadmap as well as building of capabilities for SR. It also drives the sustainability efforts in ACRA.

COMPLIANCE DIVISION

The Compliance Division (CD) comprises the Enforcement Department and Investigation Department. The division sets the strategic direction for ACRA's enforcement effort to promote high level of compliance among business entities and corporate service providers.

CORPORATE DEVELOPMENT DIVISION

The Corporate Development Division (CDD) comprises the Corporate Communications and Engagement Department; and Corporate Policy and Planning Department. The division drives the organisation's growth through the development of strategies, policies, and systems. It also oversees ACRA's external communications, and international and stakeholder engagements.

CORPORATE SERVICES DIVISION

The Corporate Services Division (CSD) comprises the Finance and Administration Department; and Human Resource Department. The division is responsible for optimal use of ACRA's financial, physical, and human resources to drive long-term organisational effectiveness. It partners ACRA departments to develop a high performing team of people and make the workplace a vibrant and engaging one.

INDUSTRY DEVELOPMENT DIVISION

The Industry Development Division (IDD) comprises the Industry Capability Development Department, Industry Research and Strategy Department; and Professional Qualifications Development Department. The division shapes the strategic direction to grow and develop the accountancy sector, in line with national strategic roadmaps. IDD also helps to promote value-creation in accountancy services and develop programmes and qualifications to advance the accountancy sector.

INFORMATION AND TECHNOLOGY DIVISION

The Information and Technology Division (I&TD) comprises the Digital Governance and Data Department, Digital Planning and Innovation Department; and Technology Delivery and Operations Department. The division sets strategic directions for ACRA's digitalisation efforts and manages all matters relating to technology, digital and data to enable ACRA to be data-driven and digital-to-the-core.

LAW DIVISION

The Law Division (LD) comprises the Legal Services Department and Prosecution Department. The division provides legal support to ACRA divisions and departments, including legal advice on civil and regulatory matters, law reform and prosecution of offences under the various legislations administered by ACRA.

REGISTRY SERVICES DIVISION

The Registry Services Division (RSD) comprises the Registry Services and Policy Department, Service Design and Management Department; and Information Products and Services Unit. The division sets the strategic direction for ACRA's service delivery, registry operations and information services and drives service excellence in the organisation.

ACCOUNTING STANDARDS SETTING UNIT

The Accounting Standards Setting Unit (ACSU) assists the Accounting Standards Committee (AS Committee) in discharging its duties under the Accounting Standards Act by providing strategic and technical accounting specialist support to AS Committee.

FY2022 AT A GLANCE

We review our registry and regulatory policies and processes to support businesses and ensure they remain robust and relevant. We also systematically enhance our capabilities to detect and deter bad actors. Our staff apply digital skills to their work and are committed to working together to fulfil ACRA's mission of providing a trusted and vibrant business environment in Singapore.

Enabling Businesses

- Embarked on the development of the mission-critical, new registry and regulatory system
- Introduced a free, self-help trustBar service for the public to verify quickly and easily the authenticity of ACRA's information products
- Provided companies with the option to hold fully virtual or hybrid company meetings to facilitate digitalisation while ensuring that shareholders' rights are upheld
- Introduced new tools to make preparation, validation and filing of financial statements in XBRL format easier

Fostering a trusted business environment

- Enhanced Singapore's audit regulatory regime by introducing measures to raise the quality of financial reporting audits for both public accountants and public accounting entities
- Introduced new requirements for companies to set up and maintain a Register of Nominee Shareholders to make corporate ownership more transparent
- Reviewed legislations to enhance the regulatory regime for Corporate Service Providers and to implement additional measures to lower the risk of corporate entities being misused for illegal activities

Contributing to a sustainable economy

- Set up the Sustainability Reporting Office (SRO) to drive climate reporting in line with the Singapore Green Plan 2030, a national agenda for sustainable development
- Together with the Singapore Exchange Regulation (SGX RegCo), ACRA formed the Sustainability Reporting Advisory Committee (SRAC) to develop a sustainability reporting roadmap for companies
- Attained the Building & Construction Authority's Green Mark Gold certification for the new ACRA office

Engaging the industry

- Reached out to professional bodies in the local business community through forums and dialogues to raise financial reporting and audit standards, and help enterprises meet business challenges
- Connected with the international community to enhance Singapore's position as a trusted business hub and to exchange knowledge and deepen ties

Building a future-ready ACRA

- SAC, ASC and ACRA merged as one entity on 1 April 2023 to better serve and develop the accountancy sector
- Formulated a structured Data, Digital and Design (D3) programme to systematically equip staff with skillsets to continue to perform efficiently and effectively in a digital environment
- ACRA staff recognised for innovation and excellent service:
 - ◇ 5 National Day Awards
 - ◇ 6 Ministry of Finance Group Level Public Sector Transformation Awards
 - ◇ 1 Whole-of-Government Level Public Sector Transformation Award

OUR VIBRANT ECOSYSTEM

KEY REGISTRATION STATISTICS

As at 31 March 2023

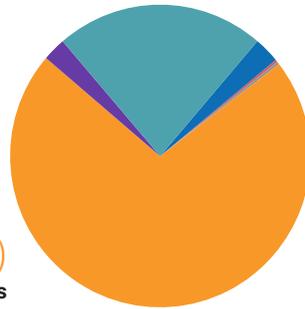
575,101 (3% increase)

LIVE ENTITIES ON ACRA'S REGISTER
As at 31 March 2023

129,505 (22.5%)
Sole-Proprietorships

14,729 (2.6%)
Partnerships

412,168 (71.7%)
Companies



17,167 (3.0%)
Limited Liability Partnerships

653 (0.1%)
Limited Partnerships

879 (0.2%)
Variable Capital Companies

Top 3 industry groups with highest increase in business entities in FY2022

- 1. WHOLESALE TRADE**
- 2. ARTS, ENTERTAINMENT, RECREATION AND OTHER SERVICE ACTIVITIES**
- 3. PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES**



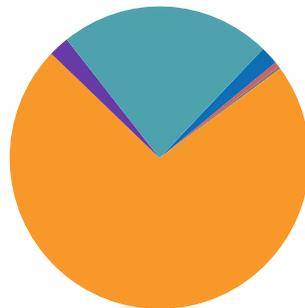
66,273 (4% increase)

NEW ENTITIES FORMED IN FY2022

15,275 (23.0%)
Sole-Proprietorships

1,384 (2.1%)
Partnerships

47,823 (72.2%)
Companies



1,272 (1.9%)
Limited Liability Partnerships

160 (0.2%)
Limited Partnerships

359 (0.5%)
Variable Capital Companies



1,210 (1% increase)
Registered Public Accountants

720 (2% increase)
Registered Public Accounting Entities

3,518 (3% increase)
Registered Qualified Individuals

2,833 (1% increase)
Registered Filing Agents

DIGITAL SERVICE FOR BETTER CUSTOMER EXPERIENCE

KEY SERVICE STATISTICS

As at 31 March 2023



2,580,820 (0.2% increase)
transactions made in BizFile* and iShop

1,385,935 (61.4% increase)
API calls via ACRA API Mall

11,508,908 (2.7% increase)
searches on ACRA's registry and UEN data



95%
of digital services completed
digitally end-to-end

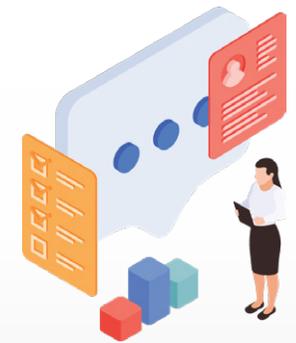
100%
of digital services completed
via e-payments



85%
of customers satisfied with digital
service for annual returns filing

92%
of customers satisfied with digital
service for purchase of business profiles

75%
of customers satisfied with digital
service for change in particulars



99%
of customers attended to within
30 minutes of their appointments

100%
of customer emails replied to
within 3 working days

95%
of customer calls answered
within 30 seconds

IMPROVING COMPLIANCE

KEY COMPLIANCE STATISTICS

As at 31 March 2023

Business Entities and Directors



80%
of entities filed their
Register of Registrable
Controllers with ACRA

252
inspections conducted
for compliance with
the requirements to
maintain Register of
Registrable Controllers

779
entities paid composition
sums amounting to
\$722,380 for late annual
returns filing

78%
of companies filed
annual returns

6,122
entities struck
off by ACRA for
repeated offences

25
completed reviews of
financial statements
for compliance with
accounting standards
under FRSP

22
reviews concluded with
regulatory outcomes,
ranging from issuance of
advisory letters, warning
letters to composition
fine, under the Financial
Reporting Surveillance
Programme (FRSP)

10
company directors
prosecuted with fines
imposed ranging from
\$3,600 to \$60,000

Registered Filing Agents



272
compliance reviews/
inspections conducted
for compliance with
AML/CFT requirements

6
sanctions imposed for
non-compliance with
AML/CFT requirements

Public Accountants



72
engagement inspections
conducted under Practice
Monitoring Programme
for compliance with
auditing standards

185
checks on public
accountants for compliance
with Continuing Education
Requirements of which there
were 12 non-compliant cases

ENABLING BUSINESSES

We will make a strategic shift from being an information provider to a business enabler. As we transform to be a data-driven and digital organisation that serves with heart, we will be well-positioned to support business growth and better ensure compliance with regulations to create a vibrant and trusted business environment.



PROVIDING SEAMLESS SERVICES

ACRA provides business-friendly services to ease the starting and running of a business in Singapore. A business-friendly environment boosts entrepreneurship, attracts foreign investment, and improves the economy's competitiveness.

TRANSFORMING OUR BUSINESS REGISTRY AND REGULATORY SYSTEM

In April 2022, ACRA awarded a tender to develop a new, data-driven registry and regulatory system. The new cloud-based system, with its microservices architecture, will be agile and scalable, enabling ACRA to be more responsive to changes in the business landscape, and capable of implementing policy quickly.

ACRA will be able to serve customers' needs better with the new user-centric portal which provides more anticipatory and seamless services. For example, an interactive chatbot will proactively assist customers with their filings. It will also recommend the appropriate Singapore Standard Industrial Classification (SSIC) code to use. The API Marketplace will facilitate collaboration with business and software vendors, allowing them to file seamlessly using their existing systems.

ACRA officers will also have a better understanding of customers' needs with an Entity 360 module offering

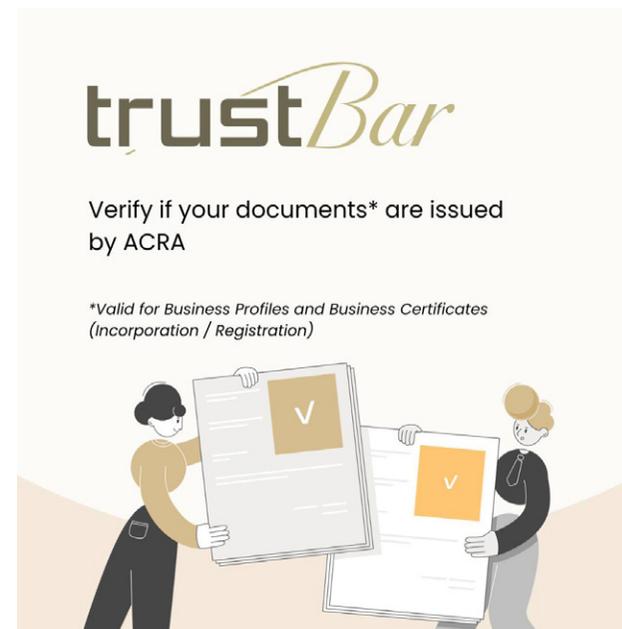
a holistic view of customers. Data visualisation dashboards will provide real time service trends.

Our Compliance and Enforcement officers will have a new Case Management System which will provide a 360-degree view of entities and individuals, allowing valuable insights to be generated. The system will also have integrated risk profiling models that will continuously monitor risk and select high-risk and high-impact cases for more timely follow-up action.

Our new Case Management System will be developed in phases over two years.

EASY VERIFICATION OF THE AUTHENTICITY OF ACRA'S BUSINESS PROFILES AND BUSINESS CERTIFICATES WITH TRUSTBAR

As the corporate regulatory authority, ACRA issues more than 75,000 Business Profiles and Business Certificates (Incorporation/Registration) a month to businesses and the public who request them. In March 2023, ACRA launched trustBar, a service that provides quick and easy verification of the authenticity of ACRA's Business Profiles and Business Certificates (Incorporation/Registration). The service uses the Government Technology Agency of Singapore (GovTech)'s OpenAttestation (OA), an open-source framework for the endorsement and verification of documents.



▲ ACRA launched trustBar

Our trustBar provides added assurance to entities and the public conducting business. It also saves businesses time and cost in notarising ACRA documents when they venture overseas, and allows easy exchange of digital trade documentations.

Public Sector Transformation Awards 2023—Service Delivery Excellence Award

PROJECT TITLE

trustBar Service

TEAM MEMBERS

Ms Kartika Liaw, Mr Desmond Chua, Mr Tan Yong Tat, Mr Ivon Kelni, Mr Jarrett Tan Soon Peow, Ms Hazel Moi, Mr Bryan Tan and Ms Corinne Loo

In designing the service, the team had sought inputs from stakeholders including business owners, corporate service providers, law firms, government agencies, and professional bodies, at about 35 one-to-one engagement sessions. It also reached out to more than 900 individuals from various professional bodies.



NEW DIGITAL ASSISTANT, ASK ADA, OFFERS DIVERSE RANGE OF SERVICES



◀ Digital Assistant,
Ask Ada

ACRA used artificial intelligence to create a new chatbot, Ask Ada, to provide customised step-by-step guidance 24/7. Ask Ada was launched on the ACRA website in March 2023, replacing the digital assistant, Ask Jamie.

As Ask Ada is powered by natural language processing and predictive analytics, it is able to answer queries on a wider range of topics, including sole-proprietorship or partnership, local companies and limited liability partnerships. Ask Ada is the first virtual assistant in public service to be integrated with CorpPass. This means that users can conduct transactions, such as renewal or cessation of business registration, and make payments within the chat itself, without having to log in to ACRA's online business registration and filing portal, BizFile⁺.

LAUNCHED THE BIZFIN^x PREPARATION TOOL AND MULTI-UPLOAD TOOL

ACRA launched an updated BizFin^x Preparation Tool and Multi-Upload Tool in October 2022 to support businesses

in meeting their statutory financial reporting needs. These tools streamline the filing process and guide companies to prepare, validate and upload their financial statements in eXtensible Business Reporting Language format, a language used worldwide for the electronic communication of business and financial data. The free tools are available on the ACRA website.

ENHANCED VARIABLE CAPITAL COMPANIES REGISTRATION AND FILING PORTAL PROVIDES NEW SERVICES

Since the Variable Capital Companies (VCC) regime was introduced in January 2020, ACRA has facilitated the formation of more than 500 VCCs. ACRA's VCC Registration and Filing portal helps VCCs to meet their filing and regulatory requirements. In December 2022, the portal was enhanced with new services, such as the application for the change of Financial Year End and the application for Extension of Time.

BETTER PROTECTION FOR ISHOP CUSTOMERS

To protect iShop customers from phishing scams, ACRA ceased to provide emails with links to download information products. Instead, customers are now provided with a go.gov.sg link that directs them to a new product download page on the ACRA iShop homepage.

BUILDING A DATA-DRIVEN ORGANISATION

ACRA is developing into a digital organisation to be ready for the future. Such a digital environment enables staff to embrace innovation and use data assets to develop initiatives to support businesses.

INTRODUCED UDAP FOR DATA SHARING AND ANALYSIS

Our UDAP was commissioned in January 2023. ACRA is one of the first government agencies to launch a data analytics platform on the Government Commercial Cloud infrastructure. UDAP consolidates and analyses data sets from different source systems in ACRA. This allows staff to generate holistic views of entities to improve customer service and operational efficiency.

UDAP also offers a range of tools for staff to use. These include the Tableau Server, a drag-and-drop data visualisation tool to facilitate data exploration and discovery; Sagemaker for machine learning training; and Dataiku which allows staff without a coding background to build artificial intelligence and machine learning models that automate processes and provide data insights for their decision-making.

Public Sector Transformation Awards 2023— Exemplary Innovator Award

PROJECT TITLE

ACRA's Unified Data Analytics Platform (UDAP)

TEAM MEMBERS

Ms Hazel Moi, Ms Fazlinah Nasir, Mr Huang Jiqing, Mr Jecht Chan, Ms Corinne Loo, Ms Loh Lee Kheng, Ms Saliha Abdul Aziz, Ms Teh Rui Ling, Mr Jarrett Tan Soon Peow and Mr Jason Lu

UDAP allows staff to access harmonised datasets anytime and anywhere without the need to engage third-party vendors to extract data. The savings from this project are estimated to be 9,000 man-hours and more than \$600,000 annually.



FOSTERING A TRUSTED BUSINESS ENVIRONMENT

ACRA upholds high standards of financial reporting, corporate transparency and audit. We regularly review our regulations to ensure that our corporate regulatory regime is robust and supports Singapore's growth as a global hub for businesses and investors.





STRENGTHENING REGULATORY REGIME

ACRA regularly updates the laws to keep them relevant, and gathers feedback from members of the public and key stakeholders before we make changes to the laws.

ENHANCING SINGAPORE'S AUDIT REGULATORY REGIME

The Accountants (Amendment) Act 2022 which took effect on 1 July 2023, aimed to enhance Singapore's audit regulatory regime. It introduced measures for both public accountants and public accounting entities to better comply with professional requirements and standards. The amendments also aligned Singapore's regulatory practices to those in other jurisdictions with established audit regulatory regimes.

Accounting entities are also required to comply with Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) requirements.

KEEPING THE ACRA CODE IN LINE WITH INTERNATIONAL STANDARDS

ACRA issued changes to the Code of Professional Conduct and Ethics for public accountants and accounting entities, adopting the revisions made by the International Ethics Standards Board for Accountants (IESBA). The changes took effect on 15 December 2022.

The changes included amendments to the non-assurance services provisions and fee-related provisions of the Code; revisions to the Code to address the objectivity of engagement quality reviewer and other appropriate reviewers.

STRENGTHENING SINGAPORE'S CORPORATE GOVERNANCE REGIME

Following the passing of the Corporate Registers (Miscellaneous Amendments) Act 2022, from 30 May 2022, companies are required to update their Register of Nominee Directors within seven days of being informed of any changes to the particulars of their Register. Foreign companies must update their Register of Members within 30 days of any changes to the particulars contained in the Register. The new requirements aimed to strengthen Singapore's corporate governance regime, and affirm Singapore's commitment to combatting money laundering, terrorism financing and other threats to the integrity of the international financial system.

With effect from 4 October 2022, companies are also required to maintain registers of nominee shareholders at their registered offices. Companies and limited liability partnerships must identify individuals with executive control as their registrable controllers if they are unable to identify any registrable controller who has a significant interest in or significant control over the entity.

In 2022, ACRA invited the public to provide feedback on several proposals under the proposed Corporate Service Providers (CSP) Bill. The proposals aimed to enhance the regulatory regime for CSPs by (a) improving Singapore's compliance with the recommendations of the Financial Action Task Force to maintain Singapore's reputation as a trusted financial hub; and (b) addressing the risks presented to Singapore from the misuse of nominee arrangements in the creation of companies to facilitate money laundering.

The proposals include (a) enacting a new Bill requiring all entities or persons providing corporate secretarial services in and from Singapore to register with ACRA as CSPs, regardless of whether they need to transact with ACRA; (b) increasing sanctions for AML/CFT breaches; (c) introducing a requirement for CSPs to ensure that individuals they appoint to act as nominee directors are fit and proper, and satisfy prescribed training requirements, if they hold more than a legally prescribed number of nominee directorships by way of business (unless they are qualified persons); and (d) introducing a requirement for nominee directors and nominee shareholders to disclose their nominee status and the identity of their nominator to ACRA and for ACRA to maintain such information. The nominee status of the director/shareholder will be made publicly available.

IMPROVING FINANCIAL REPORTING INTEGRITY

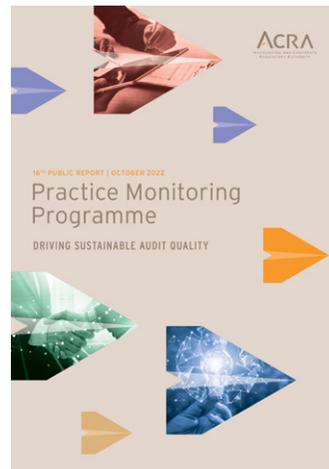
MONITORING AUDIT QUALITY OF PUBLIC ACCOUNTANTS

The Practice Monitoring Programme (PMP) is a key instrument of ACRA's regulatory oversight on the audit quality of public accountants, which serves to protect public interest and foster greater confidence in the work of the audit profession and audited financial reports.

Our 16th PMP Report highlighted areas of concern which might impact audit quality, including the setting of audit materiality, determination of audit sample sizes, and the use of external confirmations as audit evidence. With demand for sustainability reporting and assurance expected to increase, the report highlighted the need for audit professionals to build capacity and capability to meet such demand, given that assurance on sustainability reporting requires strong multi-disciplinary team effort.

UPHOLDING FINANCIAL REPORTING STANDARDS

Under ACRA's Financial Reporting Surveillance Programme, ACRA reviews financial statements of Singapore-incorporated companies for compliance with the prescribed accounting standards in Singapore.



◀ PMP Public Report 2022

To help directors and those preparing financial reporting to avoid common pitfalls and improve their standard of financial reporting, we published the 4th Financial Reporting Surveillance Programme report in January 2023 on our findings and observations. The report highlighted knowledge gaps and insufficient due diligence as the main root causes contributing to material non-compliances with accounting standards. Another root cause identified was the lack of action taken on issues raised by auditors.

We issued the Financial Reporting Practice Guidance No.1 of 2022 in November 2022, highlighting financial reporting areas that might require closer attention by directors in their review of the FY2022 financial statements. We also expanded the scope of the guidance to cover areas which Audit Committees should proactively engage external auditors on to drive sustainable audit quality. These areas include the auditor's assessment of risk, use of technology in audits, auditor independence, findings from ACRA's audit inspections and audit quality indicators.



▲ Financial Reporting Surveillance Report 2022

PROMOTING TIMELY COMPLIANCE

A high compliance standard is essential for the development of a trusted business environment. ACRA takes a multi-faceted approach to encourage voluntary compliance and deter non-compliance.

FACILITATING VOLUNTARY COMPLIANCE

We put out infographics on ACRA’s social media platforms, website, and corporate newsletter, *ACRAConnect*, as reminders to help businesses fulfil filing and financial reporting requirements in a timely manner.

IMPROVING OPERATIONAL EFFICIENCY

ACRA implemented an enforcement system in August 2022 with multiple features to ensure timely compliance by businesses. For example, the system automatically updates the relevant composition amounts for businesses based on their compliance records, and generates enforcement letters.

MAINTAINING A CLEAN REGISTER TO FACILITATE TRUST

ACRA proactively identifies, monitors, and strikes off companies that are no longer carrying on business or do not comply with their filing obligations. In FY2022, 6,122 entities were struck off for repeated non-compliance.

We also streamlined the striking off processes and worked with other agencies to enhance the effectiveness and success rate of the Striking Off regime. These collaborative efforts resulted in a higher success rate for ACRA-initiated striking off actions.

Public Sector Transformation Awards 2023— Regulatory Excellence Award

PROJECT TITLE

Strengthening ACRA’s Proactive Enforcement Efforts

TEAM MEMBERS

Ms Edna Tay, Ms Irene Zhou,
Ms Fahmita Parveen, Ms Helen Lau

Through automation of enforcement operations, ACRA was able to take enforcement actions on about 4,500 non-compliant entities in just five months, an increase from 1,600 entities in FY2021.

Customer experience improved as late filers can now file their outstanding returns and pay late lodgement penalties in one transaction, rather than having to go through multiple steps to complete their filing process.



TAKING THE NON-COMPLIANT TO TASK

EXPEDITING INVESTIGATION OUTCOMES THROUGH FIELD VISITS AND INSPECTIONS

ACRA increased physical inspections at company premises to deal with alleged offences more effectively. ACRA officers were able to secure evidence on the spot, interview people in the vicinity, and even uncover other breaches for further investigation.

ACRA is vigilant in taking enforcement actions to address regulatory breaches by companies. ACRA also promotes public awareness of the repercussions of non-compliance with regulatory requirements.

PROSECUTION HIGHLIGHTS ON ACRA WEBSITE

In December 2022, the Prosecution Highlights page was launched on ACRA’s website to promote public

awareness of the cases prosecuted by ACRA. These highlights provide brief descriptions of the cases prosecuted in the State Courts and the sentences imposed.

ACTIONS AGAINST NOMINEE DIRECTORS OF HIGHER-RISK COMPANIES

ACRA leverages data analytics tools to identify individuals likely to be nominee directors of companies that may be at a higher risk of being used for illicit activities. Information about these high-risk Individuals and their associated companies is also shared with relevant government agencies to support their regulatory actions.

More than 18,000 advisory letters were sent to individuals to caution them against the relevant risks associated with their appointment as nominee directors. These individuals were also reminded of their statutory obligations as directors, including the prompt filing of Suspicious Transaction Reports when there are reasonable grounds to suspect that a property or financial transaction for their company might be connected to a criminal activity.

Public Sector Transformation Awards 2023—Dare to Do Award

PROJECT TITLE

Expediting Investigation Outcomes Through Field Visits And Inspections

TEAM MEMBERS

Mr Hansel Goh, Ms Alison Tan, Mr Mohd Ruhul

The team adopted a new approach to carrying out investigations for better outcomes. It conducted unannounced physical visits and inspections at the premises to secure evidence, allowing cases to be resolved promptly. As field visits and inspections can sometimes involve difficult and uncooperative individuals and put ACRA’s staff in vulnerable situations, standard operating procedures were put in place to guide staff on the gathering of evidence, and to protect their personal safety.





PROSECUTION OF DIRECTORS

We prosecuted nine nominee directors for failing to hold AGMs and file their Annual Returns. Fines ranging from \$3,600 to \$60,000 were imposed and eight of them were disqualified from acting as directors or taking part in the management of any company for five years.

Two directors who filed false information with us were fined and disqualified from acting as directors or taking part in the management of any company for five years. As of 31 March 2023, there were nine on-going prosecutions against directors and secretaries for false filing offences.

ENFORCEMENT AGAINST CSPs

ACRA regulates Registered Filing Agents (RFAs) to ensure they comply with AML/CFT requirements. RFAs transact with ACRA on behalf of their customers through Registered Qualified Individuals (RQIs) and are also responsible for ensuring that all filings are accurate. RFAs and RQIs found to have breached their requirements could face financial penalties of up to \$25,000 or \$10,000 per breach respectively or have their registration suspended or cancelled.

We took actions against RFAs and RQIs who breached their AML/CFT obligations. These included prosecution in court, as well as the imposition of administrative sanctions against them, with five RFAs and RQIs having their registration cancelled by us.

JOINT INVESTIGATION ON CORPORATE DISCLOSURES AND BREACHES OF COMPANIES ACT

Noble Group Limited and Noble Resources International Pte Ltd

In August 2022, ACRA together with the Commercial Affairs Department (CAD) of the Singapore Police Force (SPF) and the Monetary Authority of Singapore (MAS) concluded our joint investigations into Noble Group Limited (NGL) and Noble Resources International Pte Ltd (NRI), which was NGL's wholly owned subsidiary in Singapore at the time. ACRA, in consultation with the Attorney-General's Chambers (AGC), issued stern warnings to two former directors of NRI for failing to prepare and table annual financial statements in compliance with the prescribed accounting standards in Singapore, in breach of section 201(2) of the Companies Act. MAS also imposed a civil penalty of \$12.6 million on NGL for publishing misleading information in its financial statements, in breach of section 199(b)(ii) of the Securities and Futures Act.

Hyflux Ltd

On 17 November 2022, a few of the former directors of Hyflux Ltd were charged for disclosure-related offences under the Securities and Futures Act, and various offences under the Companies Act. Hyflux Ltd's former director, Executive Chairman and Chief Executive Officer, was charged for presenting at the company's AGM the consolidated financial statements of the Hyflux Group that failed to comply with the Accounting Standards and did not give a true and fair view of the financial position and performance of the group as required under section 201(5) of the Companies Act. She was also charged under section 157(1) of the Companies Act for failing to exercise reasonable diligence in releasing Hyflux Ltd's unaudited quarterly financial statements which contained incorrect figures.

CONTRIBUTING TO A SUSTAINABLE ECONOMY

Robust Sustainability Reporting (SR) is essential for Singapore's transition to a green economy. With trusted and consistent SR, companies can identify and manage risks and opportunities related to sustainability issues. In 2022, ACRA embarked on advancing SR for a more sustainable future for Singapore.



ADVANCING SUSTAINABILITY REPORTING IN SINGAPORE

Climate change is causing significant environmental damage, including rising sea levels, more frequent and severe natural disasters, and loss of biodiversity. Addressing climate change requires global cooperation and collaboration. Singapore launched the Singapore Green Plan 2030 in February 2021 as a national agenda for sustainable development. In 2022, ACRA pivoted into the SR space to support companies as they go green.

INPUTS FOR THE INTERNATIONAL SUSTAINABILITY STANDARDS BOARD (ISSB)

ACRA supported the International Financial Reporting Standards (IFRS) on General Requirements for Disclosure of Sustainability-related Financial Information and Climate-related Disclosures put out by ISSB. ISSB had taken into account some of ACRA's suggestions in their final standards, for example, tiering the reporting requirements by level of complexity to reduce compliance burden for non-listed companies.

SETTING UP THE SUSTAINABILITY REPORTING ADVISORY COMMITTEE (SRAC)

ACRA and the Singapore Exchange Regulation (SGX RegCo) set up SRAC in June 2022 to develop a roadmap for wider implementation of SR by Singapore-incorporated companies, beyond listed companies. Wide implementation of SR will help corporates, investors, and stakeholders to make considered investment and business decisions. The committee comprised industry leaders and champions of sustainability with diverse experience.



▲ Closed-door consultations on the SRAC's preliminary recommendations

SRAC drew up the SR roadmap for Singapore in less than a year, and conducted closed-door consultations with companies, assurance service providers, professional bodies and financial institutions, engaging close to 90 participants to obtain preliminary feedback on the proposed roadmap. The SRAC issued its recommendations for a public consultation in July 2023.

SRAC's recommendations aimed to uphold Singapore's attractiveness as a global business hub while contributing to our national agenda, to prepare companies to meet stakeholder expectations including those of their customers and lenders.

One of SRAC's recommendations is to consider Testing, Inspection and Certification (TIC) firms as assurance providers for climate reporting since they are recognised internationally for performing similar work as audit firms in SR assurance. SRAC also recommended prescribing a local reporting standard that is aligned with the requirements of global frameworks, such as those of the ISSB.

FORMATION OF THE SUSTAINABILITY REPORTING OFFICE (SRO)

In November 2022, ACRA set up a dedicated SRO to strengthen our focus on our sustainability matters externally and within the organisation. SRO embarked on capacity building to prepare the industry to adopt SR standards. SRO engaged six mid-tier firms and seven TIC firms to identify competency gaps. SRO is working with the Monetary Authority of Singapore (MAS), Singapore Exchange (SGX) and Enterprise Singapore to scale 'ESGenome', a sustainability disclosure portal for listed companies, into a national utility platform that could also support the reporting by Small and Medium-sized Enterprises (SMEs) and private companies.

To help our professional firms capture SR opportunities in the region, SRO participated in a roundtable discussion organised by the Professional Service Programme Office to identify cross-sectoral development opportunities in ASEAN.

Public Sector Transformation Awards 2023—Agility Award

PROJECT TITLE

Navigating a Rapidly Evolving Ecosystem to Advance Sustainability Reporting in Singapore

TEAM MEMBERS

Ms Kuldip Gill, Ms Bong Yap Kim, Ms Gowri Palaniappan, Ms Phua Jiun Jiun, Ms Samantha Ho, Ms Foo Jing Ting, Ms Lim Hui Zhen, and Mr Wilson Tan

To help businesses capture opportunities in a timely manner, ACRA pivoted to a new role in SR.

- Within four months, ACRA plugged its knowledge gap in SR and made Singapore companies' concerns heard at an international standard-setting platform.
- Within eight months, ACRA immersed itself in a new ecosystem and supported the SRAC in completing the implementation roadmap for mandatory SR. Feedback was gathered on its proposals through four closed-door consultations.

- Within 10 months, ACRA expanded its policy formulation and enforcement function to cover capacity building. As the SR journey is new to many companies, capacity building is an essential aspect for the successful implementation of SRAC recommendations.



FOSTERING AN ENVIRONMENTALLY-FRIENDLY CULTURE IN ACRA

In keeping with our initiatives to develop Singapore into a green economy, ACRA is promoting an environmentally-friendly culture in the organisation. In December 2022, ACRA made our Green Nation Pledge as a Champion for environmental sustainability.

AWARDED THE GREEN MARK GOLD CERTIFICATION

ACRA's new office at Revenue House was conferred the Building & Construction Authority's Green Mark Gold certification in February 2023. The certification scheme rates how environmentally-friendly a building or project is. ACRA's office is designed to minimise environmental impact with features such as zoning of air-conditioning for different spaces, sensor lightings and sensor taps for more efficient energy and water consumption.



- ▲ ACRA's new office was conferred the BCA's Green Mark Gold certification

ADOPTING SUSTAINABLE PRACTICES

ACRA encouraged sustainable practices among our staff with measures such as reducing the number of common bins to minimise waste, eliminating disposable cups in the office, and encouraging the use of reusable cups or bottles. We also promote digital practices at work to reduce printing and minimise the use of hardcopy materials for meetings.

ENGAGING THE INDUSTRY

ACRA engages the local and international community to deepen understanding and strengthen relationships. This facilitates collaboration and achieves better outcomes for all.



ENGAGING THE LOCAL COMMUNITY

ACRA actively engages local stakeholders through forums and dialogues to seek their views on areas for service improvement, and help them better comply with the laws.

NEW CHAPTER FOR CSPs

The theme of Chartered Secretaries Institute of Singapore's (CSIS) 7th annual conference was 'New Chapter for CSPs' to prepare Corporate Service Providers (CSPs) for challenges facing the industry. ACRA's Chief Executive, Mr Ong Khiaw Hong, highlighted the key proposals in the new CSP Bill in his keynote address to maintain Singapore's reputation as a trusted financial hub. ACRA officers also participated in panel discussions where they elaborated on Anti-Money



▲ CSIS CSPs Conference 2022

Laundering and Combating the Financing of Terrorism (AML/CFT) best practices and the proposals to prevent the misuse of nominee arrangements and companies. About 300 Registered Filing Agents, Registered Qualified Individuals and Compliance Officers attended the conference held on 13 July 2022.

SUSTAINABILITY FOR GROWTH AND INNOVATION

ACRA was the strategic partner for the Institute of Singapore Accountants' (ISCA) Professional Accountants in Business (PAIB) conference held in August 2022. The conference theme, 'From why to why not: Sustainability for growth and innovation', saw active discussion on how finance and accountancy professionals could steer their organisations towards sustainable and inclusive growth. As one of the conference panellists, ACRA's Assistant Chief Executive, Ms Kuldip Gill, spoke about the expectations relating to sustainability reporting and ACRA's work on developing a roadmap for wider implementation of sustainability reporting beyond listed companies.

MEGATRENDS OF TOMORROW

Held in October 2022, the annual ISCA Practitioners Conference saw Ms Gill sharing with participants the importance of audits of high quality standards in driving trust in the financial reporting ecosystem, the



▲ PAIB Conference 2022

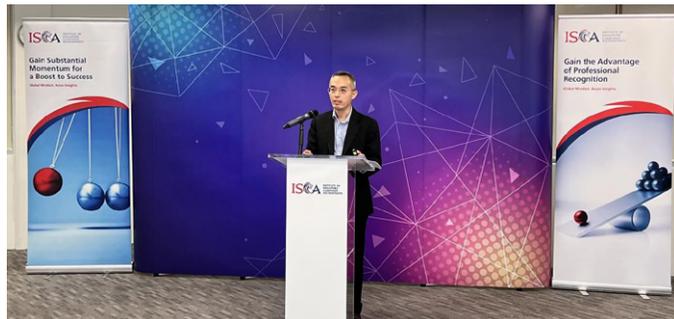
various trends impacting the audit profession, as well as areas in which the audit profession could prepare for the future. Ms Gill also took part in the key panel discussion on topics ranging from talent crunch to automation and emerging trends in 2023 and beyond.



▲ ISCA Practitioners Conference 2022

ENHANCEMENT TO THE AUDIT REGULATORY REGIME AND REVIEW OF FINANCIAL STATEMENTS

ISCA launched its inaugural Mini Conference Series from April to November 2022 to provide participants insights into a wide range of topics including sustainability, financial reporting ethics, risk and governance, and data and analytics. As one of ISCA's partners, ACRA was invited to present or be part of the discussion panels at the mini conference series.



▲ ISCA's Mini Conference Series – Small and Medium Practices Symposium

At the mini conference focusing on Small and Medium Practices, ACRA's Head of Accounting Policy Department, Mr Wong Kee Wei, presented on the key measures to enhance the auditor regulatory regime. The virtual session was attended by about 230 participants from the accountancy sector.

At the 2022 ISCA Ethics Mini Conference, ACRA's Director of Professional Oversight Department, Ms Sherry Quark, shared the changes to the ACRA Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities, following revisions to the non-assurance services and fee-related provisions issued by the International Ethics Standards Board for Accountants (IESBA).

Ms Gill delivered the keynote address at the mini conference, 'Insights into the Review of Financial Statements'. She emphasised the importance of quality financial reporting and highlighted the need to consider emerging risks and trends in reviews of



▲ ISCA's Mini Conference Series – Ethics

financial statements. ACRA's Senior Technical Director (Sustainability Reporting Office), Ms Bong Yap Kim, and Technical Director (Financial Reporting and Information Department), Ms Tan Wee Kim, participated in separate panel discussions to offer regulatory insights on challenges from climate change and impairment assessment for non-financial assets.

SUPPORTING AUDIT COMMITTEES TO PROMOTE QUALITY REPORTING

ACRA, SGX and the Singapore Institute of Directors (SID), jointly held the yearly Audit and Risk Committee Seminar to update 300 directors and audit committee members on the latest reporting and regulatory developments.

ACRA's Chief Executive, Mr Ong Khiaw Hong, gave the opening address and spoke about the need for greater transparency on sustainability measures, such as by including the impact of climate-related risks in financial reporting. He also shared ACRA's collaboration with SGX RegCo to set up a private-sector led Sustainability Reporting Advisory Committee to help ACRA propose recommendations on a sustainability roadmap for Singapore-incorporated companies, beyond listed companies. In addition, he covered two initiatives that ACRA was introducing to help audit committees oversee their auditors.



◀ Audit and Risk Committee Seminar 2023

ACRA's Senior Technical Director (Sustainability Reporting Office), Ms Bong Yap Kim, shared key findings from ACRA's Financial Reporting Surveillance Programme (FRSP) Report that was launched in January 2023 and areas of review focus for financial statements in the ACRA's Practice Guidance issued in November 2022.

DEEPENING INTERNATIONAL COLLABORATION

ACRA continued to contribute to the global community by sharing views, best practices and expertise. This strengthened ties with our international counterparts, and enhanced Singapore's position as a trusted business hub.

WIDENING OUR GLOBAL AUDIT NETWORK

IFIAR is the global forum for audit regulators and comprises audit regulators from jurisdictions in Africa, North and South America, Asia-Pacific, Europe and the Middle East. ACRA is not only one of the founding members of IFIAR, but it was also re-elected in 2021 to the IFIAR Board for another four-year term.

ACRA attended the 2022 IFIAR Plenary Meeting hosted virtually by the US Public Company Accounting Oversight Board (PCAOB) in April 2022. Themed 'Transition to the New Normal', the meeting was attended by representatives from 53 IFIAR member jurisdictions.



◀ IFIAR Inspection Workshop 2023

ACRA also serves as a member of IFIAR's Global Audit Quality Working Group. With COVID-19 pandemic travel restrictions lifted, the Global Audit Quality Working Group resumed in-person meetings in October 2022 in Berlin, Germany. ACRA hosted the Working Group meetings in Singapore in March 2023 which were attended by 74 participants. To improve audit quality globally, the Working Group engaged with the global leadership of the six largest international networks of audit firms (known as the Global Public Policy Committee or GPPC network) that included BDO, Deloitte, EY, Grant Thornton, KPMG and PwC.

IFIAR held its Inspection Workshop in March 2023 in Bali, Indonesia. The workshop aimed to facilitate the sharing of knowledge and practical experiences on inspection activities among IFIAR members. Our ACRA delegation presented on topics covering the use of Audit Quality Indicators, ACRA's AML/CFT supervision over public accountants, and inspection practices of small and medium audit firms in Singapore.

FUTURE OF AUDIT REGULATION

Ms Gill led an ACRA delegation to attend the annual International Institute on Audit Regulation organised by PCAOB in Washington D.C. in November 2022. The conference was attended by audit regulators to discuss innovations in audit inspections, new initiatives related to audit firms' quality controls, and audit oversight challenges in a post-pandemic world.

RAISING AUDIT QUALITY

The annual ASEAN Audit Regulators Group (AARG) Inspection Workshop provides a platform for regulators in the region to exchange views on audit oversight systems, share practical experiences and discuss initiatives to raise audit quality.

The 2022 virtual workshop and plenary meeting were hosted by the regulatory authorities of Indonesia and Philippines respectively in July 2022, with delegates from the AARG member countries (Indonesia, Malaysia, Philippines, Thailand and Singapore). Non-AARG countries such as South Korea and Hong Kong were also invited to attend and present at the virtual workshop.

ACRA's Head of Accounting Policy Department, Mr Wong Kee Wei, shared on ACRA's regulatory updates and initiatives and gave an overview of our proposed changes to the Accountants Act to promote audit quality.

In 2023, ACRA will be hosting our regional audit and financial statement regulators for an inaugural Combined AARG & Financial Statements Surveillance Group workshop. To be held in September 2023, the three-day physical workshop aims to enhance the quality of audit and financial reporting.

TRANSFORMING BUSINESS REGISTRIES IN A POST-PANDEMIC ERA

A delegation from ACRA attended the annual conference of the Corporate Registers Forum in September 2022. Hosted by the Maldives Registrar of Companies, Ministry of Economic Development, more than 100 registry professionals representing 27 jurisdictions globally attended the conference to share on 'Transforming business registries for the post-pandemic era'.

ACRA's Head (IT Planning & Governance Department) & Agency Chief Information Security Officer, Mr Jarrett Tan Soon Peow, presented on 'Digital transformation and the future of business registries'.



▲ Corporate Registers Forum 2022

BUILDING A FUTURE-READY ACRA

Our vision is to make Singapore the best place for business. We will achieve our vision through our people by creating a conducive environment for them to develop their capabilities, and providing them with opportunities to be the best that they can be.



We are leveraging technology, using data to drive decision-making, and adopting a customer-centric approach to continue to deliver value to businesses and ensure a well-regulated and trusted business environment.

PREPARING FOR THE FUTURE

In ACRA, 'Everyone is a Digital Performer'. We recently enhanced the Data analytics, Digital technology, and user-centric Design (D3) capability development framework to guide us in our efforts to be a digitally-confident workforce. The framework gives us clarity on the level and types of competencies that each of us should be equipped with to do our job well, to make improvements to our work processes, and provide better service to our customers. As part of the development programme, our people practise and apply the D3 knowledge and skills in projects and prototypes to fulfil the learning outcomes.

ACRA adopts a hybrid work arrangement to improve work-life balance, reduce commuting time and cost, and increase productivity and job satisfaction. Our efforts in promoting use of information and

communications technology to help our people do their work have yielded encouraging results. Based on the Government to Employee (G2E) Survey 2022, a whole-of-government survey among government agencies, the number of staff who indicated that they were satisfied with their workplace and use of digital tools and technologies rose from 88.5% in the previous survey to 91.5%.

STRENGTHENING ONEACRA

The merger of ACRA, SAC and ASC was effected on 1 April 2023. In the months leading up to the merger, officers from the three entities worked closely on the amendments to the relevant legislations, made changes to finance and human resource processes, managed systems and websites migration as well as communications to internal and external stakeholders, and reviewed the composition of the Board and Committees. We also organised several activities among staff to build teamwork and camaraderie as OneACRA.

In September 2022, ACRA, MOF, the Accountant-General's Department (AGD), Auditor-General's Office (AGO) and the Inland Revenue Authority of Singapore

(IRAS) conducted a recruitment drive at the NUS Alumni House Auditorium to attract fresh graduates from the local universities. The event drew close to 100 students.

We are reviewing the way we organise our related accountancy functions to achieve greater synergies for the organisation. To better attract and retain talents, we have also embarked on a review of our scheme of service to enhance its market competitiveness.



▲ Public Sector 5 Recruitment Event

RECOGNISING EXCELLENCE

The Public Sector Transformation Awards are conferred on public officers who excel in their work and uphold quality standards. Two ACRA staff were recognised at the Public Sector Transformation Awards ceremony in July 2023.

National Day Awards 2022

The Singapore National Day Awards recognise merit and service to Singapore. Five ACRA staff members were conferred National Day honours in 2022.

The Public Administration Medal (Bronze)

Mr Wong Kee Wei, Accounting Policy Department

The Commendation Medal

Mr Desmond Quek, Investigation Department

Mr Tan Yong Tat, Information Resource Department

The Efficiency Medal

Ms Esther Lim, Enforcement Department

The Long Service Medal

Ms Chitradevi Manian, Prosecution Department

Ms Kartika Leono Liaw won the Exemplary SkillsFuture @ Public Service Award



Ms Kartika Leono Liaw, Senior Manager, Information Resource Department, manages customer queries and the sale of ACRA information products and services.

Despite not having any background in information technology, Kartika readily picked up digital, data and design skills. She is now a certified Scrum product owner and is trained in using the Scrum management framework to build information products and services.

She led a project team to leverage the government's OpenAttestation framework to develop ACRA's trustBar service and verification API to provide ease and convenience for customers to verify business information products.

Ms Enyo Siew Peng won the Exemplary Service Excellence Award



Ms Enyo Siew Peng, Senior Manager, Registry Services Department, is part of the service delivery team that handles complex customer enquiries and applications for registration.

Customers have complimented Siew Peng for the empathy she displayed in her interactions with them and her proactiveness in addressing their enquiries and helping them resolve their issues.

Siew Peng has also contributed to two of ACRA's key service delivery projects to better serve and meet the needs of our customers. She learned how to tap on artificial intelligence tools to curate chatbot contents for Ask Ada, our digital assistant, and she was one of the team members who developed ACRA's Customer Relationship Management System on cloud.



FINANCIAL HIGHLIGHTS

(A) Financial performance

1. OPERATING INCOME

The income was \$103.3m, \$16.7m higher than FY2021. The increase was mainly due to the following:

- (a) **Company incorporation and related fees** increased by \$2.5m from \$39.5m in FY2021 to \$42.0m mainly from higher fee income from annual filing (\$1.0m) and extension of time (EOT) to hold Annual General Meeting (AGM) or file annual return (\$0.7m);
- (b) **Information service fees** increased by \$1.4m from \$16.7m in FY2021 to \$18.1m mainly from the increase in sales volume of information products, such as business profiles (\$0.9m) and customised products (\$0.2m) through Information Service Providers;
- (c) **Variable Capital Company (VCC) incorporation and related fees** increased by \$1.0m mainly due to increase in the number of VCC incorporated compared to FY2021; and
- (d) **Other income** increased by \$3.1m mainly due to increase in interest income (\$2.8m) from our funds managed by Accountant General's Department (AGD) under Centralised Liquidity Management (CLM) framework.

2. OPERATING EXPENDITURE

The expenditure was \$84.3m, \$10.4m higher than FY2021. The increase was mainly attributable to:

- (a) **Services**, largely IT-related, increased by \$4.7m mainly due to additional manpower to support the development of the Business Registry and Regulatory System (BR2S) (\$2.5m), higher hosting expenses (\$2.1m) attributed to new applications, such as the Unified Data and Analytics Platform (UDAP) and TrustBar service, as well as the increase in transaction volume and data growth of existing applications;
- (b) **Other operating expenditure (OOE)** increased by \$5.6m mainly due to the maintenance expenditure for BizFile technology refresh (\$5.5m) as the warranty period was over. The higher OOE was partially offset by the one-off expenditure in FY2021 in relation to office renovation (\$1.6m); and
- (c) **Depreciation and amortisation** decreased by \$0.9m mainly due to 6.5 months of overlapping office leases for International Plaza and Revenue House, from June to December for FY2021.



FINANCIAL HIGHLIGHTS

3. NET SURPLUS

Table 1 shows the operating and net surplus for FY2021 and FY2022:

Table 1: Income and Expenditure Summary

Item	FY2022	FY2021
Operating Income	103.3	86.6
Expenditure	84.3	73.9
Surplus Before Government Grants	19.0	12.7
Government Grants	2.8	1.7
Surplus before Contribution to Government Consolidated Fund	21.8	14.4
Less: Contribution to Government Consolidated Fund (i.e. 17% of operating surplus)	3.7	2.4
Net Surplus	18.1	12.0



FINANCIAL HIGHLIGHTS

(B) Financial position

4. ASSETS

Our total assets amounted to \$276.4m, \$13.9m higher than FY2021, mainly attributable to the following items:

- (a) **Non-current assets** increased by \$13.9m mainly due to higher expenditure for the development of BR2S project, BizFile+ Backup Solution and UDAP; partially offset by the depreciation and amortisation for the right-of-use asset for office premises at Revenue House and IT infrastructure/network for office; and
- (b) **Cash and cash equivalents** reduced by \$0.8m mainly due to higher cash used for capital expenditure and dividends paid (FY2021: No dividend payment) coupled with higher cash generated from operating activities.

5. LIABILITIES

Our total liabilities increased \$5.6m to \$48.1m in FY2022, mainly attributable to the following:

- (a) **Trade and other payables** increased by \$6.4m mainly due to the accrual of capital expenditure related to BR2S payment milestones and hosting charges;
- (b) **Lease liabilities** reduced by \$2.4m due to the lease payments for ACRA's office premises at Revenue House during the year; and
- (c) **Contribution to Government Consolidated Fund** increased by \$1.3m due to an increase in surplus before Contribution to Government Consolidated Fund of \$7.4m for the financial year.



FINANCIAL HIGHLIGHTS

Table 2: Balance Sheet Summary

Item	31 March 2023	31 March 2022
Share Capital	8.6	8.6
Accumulated Surplus	219.7	211.4
Capital and reserves	228.3	220.0
Non-Current Assets	58.1	44.2
Current Assets	218.3	218.3
Total Assets	276.4	262.5
Current Liabilities	29.3	21.8
Non-Current Liabilities	18.8	20.7
Total Liabilities	48.1	42.5
Net Assets (i.e. Total Assets less Total Liabilities)	228.3	220.0



FINANCIAL HIGHLIGHTS

6. CASH FLOWS

For the year ended 31 March 2023, ACRA's net cash decreased by \$0.8m.

See Table 3 for details.

Table 3: Summary of Statement of Cash Flows

Item	FY2022	FY2021
(i) Cash and cash equivalents at beginning of year	212.2	205.5
(ii) Net cash from operating activities	30.5	22.3
(iii) Net cash used in investing activities	(19.4)	(12.2)
(iv) Net cash used in financing activities	(11.9)	(3.4)
Cash and cash equivalents as at year end i.e. (i) + (ii) + (iii) + (iv)	211.4	212.2
Net (decrease)/increase in cash and cash equivalents	(0.8)	6.7

7. AUDITOR'S OPINION

ACRA has confirmed that the external or independent auditor has given an opinion that the Financial Statements and/or Other Legal and Regulatory Requirements are properly drawn up in accordance with the Public Sector Governance Act and the Statutory Board's Act. ACRA has also confirmed that the audit reports are signed by the relevant Auditors engaged for the audit.