

Annual Report 2018 / 2019

TRANSFORM  
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**OneACRA Redefined**  
Continuing Our Transformation Journey

**ACRA**  
ACCOUNTING AND CORPORATE  
REGULATORY AUTHORITY

# About ACRA

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

## Corporate Statement, Goals And Values

### CORPORATE STATEMENT

Promoting a trusted & vibrant business environment in Singapore.

### CORPORATE GOALS

ACRA's 4 corporate goals:

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

### OUR CORE VALUES

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

- **Integrity:** We are honest, upright and impartial in everything we do as individuals and as an organisation
- **Alert & Agile:** We are vigilant and responsive to the needs of our stakeholders
- **Collaborative:** We work with our stakeholders to achieve common goals
- **Respect:** We value and respect our stakeholders
- **Add Value:** We make a positive difference for our stakeholders

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# FY2018 At A Glance

In 2018/2019, we introduced new initiatives to make it easy to do business in Singapore; we simplified rules and regulations to keep compliance burden low, and we improved our customer service.

## Our key achievements for the year:

Singapore ranked **3rd** in the “Starting a Business” category, up from **6th** position in the World Bank Doing Business Report 2018

## BUSINESS-FRIENDLY POLICIES AND PROCESSES



**Simplified** the **annual returns filing** process significantly for solvent exempt private companies and private dormant relevant companies



**Reduced** the time taken to **start a business** in Singapore to **1.5 days** by removing the requirement for company seals



Introduced **ACRA API mall** to provide real-time business data.



**Exempted** private companies from holding **annual general meetings**, subject to some conditions

## A PROGRESSIVE AND RESPONSIVE REGULATORY REGIME



Implemented **mandatory training and proficiency tests** for filing agents



Indicate **company directors** who have been **disqualified** on **ACRA register** to help investors and stakeholders conduct due diligence



Launched online **Directors Training Programme** for new and aspiring company directors to better understand their statutory duties and responsibilities



Changes to the **Code of Professional Conduct and Ethics** for public accountants and accounting entities for audits of financial statements and assurance engagements

# FY2018 At A Glance

## EXCELLENT SERVICE



**Co-located** our service **counters** to Revenue House to be alongside counters of IRAS and SME Centre to provide a more **integrated customer experience**.



Supported the development of **SME Cloud Exchange Network** which enables SMEs to prepare and file their financial statements and tax submissions to ACRA and IRAS easily.



**iShop@ACRA on digital mode:** all business information products are delivered digitally.



**Additional e-payment options,** eg PayPal, Google Pay and Apple Pay for customers' convenience.



**New ACRA website** to make it easier for customers to self-help and find the information they need.

## AN INNOVATIVE, EFFICIENT AND EFFECTIVE ACRA TEAM



ACRA staff recognised for **excellent service** and **innovation**:

- 3 National Day Awards
- 5 Ministry of Finance Awards
- 1 Public Sector Transformation Award



Leveraged **robotic process automation (RPA)** to streamline our processes in the finance, financial reporting surveillance and registry functions.



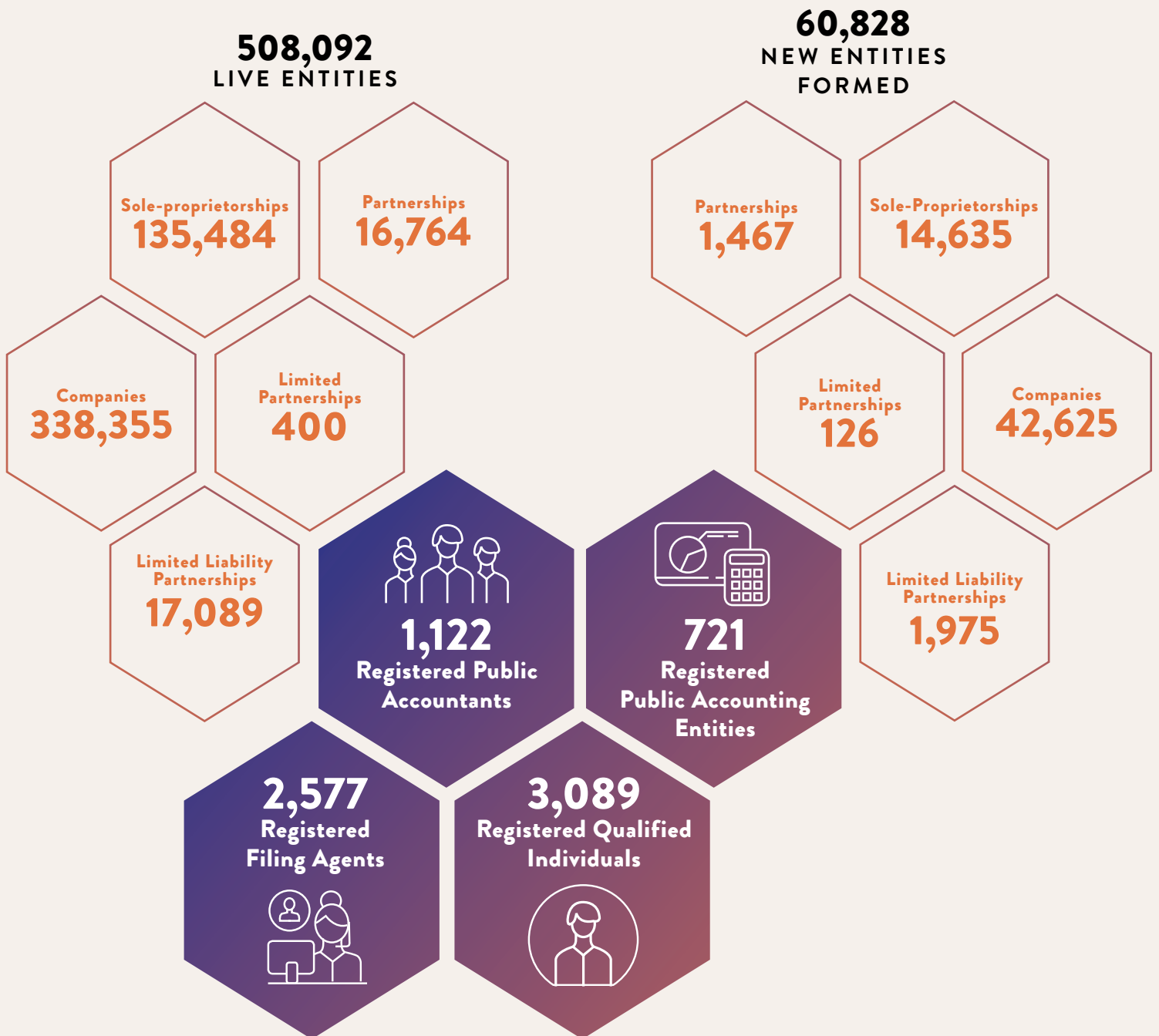
Implemented **Whole-of-Government (WOG) Digital Workplace Resource Booking System** to enhance work efficiency



Contributed **117,393 hours** to the **Public Sector Transformation Million Hours Challenge**.

# Year in Review

as at 31 March 2019





# Service Highlights



**88%**  
of companies filed  
**Annual Return**  
in FY2018



Our customers  
performed  
**2 Million**  
transactions in  
**BizFile+**

We answered  
**90%**  
of telephone calls  
within **30 sec**



We replied to  
**97%**  
of customer emails  
within  
**3 working days**



We attended to  
**100%**  
of our customers with  
appointments within  
**30 min**



# Chairman's Message



“In the coming years... ACRA will leverage text and data analytics tools to generate insights to formulate policies, and improve systems and processes to enable more customers to self-serve or not require any service from ACRA.”

ACRA seeks to promote a trusted and vibrant business environment so that there are always opportunities for fellow citizens to be successful.

ACRA has started a comprehensive study on its regulatory roles, strategies, systems and processes so that it is part of a more dynamic and digitally enabled business environment. To be completed by FY2019, this study which involves various groups of stakeholders, key partners and staff, aims to build a digital, data-driven ACRA that supports enterprise, delivers value to businesses and stakeholders, and excels in regulatory effectiveness and operational efficiency.

This year, ACRA continued to review policies and processes to deliver ease of doing business, strong public confidence in audit and financial reporting, and seamless customer service in a cost-efficient manner.

## PROGRESSIVE AND BUSINESS-FRIENDLY POLICIES

ACRA has completed a review of several areas of the Companies Act, spanning across new forms of business, corporate governance, with inputs and feedback from stakeholders. The Companies Act Working Group (chaired by ACRA Board member

Professor Tan Cheng Han and comprising members from local and international law firms, industry regulators and associations) had deliberated on the proposed amendments. One of the proposed changes to the law is to allow companies to hold virtual annual general meetings and interact with their stakeholders via digital means. The objective is to improve convenience and accessibility for shareholders. There will be a public consultation later this year to solicit feedback on the proposed changes as well as suggestions on other changes.

ACRA also set up the Corporate Law Advisory Panel (CLAP) to stay responsive to the needs of businesses and keep pace with local and international corporate law developments. CLAP, which is chaired by ACRA Board member Mr Adrian Chan, comprises 15 members from the legal and business sectors. The standing panel will meet regularly to discuss and advise ACRA on corporate law issues.

To reduce compliance burden for Singapore companies, ACRA also reviewed the filing requirements for companies that are required to file financial statements in XBRL (eXtensible Business Reporting Language) format. The outcome of the review will see companies spend less time to comply with their filing obligations, among other benefits.

## ROBUST AND RESILIENT REGULATORY FRAMEWORK

As part of the on-going efforts to combat money laundering and terrorism financing, since November 2018, ACRA has made it mandatory for registered filing agents to complete a prescribed Anti-Money Laundering and Counter Financing of Terrorism course and pass the proficiency test before they can register or renew their registrations with ACRA. This will help to raise professional standards of the corporate service providers sector, strengthen resilience against money laundering and terrorism financing, and boost Singapore's reputation as an international financial and business hub.

To promote high audit quality and align ACRA's regulatory regime with international developments, several changes to the Accountants Act will be proposed later this year. These include the statutory quality control inspections by ACRA on Public Accounting Entities and the ability to enter into information sharing arrangements with foreign audit regulators to facilitate ACRA's regulatory oversight.

## INNOVATION WITH AND FOR BUSINESSES

Come 2020, companies will be able to file their annual returns and financial statements in XBRL format directly from their accounting software, via API (Application Programming Interface). This is ACRA's joint initiative with the Inland Revenue Authority of Singapore (IRAS) and software vendors, to make it easy for companies not just to fulfil their financial reporting, filing and tax paying obligations with ACRA and IRAS, but to enable them to eliminate manual process and boost productivity.

To improve data accuracy without increasing the compliance burden for companies and individuals, ACRA will obtain data directly from government agencies in line with the government's "Tell Us Once" policy. Businesses can expect a shorter transaction time with ACRA; they can then focus on activities that bring greater value to their clients.

In the coming years, ACRA will accelerate the adoption of digital solutions to provide better service and facilitate voluntary compliance. ACRA will leverage text and data analytics tools to generate insights to formulate policies, and improve systems and processes to enable more customers to self-serve or even not require any service from ACRA. ACRA will also build capabilities to automate compliance efforts, identify regulatory gaps, and detect non-compliance of the laws, so as to improve quality of financial reporting and audit, and raise standard of corporate governance.

This year, Singapore continued to be ranked 2nd out of 190 economies in the World Bank "Doing Business Survey". In the "Starting a Business" sub-category which ACRA is responsible for, efforts to further reduce the procedures and time taken to set up a business saw Singapore move up to the 3rd place from the 6th place previously. This attests to ACRA's efforts in facilitating business and creating a favourable regulatory environment for our businesses.

## IN APPRECIATION

I would like to acknowledge the support and contributions of our stakeholders and partners.

I would also like to thank all our board members for their dedicated service and invaluable advice. My appreciation to Mr Lee Wai Fai, who has recently stepped down from the Board and I also warmly welcome new Board Member, Ms Lai Chin Yee.

On behalf of the Board, I would like to thank all ACRA staff for their efforts and enthusiasm as we work together to build a trusted and vibrant business environment in Singapore.

**Tan Ching Yee**  
CHAIRMAN



With effect from 1 January 2019, individuals looking to register as a public accountant will need to complete the Singapore Chartered Accountant Qualification or a recognised equivalent professional qualification as well as fulfil other necessary requirements for registration. This is part of ACRA's efforts to promote the national Chartered Accountants qualification and to transform Singapore into a leading global accountancy hub.

In the coming year, we will be reviewing our enforcement strategies to improve compliance with annual return filing and other statutory obligations. We will take differentiated enforcement actions for first-time and repeat offenders, and re-calibrate the existing late filing penalty and composition frameworks to send a strong deterrent signal to late filers and offenders.

### PROVIDING EXCELLENT SERVICE

Together with our partners, we provided our common customers with a more convenient and integrated service experience. Since September 2018, we have co-located our service counters with those of IRAS and SME Centre at Revenue House. Customers who need assistance with business registration, taxation, or other business advisory services, can do so at one location. To make it easier for our customers to self-help and find the information they need, we also improved user interface and simplified the contents on our website.

We have made information on businesses accessible and authenticated seamlessly, via our iShop@ACRA portal, anytime, anywhere. This facilitates information searches and usage. Since January 2019, in addition to the existing debit/credit card payment options, we have also offered customers the options to use eWallets such as PayPal, Google Pay and Apple Pay, to pay for their transactions. This is in line with the government's aim to have all payments made electronically by 2023.

We implemented a new Customer Relationship Management (CRM) System in April 2019 to improve customer service. Our Helpdesk agents will be able to access customer information in real-time to provide more precise and timely responses to customers. We can also analyse caller profiles, call records and service issues to help us better design our systems to enable more customers to self-serve or even not require service from us.

### TO BE AN INNOVATIVE, EFFICIENT AND EFFECTIVE TEAM

We value our staff and are committed to equipping them with the capabilities to excel in a digital work environment. All our staff have attained an awareness level of data analytics and design thinking.

We continued to engage our counterparts in the international community to keep up with global developments, and to learn from and share best practices with them. We represented Singapore at key international regulatory forums, such as the International Conference on Doing Business Practice and Future Reforms in China, the International Forum of Independent Audit Regulators meetings, Corporate Registers Forum and the ASEAN Task Force on Starting a Business.

We hosted delegates from countries such as Saudi Arabia and Kazakhstan, who were here to study and exchange views on our corporate and accounting regulatory practices and initiatives.

### LOOKING AHEAD

The next year will be an exciting year as we embarked on our Strategic Business Process Re-engineering study to fundamentally review our core business processes. Our aim is to build a data-driven, digital ACRA that promotes a trusted and vibrant business environment in a highly effective and efficient manner. Our plan is for the study to result in a new business model with an enabling organisation structure and manpower plan.

## ACKNOWLEDGEMENT

All that we have achieved this past year would not have been possible without the strong support of the wider public and our key stakeholders.

I thank our key partners, including the Institute of Singapore Chartered Accountants, Singapore Institute of Directors, Chartered Secretaries Institute of Singapore, Securities Investors Association (Singapore), Monetary Authority of Singapore, Singapore Exchange Regulation and Commercial Affairs Department. Their feedback and inputs have been instrumental in helping us improve our service and regulatory framework. We look forward to working with them in the coming year.

I would also like to express my appreciation to the Board for their guidance and support, and to all my ACRA colleagues for their contributions and readiness to make a difference for ACRA and Singapore.

**Ong Khiaw Hong**  
CHIEF EXECUTIVE

# Board Members

as at 1 April 2019



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



CHIEF EXECUTIVE, ACRA  
**MR ONG KHIAW HONG**



**MS AMEERA ASHRAF**  
Partner and Head of  
Competition  
and Regulatory Practice,  
Wong Partnership LLP



**MR ADRIAN CHAN**  
Senior Partner,  
Lee and Lee Advocates &  
Solicitors, Singapore



**MR HO MENG KIT**  
Chief Executive Officer,  
Singapore Business  
Federation



**MS LAI CHIN YEE**  
Finance Director,  
Qian Hu Corporation Ltd



**MR PAUL LEE**  
Managing Partner,  
RSM Singapore



**MR LEE BOON NGIAP**  
Assistant Managing  
Director, Monetary  
Authority of Singapore



**MR BRUCE LIANG**  
Chief Executive Officer,  
Integrated Health Information  
Systems Pte Ltd & Chief  
Information Officer,  
Ministry of Health



**MR MAX LOH**  
Country Managing Partner,  
Singapore and Brunei, EY  
(redesignated in Jun 2019)



**MS CHANDRA MALLIKA**  
Managing Director,  
Chief Operating  
Officer Asia Pacific,  
Deutsche Bank AG



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



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



**PROF TAN CHENG HAN**  
Chair Professor of  
Commercial Law, City  
University of Hong Kong  
(wef July 2019)



**MR THAM SAI CHOY**  
Chartered accountant



**MR KEVIN WONG**  
Advocate and Solicitor

# Board Committees

as at 1 April 2019

## AUDIT AND RISK MANAGEMENT COMMITTEE

Mr Adrian Chan (Chairman)  
Ms Lai Chin Yee  
Mr Bruce Liang  
Mr Muhammad Hidhir

## HUMAN RESOURCE AND FINANCE COMMITTEE

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

## PUBLIC ACCOUNTANTS OVERSIGHT COMMITTEE

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

# ACRA Management

as at 1 April 2019

Mr Ong Khiaw Hong	Chief Executive
Ms Chin Li Fen	Deputy Chief Executive, Corporate and Operations Group
Mr Andy Sim	Assistant Chief Executive, Legal Services and Compliance Group
Ms Ang Siok Hui	Divisional Director, Corporate Development Division
Ms Jackalin Er	Divisional Director, Corporate Service Division
Mr Mohamed Farouk	Divisional Director, Customer Experience Division
Ms Bong Yap Kim	Divisional Director, Financial Reporting Division
Ms Bernice Quek	Divisional Director, Information and Technology Division



# Divisions And Departments

## CORPORATE DEVELOPMENT DIVISION

The Corporate Development Division oversees the ACRA Academy, Corporate Communications Department and Corporate Planning Department. The division drives organisation's growth through the development of strategies, policies and systems and oversees external engagement programme.

## CUSTOMER EXPERIENCE DIVISION

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

## CORPORATE SERVICES DIVISION

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

## COMPLIANCE DIVISION

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

## INFORMATION AND TECHNOLOGY DIVISION

The Information and Technology Division oversees the Information Resource Department and

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

## FINANCIAL REPORTING DIVISION

The Financial Reporting Division oversees the Financial Information Department and Financial Reporting Surveillance Department. The division sets the strategic direction in promoting high quality financial reporting and filing by companies incorporated in Singapore.

## PUBLIC ACCOUNTANCY DIVISION

The Public Accountancy Division oversees the Practice Monitoring Department and Professional Oversight Department. The division regulates and facilitates the development of Singapore's public accountancy sector.

## Accounting Policy Department

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

## Legal Services Department

The Legal Services Department handles all legal matters and advises on civil actions that may impact ACRA. In addition, the department develops corporate law literature, and fosters scholarly and professional discussions on corporate law issues for ACRA.

## Chapter One

LEADING  
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A Leading Business Registry

# A Leading Business Registry

## MAKING IT EASIER TO DO BUSINESS IN SINGAPORE

Our efforts in facilitating business and creating a favourable regulatory environment for Singaporean businesses have been recognised by the World Bank. Singapore continued to be ranked 2nd out of 190 economies in the World Bank Doing Business Report 2019. In the “Starting a Business” sub-category, which ACRA is responsible for, our efforts to further reduce the procedures and time taken to set up a business saw Singapore move up to 3rd place from 6th previously.

## REDUCING THE REGULATORY BURDEN FOR COMPANIES

In August 2018, we implemented several legislative amendments as part of our ongoing efforts to simplify rules and reduce the regulatory burden for companies. We have made it easier for companies to comply with filing deadlines by aligning the timelines for companies to hold their annual general meetings (AGMs) and file annual returns to their financial year end. We also simplified the annual returns filing process for eligible companies by reducing the number of steps from 24 to six, and exempted private companies from holding AGMs, subject to certain conditions. Some 300,000 companies will benefit from these changes.

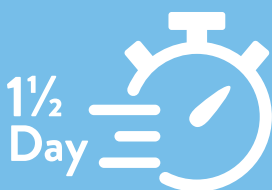
We are looking into simplifying the filing requirements of financial statements in XBRL (eXtensible Business Reporting Language) format so as to reduce regulatory burden for companies. A public consultation was held in November 2018 to obtain public feedback on the proposed changes, which will be implemented in 2020.

## ONLINE COURSE FOR ASPIRING ENTREPRENEURS TO PROMOTE SELF-HELP

In March 2019, we partnered with agencies such as the Central Provident Fund (CPF) Board, Inland Revenue Authority of Singapore (IRAS), Personal Data Protection Commission and Enterprise Singapore’s SME Centre to introduce a free online course for aspiring entrepreneurs. The “Essentials of Starting a Business” provides essential information on business registration requirements, tax and CPF matters, government grants and loans, and tips on protecting customers’ data into three bite-sized modules. The course takes only two hours to complete.



ACRA’s free online “Essentials of Starting a Business” training course encourages our customers to self-help and provides aspiring entrepreneurs with useful information on how to set up a business in Singapore.



Time taken to start a business in Singapore, after we removed the requirement for company seals



Our ranking in the World Bank Doing Business Report 2019



Our position in the “Starting a Business” category in the World Bank Doing Business Report 2018

## REACHING OUT TO BUDDING ENTREPRENEURS

To nurture and fuel the entrepreneurial spirit, the ACRA Academy has been holding regular talks at institutes of higher learning to share with students who are interested in starting a business.

In FY2018, 410 students from the Singapore University of Social Sciences, Ngee Ann Polytechnic, PSB Academy and Institute of Technical Education College Central have benefited from our sharing sessions.



*Our speakers from ACRA Academy with 200 tertiary students at the PSB Academy City Campus. (18 June 2018)*

## HARNESSING THE POWER OF DATA ANALYTICS

To be a trusted business registry, our data must be accurate, timely and accessible. Tapping on data analytics, we have developed a predictive model to help identify potential risk factors that lead to errors in the filing of financial statements in XBRL (eXtensible Business Reporting Language). This will enhance our ability to proactively detect and deter erroneous filing and improve data accuracy.

## FACILITATING USE OF DATA

Our public register holds more than 1.5 million records of business entities. This trove of information is available to support the creation of impactful solutions, enable quality research and facilitate innovation by the public and private sectors. As part of Singapore's Smart Nation initiatives, we are here to make this data more readily accessible.

To help businesses better use these records, we launched an Application Programming Interface (API) mall in December 2018 to give entrepreneurs and software developers access to real-time business data. In addition to the 29 API services available for subscription, an API sandbox was created to provide a test environment for developers to try out the APIs.

## MAINTAINING ACTIVE PARTICIPATION IN THE INTERNATIONAL ARENA

We continued to play a part in the international community by sharing best practices and representing Singapore at key international regulatory forums.

At the annual Corporate Registers Forum (CRF) conference held in Botswana in May 2018, ACRA was re-elected to the CRF Executive Committee for another two-year term. Our officers shared with global counterparts on our enforcement strategy and plans to tap on APIs to share more of our data with the public.

ACRA was part of the Singapore delegation that attended the International Conference on Doing Business Practice and Future Reforms in China held in Beijing, China in November 2018. Our officer presented at the “Starting a Business” technical session and shared our experience in running the corporate registry in Singapore and implementing related business reforms.

In April 2018, ACRA officers attended the 3rd ASEAN Task Force Meeting on Starting a Business held in Luang Prabang, Laos and shared best practices in business registration processes.



Assistant Chief Executive, Mr Andy Sim, hosted a delegation consisting of Members of Parliament of the Republic of Kazakhstan and officers from the Kazakhstan Ministry of Justice. (30 November 2018)

The meeting served to make rules and regulations more transparent across ASEAN countries by streamlining processes involved in business registration.

We hosted delegations from Saudi Arabia’s Economic Cities Authority and Kazakhstan’s Parliament and Ministry of Justice, who were here to learn from our experience in facilitating business.



At the annual Corporate Registers Forum (CRF) conference held in Gaborone, Botswana, the ACRA delegation, led by Ms Chin Li Fen, Deputy Chief Executive, shared on our enforcement strategy and our plans to tap on APIs to share more of ACRA’s data with the public. (21 – 25 May 2018)



**FROM LEFT** Mr Tan Yong Tat, Ms Noorezah Jamil, Ms Vivien Chng, Mr Jeff Foo and Ms Hazlen Jumadi from Information Resource Department. The team won third place for the Service Delivery Excellence Award at the Ministry of Finance's Family Group Level Awards 2019.

## ACRA Rides the Digital Wave

Going all-digital does not just mean faster service delivery for customers. ACRA also saves some 200 man-days and \$50,000 in business costs a year.

Each year, over one million transactions are done through BizFile<sup>+</sup>, ACRA's online filing and information retrieval portal. To maintain transparency and trust in the business environment, ACRA provides a business information service where members of the public and interested stakeholders can access the information filed with ACRA, to conduct checks on the background of the business entities and individuals concerned.

The business information is packaged into various business information products, which can be purchased at iShop@ACRA. Over 56,000 information products are purchased from iShop@ACRA each month, and delivered via email, mail or collected over the counter.

In June 2018, iShop@ACRA became a full-fledged digital service, in line with the Digital Government Blueprint to go "digital to the core". This means all business information products can be purchased, certified and delivered online or via email.

Instead of going to a professional solutions provider, a team from the Information Resource Department created

their own digitalisation workflow by tapping on existing resources such as microfilm readers, personal computers and software. "For me, the Eureka feeling was indeed a sensational and memorable one," said Tan Yong Tat, Assistant Director at the Information Resource Department, who is part of a six-man team behind the digitalisation project.

With records now readily accessible digitally, printing from microfilms and manually certifying true copies of every single page are now a thing of the past.

Going digital has allowed ACRA to save not just time, but also printing and mailing costs, as well as the environment. Over 200 man-days could be saved each year, along with \$50,000 – split almost equally between office supplies costs and manpower costs.

The team won the second runner-up spot for the Service Delivery Excellence Award at the Ministry of Finance's Family Group Level Awards this year, for their innovative efforts to improve service delivery.

"We derive a great sense of pride and satisfaction in the service improvement we make for the benefit of our customers!" said Yong Tat.

## Chapter Two

RESPECTED  
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A Respected Corporate and Accounting Regulator

# A Respected Corporate and Accounting Regulator

## INTRODUCING MANDATORY TRAINING TO BOOST PROFESSIONAL STANDARDS OF CSP SECTOR

From 15 November 2018, corporate service providers (CSPs) seeking to be registered or renewed as a registered filing agent (RFA) must first complete a training programme and proficiency test. This is to strengthen the sector's resilience against money laundering and terrorist financing (ML/TF). This programme was jointly developed with the Institute of Singapore Chartered Accountants and the Chartered Secretaries Institute of Singapore. As at 31 March 2019, 82% of individuals passed the proficiency test, making them eligible to register or renew their registration as an RFA.



*In his opening address at the 5th ACRA-SGX-SID Audit Committee Seminar, ACRA Chief Executive, Mr Ong Khiaw Hong, highlighted to directors that maintaining a well-functioning capital market and upholding market confidence is a collective responsibility. (16 January 2019)*

## KEEPING THE AUDIT OVERSIGHT FRAMEWORK RELEVANT AND EFFECTIVE

We released the 12th Practice Monitoring Programme report in October 2018, unveiling key findings from our inspections of auditors and audit firms over the past year. The report also highlighted areas for improvement for audit firms, based on the six elements of Singapore Standard on Quality Control 1. At the Institute of Singapore Chartered Accountants Practitioners Conference held on 1 June 2018, Ms Ng Meow Ling, Chief Inspector of the Practice Monitoring Department, shared key observations from ACRA's Ethics Pronouncement 200 inspections, to help the audit profession stay vigilant against money laundering and terrorist financing risks.

## REACHING OUT TO STAKEHOLDERS

To promote voluntary compliance with our regulatory regime, it is important that we keep directors and corporate service providers (CSPs) up to date with our latest policies.

At the 5th ACRA-SGX-SID Audit Committee Seminar held on 16 January 2019, ACRA, together with the Singapore Exchange Regulation, briefed some 400 directors of listed companies on key regulatory developments. Chief Executive, Mr Ong Khiaw Hong, also urged all market stakeholders to keep working together to strengthen the corporate governance ecosystem.

In January 2019, outreach sessions were held for about 930 CSPs to update them on new and upcoming business registry and regulatory changes that will impact CSPs and their clients. The briefing sessions were co-organised with the Chartered Secretaries Institute of Singapore and the Institute of Singapore Chartered Accountants.



## ENCOURAGING VOLUNTARY COMPLIANCE THROUGH ONLINE COURSE

ACRA teamed up with the Ministry of Manpower, Central Provident Fund (CPF) Board and the Inland Revenue Authority of Singapore (IRAS) to launch a free online Directors Training Programme (DTP) in April 2018 to help directors better understand their statutory responsibilities and get it right from the start. The DTP takes only two hours to complete, and comprises five bite-sized modules which include games, case studies and quizzes to help directors learn about their duties. So far, more than 2,500 directors have benefited from this programme.

## ENHANCING REGULATORY REGIME TO IMPROVE COMPLIANCE

To maintain professional standards and ensure compliance and effectiveness in performing anti-money laundering and countering the financing of terrorism (AML/CFT) duties, ACRA has been conducting compliance inspections on registered filing agents (RFAs) since 2015. In FY2018, we conducted 391 compliance inspections related to AML/CFT. We also conducted over 2,000 investigations to look into complaints of breaches and other offences.

ACRA takes a serious view of non-compliances and will take prompt enforcement actions against errant RFAs. In FY2018, we imposed sanctions on five non-compliant RFAs. We will be publishing the names of RFAs who have been suspended or de-registered due to severe AML/CFT breaches.

We also publish the names of public accountants whose licenses have been suspended or cancelled for serious audit deficiencies found during our inspections. In FY2018, seven such errant public accountants were suspended.

## STEPPING UP REGULATORY ACTION TO IMPROVE COMPLIANCE

To deter recalcitrant offenders, we have been stepping up enforcement and seeking deterrent sentences against directors who commit multiple breaches.

In July 2018, a company director was fined \$57,000 by the State Courts for 38 charges for breaches of the Companies Act, including failing



*The new online Directors Training Programme is part of ACRA's ongoing efforts to encourage voluntary compliance and raise directors' awareness about their duties and responsibilities.*

to hold annual general meetings (AGMs) and file annual returns with ACRA. In February 2019, another company director was fined by the State Courts a record \$113,400 for 54 charges after he was found guilty of knowingly and wilfully failing to hold AGMs and file annual returns for nine companies. Both of these directors were also disqualified from acting as a director of companies for a period of five years.

In total, 26 company directors were convicted of 262 charges in court in FY2018. ACRA will continue to press for deterrent sentences in egregious cases against those who flout our rules.

In FY2018, 129 directors were disqualified after being convicted of committing three or more filing-related offences in five years, or for having three or more of their companies struck off the register by ACRA within the same period. Such individuals will not be able to act as a director for five years, effective from the date of conviction or from the date on which the third company was struck off respectively.

To enhance corporate transparency, we have also begun to indicate on the ACRA register directors who had been disqualified from directorships. This would help investors and stakeholders make informed decisions regarding companies.

In FY2018, ACRA also struck off 2,900 companies for multiple annual return-related filing breaches.

## AMENDING THE CODE OF CONDUCT FOR PUBLIC ACCOUNTANTS AND ACCOUNTING ENTITIES

Changes to the Code of Professional Conduct and Ethics for public accountants and accounting entities took effect for audits of financial statements for periods beginning on or after 15 December 2018 and for other assurance engagements from 15 December 2018. These changes concerned the long association of Key Audit Partners in the audit of public interest entities, and the cooling off period for re-appointment.

## MEETING INTERNATIONAL TRANSPARENCY STANDARDS

In October 2018, Singapore achieved an overall “Compliant” rating for the evaluation by the Global Forum on Transparency and Exchange of Information on our compliance with international

transparency standards. ACRA officers were part of the multi-agency team that represented Singapore during the evaluation.

## ENGAGING REGULATORS WORLDWIDE

In FY2018, we continued to support efforts to raise audit quality by participating in international regulatory forums. These include the 6th ASEAN Audit Regulators Group (AARG) Inspection Workshop, the 8th AARG Meeting and the International Forum of Independent Audit Regulators Plenary Meeting. These forums provide opportunities for us to share observations and findings from audit inspections, and learn from the experiences of other jurisdictions.

We hosted delegations from the Ministry of Finance, the Republic of China, and the International Federation of Accountants with whom we shared our audit regulatory experience.



Chief Executive, Mr Ong Khiaw Hong, hosted a delegation from the Accounting and Auditing Board of Ethiopia led by Director General Mr Gashe Yemane Desta. (28 March 2019)



**FROM LEFT** Ms Yee Sai Leng, Ms Helen Lee, Ms Edna Tay, Ms Karen Lee, Mr Vincent Guee and Ms Tek Su Ting. They were part of the team that won first place for the Regulatory Excellence Award at the Public Sector Transformation Awards 2019.

## Friendlier Business Regulations for the Digital Age

Running a business is challenging, but it is made easier by having a regulatory regime that is progressive and responsive, that enables companies to spend more time managing their operations and less time complying with the law.

In August 2018, ACRA implemented a set of legislative changes and streamlined statutory filing processes, to help reduce the regulatory burden for over 300,000 companies.

These changes include exempting all private companies from holding Annual General Meetings (AGMs), aligning the timeline for holding AGMs and filing annual returns with the company's financial year end, and removing the requirement for a company seal.

“By exempting all private companies from holding AGMs, we hope that this will help reduce compliance burden and enable companies to file their annual returns more easily,” said Edna Tay, Assistant Director at the Enforcement Department.

To make it easier for companies to comply, ACRA has also simplified the process of filing annual returns for two types of companies – solvent exempt private companies and dormant private relevant companies. These companies can now go through a simplified six-step filing process to complete their filing obligations instead of the previous 24-step process. An estimated 150,000 companies are expected to benefit from the new filing process.

“We will pre-fill the information such as company type and statuses, based on what the companies have given us in their previous annual return. This reduces the amount of data entry for them,” explained Helen Lee, Assistant Director at the Business Innovation Office. “I believe all these changes will help increase the compliance rate as it will become easier for companies to file their annual returns.”

To reduce compliance costs, the mandatory requirement to use a company seal for important documents has been done away with. This has encouraged companies to embrace digitalisation and speed up processing times.

“Before the amendment, a company must have a common seal to be affixed to any of its corporate document when required, such as a deed or share certificate. This can be cumbersome especially if there is a large number of documents which have to be sealed,” explained Gilbert Low, Senior Legal Counsel at the Legal Services Department. Some 327,000 private companies stand to benefit from the removal of this requirement.

To make these regulatory changes, various stakeholders and departments within ACRA had to work together

closely – from the legal department to the operations and enforcement departments.

“ACRA worked as a team towards a common goal,” said Wang Yuxuan, Legal Counsel at the Legal Services Department. “I feel motivated knowing that the work we do has a real and positive impact on the public.”

In recognition of the extensive impact of the regulatory reforms on the business community, ACRA clinched first place for the Regulatory Excellence Award at the Public Sector Transformation Awards this year.

The drive to continually improve the ease of filing remains strong. Sharing on future plans to further simplify the process for all companies, Helen said, “We are also looking at developing our application programme interface (API) to allow third-party software to interface with BizFile+. This way, companies will be able to directly file through their own enterprise systems instead of going through BizFile+.”

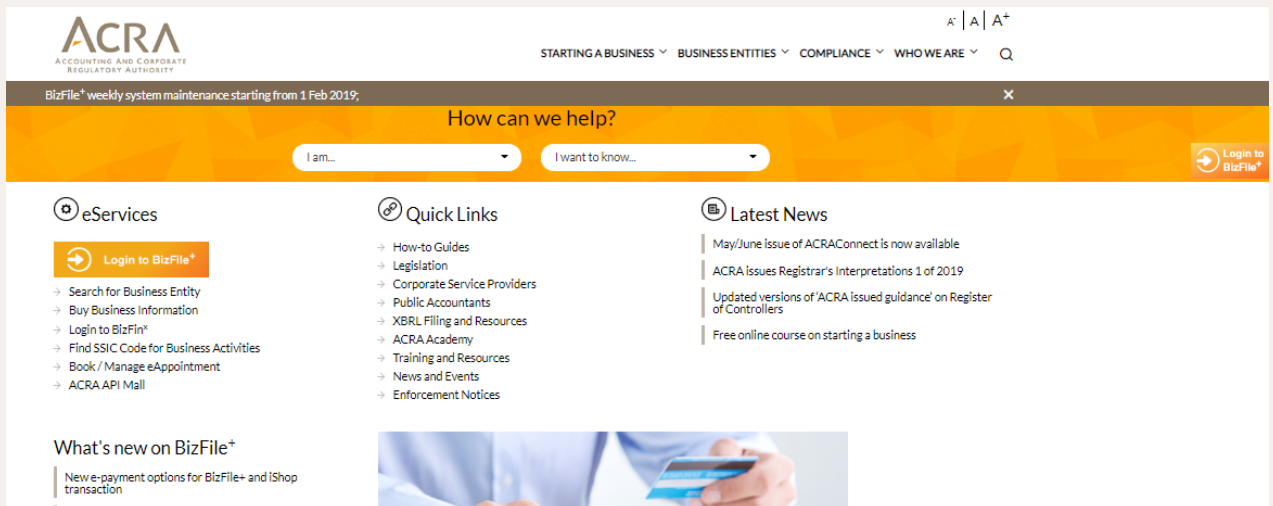
“We want to think big, but we have to start small first,” added Helen.

## Chapter Three

EXCELLENT  
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Providing Excellent Service

# Providing Excellent Service



The ACRA website has undergone a makeover to make it easier for customers to navigate and find information.

## EXPANDING E-PAYMENT OPTIONS FOR CUSTOMERS

In support of Singapore's Smart Nation drive and in line with the Digital Government Blueprint, ACRA launched the Enterprise e-Payment system in January 2019. In addition to credit and debit cards, customers now have a myriad of payment modes including PayPal wallet, Google Pay and Apple Pay when transacting with ACRA.

## MAKING COMPLIANCE REVIEW EASY

Our Enforcement Department leveraged digitalisation and developed an online assessment form to facilitate Registered Filing Agents' (RFAs) self-assessment of their compliance with statutory requirements. The online form is mobile-friendly, and can be completed anytime, anywhere at the convenience of the RFAs.

## ENHANCING ACRA WEBSITE TO BETTER MEET CUSTOMERS' NEEDS

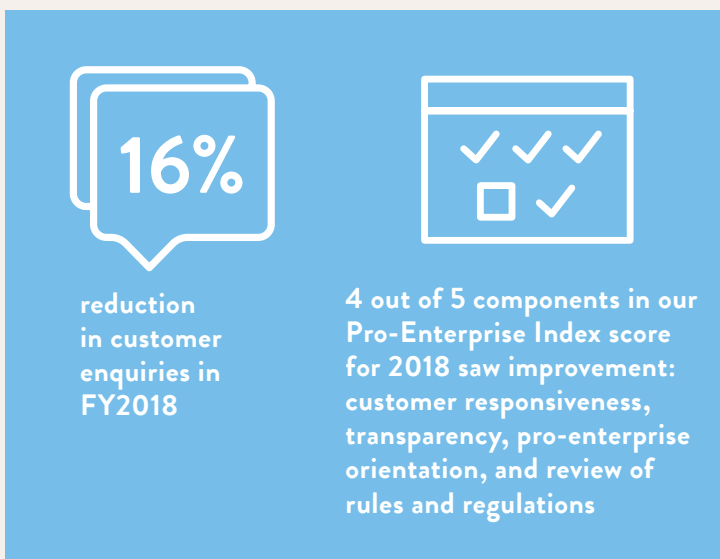
By employing a user experience-driven design approach, the new ACRA website features an intuitive customer interface and simplified content. These features make it easier for customers to self-help and find the information they need. There are web-based guides on starting and maintaining a business as well as informational videos to guide the public on choosing and registering various types of business entities.

## PROVIDING SEAMLESS SOLUTIONS THROUGH DIGITALISATION

To encourage small and medium-sized enterprises (SMEs) to digitalise and raise productivity, ACRA actively collaborates with other government agencies and professional partners to develop integrated solutions for businesses. Together with the Inland Revenue Authority of Singapore (IRAS) and Enterprise Singapore, we supported the Association of Small and Medium Enterprises in the development of the SME Cloud Exchange Network Software (SMECEN) for SMEs. By using SMECEN, SMEs can now prepare financial statements and tax documents, and submit them to ACRA and IRAS respectively within a day, compared to four days previously.

## OFFERING NEW E-APPOINTMENT SERVICE FOR CUSTOMERS' CONVENIENCE

An online e-appointment service was introduced in June 2018 to allow visitors to book an appointment through the ACRA website prior to their visit. This has allowed visitors to plan their trips ahead of time and enjoy more efficient service at our counters.





FROM LEFT Ms K Latha, Ms Kermaine Sia and Mr Muneer Mohd from the ACRA Academy. They were part of the team that won Silver for the Ministry of Finance's One Public Service Award 2019.

## Making It Easy for Directors to Learn about Their Statutory Duties

Access to the internet is all it takes to help aspiring and new directors understand their responsibilities.

When given an opportunity to compound for the breach or brought to court for flouting the laws, company directors often use this as their defence: I was not aware.

So the team at the ACRA Academy knew they had to do something to break this cycle.

Despite having no prior experience in developing e-learning programmes, they cracked their heads and created the Directors Training Programme (DTP), a free online training programme for new and aspiring directors.

It teaches directors, among other things, about their responsibilities in filing of annual returns, corporate income tax returns, ensuring workplace safety and health, and Central Provident Fund contributions.

"The DTP was developed with a citizen-centric mindset," said Muneer Mohd, Senior Manager, ACRA Academy. "It is part of ACRA's ongoing effort to raise directors' awareness about their statutory duties and responsibilities."

The team was determined for the programme to be user-friendly, and made it accessible on smartphones, tablets and desktops – complete with interactive bite-sized modules featuring animated visual characters and icons.

"We also simplified the language used in the DTP, so that it will be easily understood by any lay person," he added.

Their efforts have paid off. Since its launch in April 2018, over 2,800 users have signed up for the programme.

# Providing a One-Stop Service for Businesses

To ensure that our customers enjoy a positive experience in their engagements with us, we continue to ensure that the service we provide is customised to their needs.

As one of the key agencies serving the business community, it is not uncommon for customers to seek assistance with matters that extend beyond business registration to those involving taxation and other business advisory. In line with ongoing efforts to serve citizens and businesses better as “One Public Service,” the service counter at ACRA was co-located at the Taxpayer and Business Service Centre at Revenue House in September 2018. This allows customers to access services that are not only from ACRA, but also the Inland Revenue Authority of Singapore and SME Centres within the same visit.

At Revenue House, customers also get access to up to 55 self-help kiosks, of which five are open 24/7, to help nudge them towards moving from face-to-face services to self-help digital services.

“Following our co-location, customers who need assistance with business registration, taxation or require other

business advisory services, can do so within the same location instead of going to different places. This has reduced their travelling and waiting time,” said Fiona Yeo, Senior Manager at the Registry Services Department.

It was difficult initially for the customer service team to move to a different office, away from their ACRA colleagues who have become friends, Fiona’s supervisor made sure that she and other staff involved in the relocation did not feel forgotten.

“She would send us little food treats. It was a nice gesture, which reminded us that even though we are at a different location, we are very much part of “Team ACRA” to create a seamless customer service experience,” said Fiona.

For delivering services that meet the needs of our customers, both the DTP and co-location projects won the Ministry of Finance’s One Public Service Award and the ACRA Citizen Engagement Award this year.



FROM LEFT Mr Roy Tang, Ms Fiona Yeo, Ms Geraldine Tay and Mr Lee Ho Ming from Registry Service Department. They were part of the team that won Silver for the Ministry of Finance’s One Public Service Award 2019.



## Chapter Four

INNOVATIVE  
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INNOVATIVE

An Innovative, Efficient and Effective Team

# An Innovative, Efficient and Effective Team

## LEVERAGING NEW TECHNOLOGIES

In October 2018, we launched iKnow, a new Enterprise Knowledge Management Portal, to better support our knowledge management efforts by improving the way information is captured and shared within ACRA.

To improve efficiency in our hiring process, our Human Resources Department adopted video interview apps to conduct screening interviews for potential candidates.

We also adopted robotic process automation (RPA) to automate manual and repetitive processes. One example is the use of RPA in the Financial Reporting Surveillance Department to automate downloading of voluminous companies' annual reports and announcements from various websites for research and review purposes. Officers are now relieved from this tedious manual task to focus on higher value-added work.

## INNOVATING TO STREAMLINE WORK PROCESSES

An open mind that embraces new ways of working and one that seeks continuous improvement are crucial to the success of our transformation journey. To this end, we implemented an innovation framework that sets out the objectives,

strategies and structures. Initiatives such as "Time-out" for staff to ideate and brainstorm on projects that streamline work processes and save time have been implemented to foster a culture of innovation and turn every ACRA officer into an innovation powerhouse.

## IMPROVING WORK PRODUCTIVITY USING DATA ANALYTICS

ACRA departments have been experimenting with ways to leverage data to improve our productivity. The ACRA Academy, for example, has embarked on a data analytics project to assess the effectiveness of our BizFile+ hands-on training for corporate service providers (CSPs), by analysing calls made by CSPs to our helpdesk. The aim is to obtain better insights to improve our service.

## INVESTING IN NEW CAPABILITIES

We value our staff and are committed to their learning and development. By the end of FY 2018, all ACRA officers have completed at least the basic level design thinking and data analytics courses or workshops. In the coming year, they will attend structured digital courses relevant to their job roles, and complete all core digital literacy modules so that they are competent in using digital devices and tools.



*At a workshop on Design Thinking, ACRA officers learnt about various methods to gather insights on customers' challenges, develop solutions, and create prototypes.*

## CELEBRATING OUR PEOPLE

At ACRA, our people are our greatest source of pride. This year, three of our officers received the prestigious National Day Honours:

### Commendation Medals

- Esther Poon, Assistant Director, Finance Department
- Sia Su Chun, Head, Financial Information Department

### Efficiency Medal

- Annie Wong, Senior Officer, Registry Services Department

We also received five MOF-Level Awards, including:

- the Regulatory Excellence Award (1st Place)
- the Service Delivery Excellence Award (3rd Place)
- the One Public Service Award (Silver)
- the Exemplary Leader Award - Middle Manager (3rd Place)
- the Exemplary SkillsFuture@ Public Service Award

We won the Public Sector Transformation – Regulatory Excellence Award 2019 for our efforts in ensuring progressive, responsive and agile regulations for businesses.



*Ms Elena Yeo, Director at the Legal Services Department, and Ms Helen Lee, Assistant Director at the Business Innovation Office, receiving the Public Sector Transformation - Regulatory Excellence Award 2019 from Mr Leo Yip, Head of Civil Service. (19 July 2019)*



**FROM LEFT** Mr Alan Zhang and Mr Lee Tze Ming from Information Resource Department. Alan won the the 2019 Exemplary SkillsFuture@Public Service Award 2019, while Tze Ming won third place for the Exemplary Leader Award (Middle Manager) 2019.

## Stoking The Passion for Digital Skill Mastery

As Head of the Information Resource Department (IRD), Lee Tze Ming has been nurturing and bringing out the best in his staff. The recipient of the Exemplary Leader Award (Middle Manager) (3rd Place) is also the driving force behind improving information service delivery, quality of public filing records and data accessibility.

### **Q: WHAT'S YOUR LEADERSHIP MANTRA?**

Open communication and teamwork. These are important as they foster trust and relationships among the team members.

### **Q: WHAT'S YOUR SECRET TO BUILDING YOUR TEAM'S CAPABILITIES AND CAMARADERIE?**

When I first joined the Information Resource Department six years ago, there were only two colleagues who possessed hands-on digital skills such as database scripting and data analysis. Today, eight officers of my team are proficient in such skills.

I am a strong advocate of skills upgrading. It was challenging at first as there was initially resistance

to learning new skills. But after I shared success stories with them, and with peer support, the team has managed to learn, share and apply their skills to customer service, and are now better equipped in managing the growing records in our business registers.

### **Q: HOW DID YOU LEAD YOUR TEAM IN THE DIGITAL TRANSFORMATION DRIVE TO IMPROVE DATA QUALITY?**

Six years ago, we offered over-the-counter information services – this included information products which had to be manually certified, hand-signed and delivered via postal mail. Thinking ahead, we wanted to automate without drawing on additional resources.

I brought the team together, and we brainstormed on ways to improve our services. I am happy that we have a strong team spirit, and the team has the drive and desire to succeed. I just needed them to learn the relevant skillsets so that each of them can go further and faster.

Data quality is an important key to the public. ACRA's business registry contains data of Singapore registered business entities. To reduce data discrepancies and ensure its currency, our team collaborated with different government agencies to obtain relevant datasets from source. Such integration initiatives also reduce the compliance burden of business entities.

#### **Q: WHAT IS YOUR TEAM WORKING ON NOW?**

We are working on our data analytics capabilities. We want to be able to know more about our customers' behaviours and needs, so that we can improve our services – to the delight of every customer. We are learning and getting better every day.

## **Not Just a Job, But a Learning Process**

Tasked to maintain data quality in ACRA's business register, Alan Zhang has gone beyond his duties to develop new algorithms that will speed up data investigation processes. He has even picked up skills outside his job scope – in statistics.

On a weekday evening, while most working adults are winding down after a tiring day at the office, Alan is on his way to Nanyang Polytechnic for another three hours of mental exercise.

He is studying for a specialist diploma in business and big data analytics, a year-long course with classes three times a week.

“It gets tiring, but I try to think of the outcome – that I will be able to be more effective and efficient in my job,” he said.

Alan, a senior executive overseeing data assurance at the Information Resource Department, admits that he has not always been this motivated. It was an ex-colleague who inspired him.

“That colleague would always be trying to learn a new skill, even if it wasn't required for his job. And whenever he came across an interesting article about ways to retrieve or analyse data, or learn a new skill, he would share it with us,” he shared. “I guess you could say he was my role model.”

And Alan has surely followed in his former colleague's footsteps.

He has attended at least four courses since he joined ACRA in 2012, equipping himself with skills in

Structured Query Language (SQL) scripting – a computer language used to maintain databases – and analytic solutions such as QlikView.

This passion to improve shows in his work.

In one instance, he used SQL scripts and QlikView to derive a quicker way to extract information, accomplishing the task in a day rather than five working days.

He also developed a data-matching algorithm with a logical inference feature to more accurately identify data that requires review.

Because of his ability to do more with his new skillset, his job scope was expanded in 2016 to include statistics generation.

“Alan exemplifies the spirit of continuous learning and sharing, and has picked up new digital skills through self-learning,” said his department head, Lee Tze Ming. “With the skills acquired, he has also gone beyond his job scope to support colleagues from other departments in their work.”

In recognition of his commitment to continually improve his skills, he was awarded the Exemplary SkillsFuture @ Public Service Award by the Ministry of Finance.

Alan was surprised to have won the award.

“I only found out I won when my colleagues started congratulating me! It makes me want to continue learning and growing in my job,” he said.

# FY2018/2019 Financial Highlights

## STATEMENT OF COMPREHENSIVE INCOME

(ALL IN S\$ MILLION)	2018/19	2017/18
<b>INCOME</b>	<b>81.5</b>	<b>76.5</b>
<b>LESS: EXPENDITURE</b>	<b>61.8</b>	<b>59.5</b>
Staff costs	25.2	23.8
Services	18.5	16.0
Other costs	18.1	19.7
<b>SURPLUS</b>	<b>19.7</b>	<b>17.0</b>
Less: Contribution to Government Consolidated Fund	4.0	2.9
<b>NET SURPLUS</b>	<b>15.7</b>	<b>14.1</b>

Our income was \$81.5m, \$5.0m higher than that of last year. The increase was mainly driven by the following income streams:

- **Company incorporation and related fees** increased by \$2.0m due to a higher number of company incorporations in the IT, Services and Finance sectors, and fees from a company base 6% larger than that in FY2017.
- **Public accountant registration and related fees** increased by \$0.9m due to higher audit inspection fees and completion of more inspection cases.
- **Information services fees** increased by \$0.8m from increased sales to Information Service Providers and sale of extracts to the public.
- **Other income** increased by \$1.5m primarily due to better interest returns from funds managed under Whole-of-Government's Central Liquidity Management (CLM) Framework.

Our expenditure was \$61.8m, \$2.3m higher than FY2017. The increase was mainly attributed to:

- **Staff costs** increased by \$1.4m because of salary increments and filling of vacancies with more experienced people.
- **Services** increased by \$2.5m arising from higher hosting charges due to change in Government Data Centres and implementation of system enhancements.
- The increases were offset by **Other costs** that decreased by \$1.6m mainly due to the cessation of Accountancy and Business Competency funding programmes.

## STATEMENT OF FINANCIAL POSITION

(ALL IN S\$ MILLION)	31 MAR 2019	31 MAR 2018
Cash and cash equivalents	189.2	168.8
Fixed and intangible assets	13.3	18.3
Other current assets	7.2	5.9
<b>TOTAL ASSETS</b>	<b>209.7</b>	<b>193.0</b>
Current liabilities	19.5	15.9
Non-current liabilities	1.4	1.7
<b>TOTAL LIABILITIES</b>	<b>20.9</b>	<b>17.6</b>
<b>NET ASSETS</b>	<b>188.8</b>	<b>175.4</b>
Share capital	8.6	8.6
Accumulated surplus	180.2	166.8
<b>CAPITAL AND RESERVES</b>	<b>188.8</b>	<b>175.4</b>

### ASSETS

Our total assets amounted to \$209.7m, \$16.7m higher than FY2017. The increase was pertaining to:

- **Cash and cash equivalents** – These increased by \$20.4m mainly due to cash from operating activities of \$22.0m.
- **Fixed and intangible assets** - These decreased by \$5.0m due to the depreciation of assets capitalised in FY2017. New assets added in FY2018 were mainly intangible assets that were transferred from development projects-in-progress.
- **Other current assets** – These increased by \$1.3m mainly due to higher interest receivables for funds managed under Government’s CLM framework.

### LIABILITIES

Our total liabilities amounted to \$20.9m, \$3.3m higher than FY2017. The increase was pertaining to:

- **Trade and other payables** – These increased by \$2.7m mainly due to higher accrued costs for IT projects commissioned during the FY.
- **Provision for contribution to consolidated funds** – This increased by \$1.1m due to higher net surplus for the FY and the additional contribution of \$0.6m for the increase in accumulated surplus resulting from retrospective recognition of renewal fees.

### CAPITAL AND RESERVES

Our accumulated surplus was \$180.2m, \$13.4m higher than FY2017. This was attributed to the net surplus of \$15.7m for FY2018, offset by dividend payment of \$2.3m for FY2017 to the Ministry of Finance.