



Registering a Foreign Company in Singapore

Audit / Tax / Advisory

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Pre-Registration

Branch Name

A foreign company which (a) establishes a place of business or carries on business in Singapore; or (b) intends to establish a place of business or carry on business in Singapore, must register itself (as a Branch) with the Accounting & Corporate Regulatory Authority (ACRA).

One of the most crucial steps is the application for the name of the branch, which must be the same as that registered in the country of incorporation.

A name search is usually conducted beforehand to ensure that the proposed name is not already used by another business entity.

All proposed names must first be approved by ACRA. Application for name approval is done online. A fee of SGD15 is charged per approved name. The processing time is usually within one working day.

The approved name will be reserved for 60 days from the date of application.

Registration Time Frame and Fees

After a branch name has been approved, the registration request may be submitted online once all registration documents and information are in order. The registration process generally takes one to three working days unless ACRA requires more time to review the application. A registration fee of SGD300 is payable.

Authorized Representatives

Every branch in Singapore is required to have at least one Authorised Representative (formerly referred to as an Agent) who is a natural person with his or her principal place of residence in Singapore. A Singapore citizen, a Permanent Resident of Singapore and a person holding a valid Employment Pass (EP) issued by the Ministry of Manpower (MOM) are considered as resident for this purpose.

The Authorised Representative is appointed for the purpose of accepting service of process or any notices required to be served on the branch. In addition, the Authorised Representative is answerable for all acts required to be done by the branch under the Singapore Companies Act and is personally liable for all penalties imposed on the branch for any contravention of any of the provisions of the said Act.



Pre-Registration

Registered Office

A foreign company must have a registered office in Singapore from the date of its registration. The registered office must be open and accessible to the public for not less than five hours between the hours of 9 a.m. and 5 p.m. each business day.

Reporting of Alternate Address

Directors and Authorised Representatives are allowed to report an alternate address in place of their residential address. The fee payable is SGD40.

The alternate address must meet the following requirements:

- must be located in the same jurisdiction as the individual's residential address;
- cannot be a P.O. Box address; and
- must be an address where the person can be contacted.



Post-Registration Compliance Matters

Once a branch is successfully registered, the branch and its Authorised Representative(s) will also be required to ensure the following are done:

Company Name and Unique Entity Number (UEN)

The name of the foreign company and the place where it is formed or incorporated need to be stated in legible romanised letters on all its bill-heads and letter paper and in all its notices, prospectuses and other official publications.

It is also required to print the UEN issued by the Registrar, on all business letters, statements of account, invoices, official notices and publications of or purporting to be issued or signed by or on behalf of the foreign company.

Lodgment of Changes with ACRA

A branch is required to inform ACRA within 30 days of any changes such as:

- Change in the charter, statutes, constitution, memorandum or articles of the foreign company
- Change in directors and/or their particulars

- Change in authorised representatives and/or their particulars
- Change of registered office address of the foreign company and/or the branch
- Change in the type of legal form or legal entity of the foreign company
- Change of company name
- Change in company activity/SSIC Code to be reflected in Business Profile
- Lodgement of new charges

Notification by Foreign Company of Cessation of Business

If a foreign company ceases to have a place of business or to carry on business in Singapore, it must notify the Registrar within 7 days. After the expiration of twelve months, the foreign company shall be removed from the register.

A foreign company has to cease its operations in Singapore if its head office has been dissolved or is in liquidation. The Authorised Representative of the branch is required to notify the Registrar within 14 days after the commencement of the liquidation or the dissolution.



Post-Registration Compliance Matters

Goods and Services Tax (GST) Registration

GST is similar to Value Added Tax (VAT) in many other countries. A branch is required to register for GST when:

- its turnover is more than SGD1 million for the past 12 months; or
- it is currently making sales and it can reasonably expect its turnover to be more than SGD1 million for the next 12 months.

Otherwise, the branch can choose to be voluntarily registered for GST.

Tax Return

Unless exempted by concession, all companies are required to furnish an estimate of its chargeable income known as Estimated Chargeable Income (ECI) within three months from the end of its accounting period.

A Tax Return (known as Form C or Form CS) is required to be filed with the Inland Revenue Authority of Singapore by 30 November each year.

Payroll Accounting

An employer is required to prepare Form IR8A and Appendix 8A, Appendix 8B or Form IR8S (where applicable) for all its employees (who are employed in Singapore) by 1 March each year.

Skills Development Levy (SDL)

An employer is also required to pay a monthly SDL for all employees rendering services in Singapore. The SDL payable is at 0.25% of the monthly remuneration for each employee, with the minimum payable of SGD2 (for an employee earning less than SGD800 a month) and a maximum of SGD11.25 (for an employee earning more than SGD4,500 a month).



Annual Filings & Financial Statements

Annual Filing

All foreign companies are required to lodge annual filings with ACRA. The annual filing is due within 60 days of the AGM of the foreign company (Head Office).

If the Head Office is not required to hold an AGM, the annual filing must be submitted within 7 months from the end of its financial year.

The documents which are required to be lodged during annual filings include:

- foreign company's financial statements
- audited Singapore branch accounts
- a declaration verifying that the financial statements are true copies

Foreign Company's Financial Statements (Head Office Accounts)

If a foreign company is required by the law of its incorporation to prepare financial statements, and the financial statements are prepared using SFRS, IFRS or US GAAP, the foreign company can lodge that set of financial statements with ACRA.

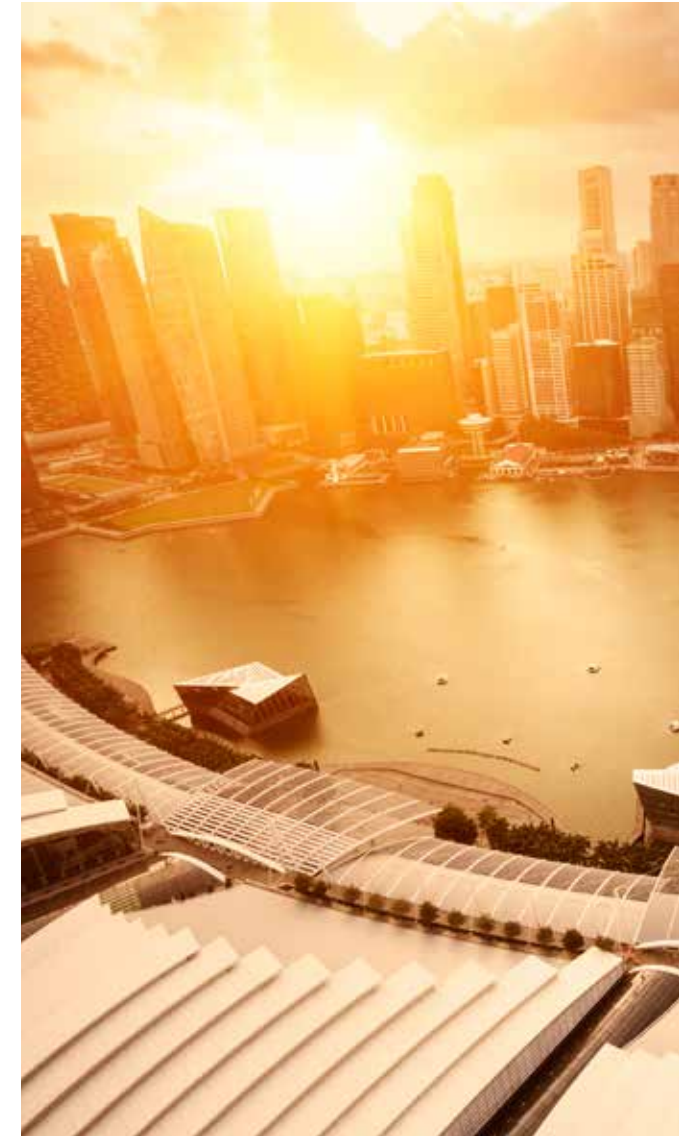
For all other foreign companies, they are required to prepare and lodge their financial statements prepared in accordance with SFRS unless they had obtained approval from the Registrar under section 373(13) of the Act for relief from requirements as to audit or form and content of the financial statements and other documents.

There is no exemption from filing of a foreign company's financial statements.

Singapore Branch Accounts

All Singapore branches are required to prepare audited profit and loss accounts which give a true and fair view of the profit or loss arising out of their operations in Singapore, and audited statements showing their assets used in and liabilities arising out of their operations in Singapore and lodge these documents with ACRA, unless they have obtained approval from the Registrar under the following provisions:

- Section 373(12) of the Act for waiver from filing of the documents; or
- Section 373(13) of the Act for relief from requirements as to audit or form and content of the documents.



Annual Filings & Financial Statements

Dormant Branch Accounts

If a Singapore branch has been dormant during a financial year, it may lodge with the Registrar, an unaudited profit and loss account with respect to its operations in Singapore and an unaudited statement showing its assets used in and liabilities arising out of its operations in Singapore.

Application for Waiver to File the Singapore Branch Accounts under Section 373(12)

A foreign company may submit a written application for waiver to lodge the Singapore branch accounts. The application will be approved only if the Registrar is satisfied that:

- it is impractical for the foreign company to comply having regard to the nature of the foreign company's operations in Singapore;
- it would be of no real value having regard to the amount involved;
- it would involve expense unduly out of proportion to its value; or
- it would be misleading or harmful to the business of the foreign company, or to any company which is deemed by virtue of section 6 to be related to the foreign company.

The application should be lodged with ACRA at least one month before the annual filing deadline and the fee payable is SGD200.

Application for Waiver to Audit the Foreign Company's Financial Statements(Head Office Accounts), and/or the Singapore Branch Accounts under Section 373(13)

A foreign company may submit a written application for relief from either or both of the following:

- any requirement relating to audit or the form and content of the Head Office accounts;
- any requirement relating to audit or the form and content of the Singapore branch accounts.

Generally, the Registrar will only consider approving a foreign company's application for relief if it can be proved to the Registrar's satisfaction that one or more of the following conditions are met under section 373(15):

- compliance with the requirements would render the accounts or reports misleading;

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Annual Filings & Financial Statements

Continued

- compliance with the requirements is inappropriate to the circumstances of the foreign company; or
- compliance with the requirements would impose unreasonable burden on the foreign company.

The application should be lodged with ACRA at least one month before the annual filing deadline and the fee payable is SGD200.

Extension of Time for Filing of Financial Statements

In the event that a foreign company is unable to meet the deadline to file its financial statements, it may apply for extension of time to file its Head Office and/or branch accounts.

The extension of time is one-time only for 60 days if the company is eligible. A prescribed form stating the reason for the extension needs to be lodged with ACRA together with payment of an application fee of SGD200.

The application for extension of time must be submitted before the annual filing deadline.





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