



Company Versus Branch



Foreign entities or individuals doing business in Singapore may be required to register a legal presence in Singapore depending on the duration and type of business activities carried on in Singapore.

While there are several different entity types for carrying on a business in Singapore, foreign businesses generally either incorporate a company or register a branch. The choice of business entity has on-going tax and regulatory implications.

The table below presents a comparison of some of the non-tax features of a company vis-à-vis a branch.

	Subsidiary Company	Branch
Entity Name	Need not be the same as the parent company.	Must be the same as the parent company.
Allowed Activities	Can conduct all business activities.	Must be the same as the parent company.
Ownership	Can be 100% foreign or locally owned.	Owned 100% by the head office.
Separate Legal Entity	Separate legal entity distinct from its parent company.	Not a separate legal entity but an extension of the parent company.
Limited Liability	Liabilities limited to subsidiary's paid up capital.	Liabilities extend to head office (parent company).
Cap on Number of Members	Yes, maximum of 50.	Not Applicable.
Minimum Setting Up Requirement	Minimum of one shareholder that can be an individual or corporate. Must have at least one resident director.	Must have at least one resident authorized representative.

	Subsidiary Company	Branch
Processing Time	Generally, it takes about 1-2 working days to incorporate a company so long as the proposed name is approved and all incorporation documents and information are in order. However, it may take between 14 days to two (2) months if the application needs to be referred to other authorities for approval or review.	Generally, it takes 1-2 working days to register a branch so long as the proposed name is approved and all registration documents and information are in order. However, it may take between 14 days to two (2) months if the application needs to be referred to other authorities for approval or review.
Appointment of Officers	Must appoint at least one local resident director and one resident secretary.	Must appoint at least one resident authorized representative.
Registered Office	A registered office located within Singapore is required.	A registered office located within Singapore is required.
Need for Audited Accounts	Required unless specific conditions are met to obtain exemption.	Required unless specific conditions are met to obtain exemption.
Filling of Accounts with ACRA	Required unless specific conditions are met to obtain exemption.	Required unless specific conditions are met to obtain exemption.
Filling of Head Office Accounts with ACRA	Not required.	Required.
Annual Filing	Required.	Required.
Repatriation of Profits	No withholding tax applies for a company paying dividends. A dividend paid by a company is limited to the available profits.	No withholding tax applies for a branch remitting profits. A branch has no restrictions on the repatriation of its profits.
Closing the Business	Winding Up – Voluntarily by members or creditors, or compulsorily by the High Court. Striking off without liquidation process is possible under certain circumstances.	Upon dissolution or liquidation of head office. Upon striking off on application by authorized representative. Upon cessation of local branch's business.

Establish your business with ease and assurance.

Business Start-Up

Company Incorporation

Our company incorporation services include the following:

- Application for name approval and reservation
- Preparing the standard constitution
- Providing nominee directors, shareholders and secretaries, if required
- Preparing and lodging all prescribed forms and requisite documents with the Accounting and Corporate Regulatory Authority (“ACRA”)
- Obtaining Certificate of Incorporation, common seal (if adopted) and rubber stamp
- Setting up statutory registers
- Preparing resolutions for the first Board of Directors’ meeting

Branch Registration

Our scope of services include:

- Application for name approval and reservation
- Preparation and submission of all relevant documents for the registration of a Branch including the following:
 1. A certified copy of the certificate of its incorporation or registration in its place of incorporation or origin or a document of similar effect
 2. A certified copy of its charter, statute or memorandum and articles or other instrument constituting or defining its constitution
 3. A list of its directors
 4. A consent letter on appointment of authorized representative
 5. Notice of the situation of its registered office in Singapore and, unless the office is open and accessible to the public during ordinary business hours on each business day, the days and hours during which it is open and accessible to the public

Registered Office

A company must have a registered office in Singapore from the date of incorporation. Our office is available for use as the registered office.

Bank Account Opening

We help with the preparation of all the necessary corporate documents and resolutions for the opening of bank accounts. We advise clients on all bank compliance procedures so that the necessary due diligence documents are prepared in advance. This will ensure that the opening of bank accounts is not unnecessarily delayed.

Employment Pass

We help companies to have the right people with the right skills at the right place by assisting with the following:

- Application for Employment Pass
- Application for Entrepreneur Pass
- Application for Personalised Employment Pass
- Application for Dependant's Pass: Spouse and Children

Corporate Services

Corporate Secretarial Services

For Companies

- Safe custody of corporate records
- Updating and maintaining statutory records (e.g., minute books, register of directors and secretaries, register of members, register of transfers and register of charges)
- Advising on the types of meeting and preparation of minutes, resolutions and notices
- Preparing and submitting electronically to ACRA, the prescribed Annual Return
- Preparing forms and statutory returns which are required to be lodged with ACRA notifying changes such as change in company name, directors, registered office, capital increases, etc
- Liaising with the Registrar of Companies

For Branches

- Safe custody of corporate records
- Notification of changes in name and directors of the Head Office and changes in authorized representatives and registered office
- Assisting with the annual filing of Branch and Head Office accounts with ACRA
- Liaising with the Registrar of Companies

Other Services

Before a business firm or company starts operation, it may have to get licenses and approvals from relevant government agencies, especially for certain business activities. In addition, it may be required to comply with certain registration requirements. In this regard, we assist businesses with the following:

- CPF Employer Registration
- Application for Trader's Code
- GST Registration
- CorpPass Account Registration

De-Registration

We can assist with companies' striking off applications to ACRA as well as de-registration of branches. We also work with liquidators to advise and prepare preliminary documentation to commence a members' voluntary winding up of a company.



Contact Information

Sivakumar Saravan, Senior Partner
siva.saravan@crowe.sg

Jaime Thong, Director
jaime.thong@crowe.sg

First Trust Corporate Services Pte Ltd
9 Raffles Place
#19-20 Republic Plaza Tower 2
Singapore 048619

Tel: +65 6221 0338

For more information,
scan QR code below:



We are here to help you get there.

Crowe Horwath First Trust (Crowe Singapore) is a public accounting and consulting firm that provides audit, advisory, tax, outsourcing and fund administration solutions to a diverse and international clientele including public-listed entities, multinational corporations and financial institutions.

We are part of an international professional services network, Crowe Global. Ranked as the eighth largest global accounting network, Crowe Global consists of more than 200 independent accounting and advisory services firms in close to 130 countries around the world.

Disclaimer

This document has been prepared by Crowe Horwath First Trust (Crowe Singapore) and should be used as a general guide only. No reader should act solely upon any information contained in this document.

We recommend that professional advice be sought before taking action on specific issues and making significant business decisions. Crowe Singapore expressly disclaims all and any liability to any person in respect of anything, and of the consequences of anything, done or omitted to be done by any such person in reliance, whether wholly or partially, upon the whole or any part of the contents of this newsletter or publication. While every effort has been made to ensure the accuracy of the information contained herein, Crowe Singapore shall not be responsible whatsoever for any errors or omissions in it. The information presented in this document is as at 1 January 2021.

© 2021 First Trust Corporate Services Pte Ltd

www.crowe.sg