

A Guide to Business Expansion:

Company Compliance Requirements in Singapore

When it comes to hosting business conferences and gathering industry elites, Singapore stands out in Southeast Asia and even Asia as a whole. With over 150 international organizations and more than 7,000 multinational companies, Singapore has been recognized as the "Best Conference Center in Asia" by the International Congress & Convention Association for twelve consecutive years, making it one of the world's recognized "easiest places to do business." This is attributed to Singapore's strategic geographical location in the heart of Southeast Asia and its government's policies that foster innovation, technological development, and a business-friendly environment.

Doing business, opening a company, or starting an enterprise in Singapore requires understanding increasingly stringent regulatory and compliance requirements in various aspects such as taxation, personnel, and company registration.

Let's take a look at the main compliance requirements that Singapore companies face under Singaporean law:

1. The company must have a registered office address.

A Singapore company must have a registered office address where all government correspondence and notifications can be sent. The registered office address rented or purchased in Singapore must be a physical location within Singapore and should be open to the public for at least 3 hours during normal working hours on each working day. Companies in Singapore that do not own or rent physical properties can opt for virtual office services, which offer commercial addresses and mail forwarding services. These service providers charge on a monthly basis, making it a less burdensome option compared to renting or purchasing physical office properties in Singapore.

2. The company must have at least one Singapore resident director.

A Singapore company must have at least one director who is ordinarily resident in Singapore

(a Singapore citizen, permanent resident, or Employment Pass holder of the company). A person can only be appointed as a director if they meet certain requirements, such as being at least 18 years old, of sound mind and body, not an undischarged bankrupt, and not disqualified by the Singapore authorities from acting as a director.

3. The company must appoint one company secretary.

A Singapore company must appoint one company secretary to ensure compliance with Singapore's regulatory and reporting requirements. The position of the company secretary must not remain vacant for more than 6 months at any time.

4. The company must have a Data Protection Officer (DPO).

Under the Personal Data Protection Act (PDPA), Singapore companies are required to appoint at least one Data Protection Officer (DPO) to oversee data protection responsibilities and ensure compliance with the PDPA. The role of the Data Protection Officer may be a dedicated role or may be added to existing roles within the organization, and the appointed Data Protection Officer may also delegate certain responsibilities to other staff members.

5. The company must display its name and Unique Entity Number (UEN) on required documents.

When a company is incorporated, the Accounting and Corporate Regulatory Authority (ACRA) will provide the company with a Unique Entity Number (UEN), which is an identification number used for interactions with the government, such as tax filing. Singapore companies must display their name and UEN on company documents and communications, including business letters, invoices, official notices, publications, promissory notes, bills of exchange, endorsements, cheques, orders, receipts, and letters of credit. The company name must also be displayed on the company seal (if any).

6. The company must maintain certain company registers.

The Singapore Companies Act requires all companies to maintain the following registers of officers to improve corporate governance and transparency:

- Register of Directors, Chief Executive Officers, and Secretaries
- Register of Substantial Shareholders
- Register of Controllers

- Register of Nominee Directors
- Register of Ultimate Beneficial Owners

7. Changes to company information must be promptly updated with ACRA.

If there are changes to the company's information, such as changes to company officers, authorized representatives, and shareholders, the company must update ACRA promptly. Changes may include changes to the company name, business activities, registered office address, or company officers' details, among others.

8. Registration for CorpPass and third-party authorization.

CorpPass is a digital service access authorization system introduced by the Singapore government for businesses to transact online with government agencies. After your company is registered, access the CorpPass website, set up and manage your company's CorpPass account, and grant necessary permissions to selected employees. Appointed employees can use their personal Singpass accounts to log in to BizFile+ on behalf of the company to transact with ACRA.

After registering for CorpPass, it can be used to log in to the Accounting and Corporate Regulatory Authority (ACRA) for company registration matters, as well as to log in to the Inland Revenue Authority of Singapore for corporate income tax filing, among others.

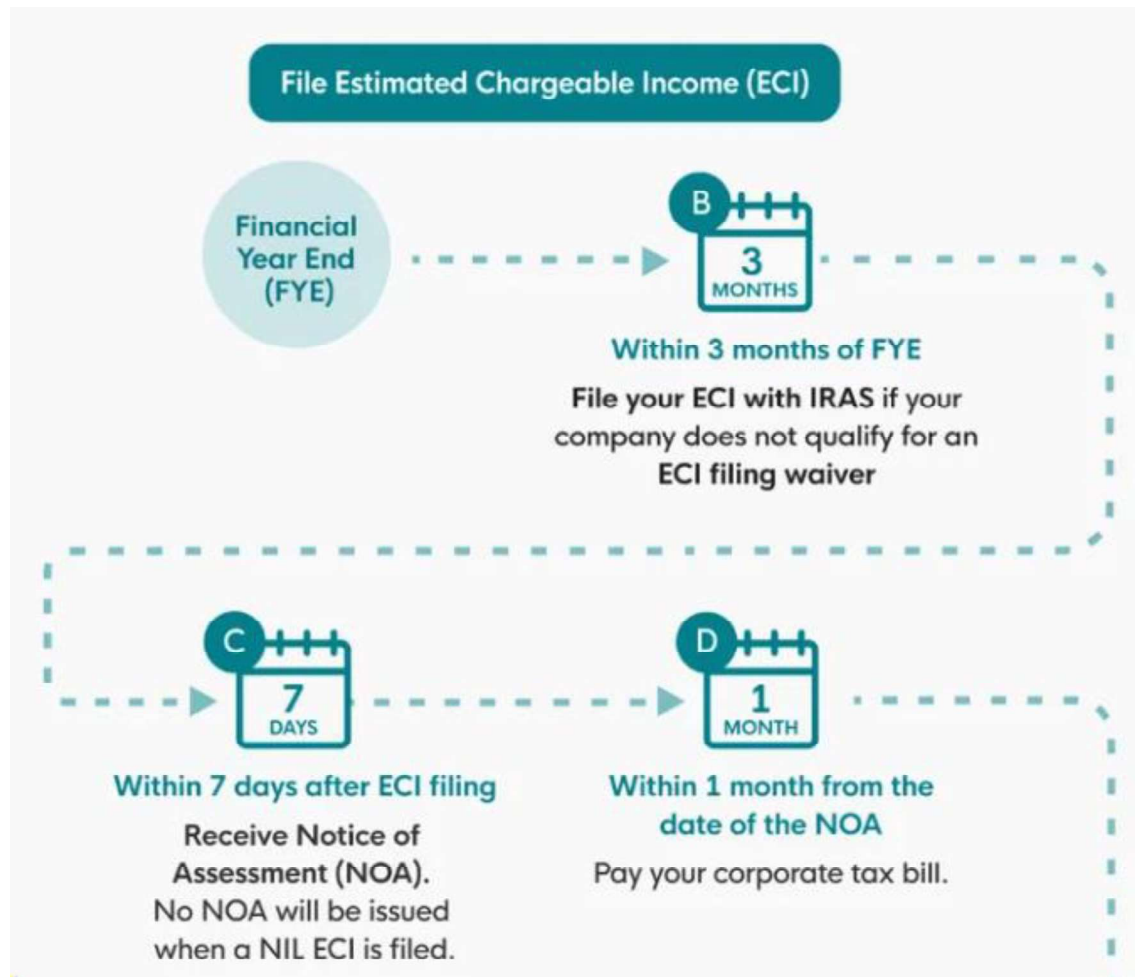
9. Compliance with Singapore accounting requirements.

- a. Determine the fiscal year-end date.

When a company is incorporated, the company must designate a date as the end of its fiscal year. This refers to the end date of the company's annual accounting period and does not necessarily have to be December 31st of each year. It is prudent to determine the fiscal year-end based on the company's business cycle for reporting and tax purposes. For example, the company may wish to choose the end of its business cycle, when most transactions are completed and it is easier to obtain an accurate overview of the company's performance for the year. It is also recommended to keep the fiscal year at 12 months to maximize tax benefits.

- b. Companies must electronically file Estimated Chargeable Income (ECI).

From 2020 onwards, all companies must submit ECI electronically.



In line with the government's policy of providing more cost-effective public services and realizing the vision of a "smart nation" by leveraging technology to enhance productivity, corporate tax returns (including ECI and Form C-S/C) must be submitted electronically.

- c. Properly maintain accounts and records.

Additionally, all Singapore companies must keep proper financial accounts and transaction records for at least 5 fiscal years. As these records may be relatively extensive and complex, it is strongly recommended to engage the services of accredited accounting or bookkeeping firms to assist in compliance with accounting standards.

Depending on the volume of transactions, Jenga Group's accounting firm can provide weekly, monthly, quarterly, or yearly bookkeeping services and financial reporting services.

- d. Appointment of auditors.

Finally, unless a company is deemed a "small company" under the Companies Act, the company must appoint an auditor within 3 months of its incorporation. If a company is a private company

throughout the current financial year and satisfies at least 2 of the following 3 requirements for each of the last two consecutive financial years, it is deemed a "small company":

- Revenue does not exceed SGD 10 million for each financial year.
 - The total assets value does not exceed SGD 10 million at the end of each financial year.
 - The number of employees does not exceed 50 at the end of each financial year.
- e. Companies must submit annual returns to ACRA.

Unless exempted, Singapore companies must submit annual returns to ACRA via the BizFile+ website. The annual returns must include the company's financial statements, such as the statement of financial position (also known as the balance sheet), statement of changes in equity, and statement of cash flows, among others.

Jenga Secretaries can provide you with annual return services in accordance with the latest accounting standards.

- f. Companies must hold an Annual General Meeting (AGM) every year.

Unless exempted, Singapore companies must hold an Annual General Meeting (AGM) within a specific time after the end of their financial year.

- Listed companies must hold their AGM within 4 months after the end of their financial year.
- All other companies must hold their AGM within 6 months after the end of their financial year.

- g. Companies must pay corporate tax annually.

All companies must pay corporate tax on any taxable income derived from Singapore or foreign income remitted into Singapore. Corporate tax must be submitted annually by:

- December 15th for online submission; or
- November 30th for filing of physical tax return forms.

Jenga Secretaries can assist you in the timely and accurate submission of income tax returns.

- h. Eligible companies must register for Goods and Services Tax (GST).

Goods and Services Tax (GST) is a consumption tax levied on most goods and services provided in Singapore. If a company's annual taxable turnover exceeds SGD 1 million, it must register for GST with the Inland Revenue Authority of Singapore (IRAS). This can be done online through the myTax portal maintained by IRAS, and each application typically takes 2 working days to process. Once registered with IRAS, companies must charge GST on applicable goods and services at the

prevailing tax rate.

*Jenga Secretaries can assist you in registering for GST.

10. Companies must comply with employment regulations.

Singapore companies (or businesses) must comply with the Employment Act when hiring, maintaining, or terminating employees. If an employee is a Singapore citizen or permanent resident, the company needs to apply to the Central Provident Fund (CPF) for opening an account for that employee. Local employees must contribute a fixed percentage of their monthly wages to the Central Provident Fund as a retirement fund. Companies are also required to contribute a fixed percentage of their employees' monthly wages to the Central Provident Fund account. Jenga Secretaries can help your company apply for opening CPF accounts for employees and manage your employees' wages.

If a company plans to hire foreign employees (including yourself), your company needs to apply for an Employment Pass (EP) for that employee. Jenga Secretaries can assist you in applying for an Employment Pass.

11. Directors of companies must comply with disclosure requirements.

Under the Companies Act, directors of Singapore companies must disclose whether they have any interest (direct or indirect) in any transaction/proposed transaction with the company. They must also declare whether they hold any position or property that may conflict with their duties as directors (for example, holding directorship or shares in competing companies). This is because directors have the power to influence company decisions and must not abuse their authority for personal gain. Failure to disclose fully is a criminal offense and may result in directors being fined up to SGD 5,000 or imprisoned for up to 12 months. Additionally, directors may be required to account to the company for any profits made as a result of non-disclosure.

12. Companies engaging in regulated activities must hold the relevant licenses.

In certain industries, Singapore companies need to obtain licenses or approvals from the relevant regulatory authorities to conduct business activities (e.g., operating restaurants). Regulatory authorities may require companies to comply with certain requirements or fulfill reporting/inspection obligations before issuing licenses to them.

Fortunately, the application process for licenses in Singapore is highly streamlined and business-friendly. The application can be completed online through the GoBusiness website maintained by the Singapore government, which compiles the licensing approval frameworks of most statutory agencies in Singapore into a standardized one-stop platform. The licensing approval process typically takes up to two months, depending on the type of license.

*The Jenga team hopes that the above guide will help you understand some of the compliance requirements faced in Singapore company registration. Professional company secretaries will be able to assist you in meeting these compliance requirements, avoiding unnecessary penalties for non-compliance.

Company Introduction

Jenga provides the most in-demand services in Singapore targeting global business owners and High Net-Worth Individuals (HNWIs) who wish to expand their venture in Singapore for its advanced regulatory framework for finance and technology businesses, as well as its attractive tax scheme for fund management and family offices.

With a precise strategic positioning focused on Global Fin-tech and HNWIs, together with a strong team and business operations, the company has grown into five business units under the globally patented brand JENGA™, serving 3,000+ business owners and 100+ family offices and 120+ investment fund worldwide.



✉ info@jenga.io
☎ +65 8889 5318 / 8889 8419 / 8889 6998
🌐 www.jenga.io / www.jengacorp.com
📍 3 Fraser Street, DUO Tower, #04-23A, Singapore 189352