

KEY FACTS:

Directors: A minimum of one resident director is mandatory. There is no limit on the number of additional local or foreign directors a Singapore Company can appoint. Directors must be at least 18 years of age and must not be bankrupt or convicted for any malpractice in the past.

Shareholders: A private company can have a minimum of 1 and maximum of 50 shareholders. A director and shareholder can be the same or a different person. The shareholder can be a person or another legal entity such as another company or trust. 100% local or foreign shareholding is allowed.

Company Secretary: In the case of a sole director, the same person cannot act as the company secretary. The company secretary must be a natural person who is ordinarily resident in Singapore.

Paid-up Capital: Minimum paid-up capital for registration of a Singapore company is SGD 1. Paid-up capital can be increased any time after the incorporation of the company. There is no concept of Authorized Capital for Singapore companies.

Registered Address: You are required to provide a local Singapore address as the registered address of the company. The registered address must be a physical address, normally a business address, and cannot be a P.O. Box.



Fact file: SINGAPORE PRIVATE LIMITED COMPANY

A private limited company is a separate legal entity and shareholders are not liable for the company's debts beyond the amount of share capital they have contributed.

REGISTRATION STEPS AND TIMELINE

Under normal circumstances, the company can be incorporated in 1-2 days. There are two distinct steps involved:

Step 1: Company Name Approval

- Apply online via ACRA (Singapore Company Registrar) for reservation of the company name
- A SingPass is required to do this (must be a Singapore resident to hold a SingPass)
- Approval is received via email generally within an hour
- Approved name is reserved for 60 days, i.e. you have 60 days with which to incorporate the company
- Possible to file an extension request to extend the name for another 60 days

Step 2: Company Incorporation

- Once the name is approved, the incorporation request is completed online via SingPass access
- Foreigners wishing to open a Singapore company, need to engage a resident professional firm
- The following information is required to be registered with ACRA as part of the process:
 - » Company name and brief description of business activities
 - » Shareholder particulars (including nationality, identification number, residential address)

- » Particulars of company officers— Directors, Company Secretary and Auditors (if required)
 - » Registered Address
 - » Company Constitution. ACRA provides a standard version that is suitable for most instances
- Approval is received via email generally within a day

DOCUMENTS REQUIRED TO INCORPORATE A COMPANY (with a Corporate Shareholder)

- Copy of organization chart showing the ultimate beneficial owners
- Certified true copy of the certificate of incorporation for parent company*
- Copy of proof of address of parent company*
- Copy of proof of address for each director of new Singapore company*
- Certified true copy of passport for each director of new Singapore company*
- Lawyers reference letters for each company director of new Singapore company
- Signed indemnity letter if we are engaged to provide a Singapore resident director

*** Please Note:** Certification where required should be provided by a lawyer, accountant, justice of the peace, notary or licensed officer of a registered bank or insurance company. In addition, the proof of address could be a utilities bill, but should be no older than 3 months (which is a requirement of banks also when opening a new account)

STEPPINGSTONE



POST-REGISTRATION FORMALITIES

Certificate of Incorporation – ACRA will send an official email notification confirming the incorporation of the company, which includes company registration number. This is treated as the official certificate of incorporation in Singapore. Hard copies can be purchased from ACRA at a cost of SGD 50.

Company Business Profile

A business profile (“Bizfile”) containing the particulars of the company will be provided at the time of incorporation. The Bizfile is widely accepted in Singapore for all legal and contractual purposes including opening of bank accounts.

Opening a Corporate Bank Account

Once the Bizfile and Constitution are available, a Singapore bank account can be opened. In general, you are required to visit Singapore to open the bank account. At present, we recommend DBS Bank or ANZ for smaller companies (for cost and ease of banking purposes), and are happy to provide further information in this respect, including on other banking options.

Applying for Business Licenses

Depending on the company's business activities, you may need to obtain one or more business licenses after you have incorporated the company but before you can commence business operations. Fortunately, very few business activities require such a license. We can assist in checking this requirement.

Goods and Service Tax (GST) Registration

If the projected annual revenue of your company exceeds SGD 1M, your company must register for GST. If your company is GST registered, you will need to charge this tax (currently 7%) to your clients on the goods and services provided and in turn remit this amount to tax authorities. GST registration is not mandatory if your company's annual turnover does not exceed SGD 1M.

Key Annual Filing Requirements

- Company must hold its first AGM within 18 months of incorporation, and file its annual return within one month thereafter
- Following that, each AGM must be held within 6 months of the financial year end
- Tax returns are to be filed by November 30 of the year following the financial year end
- Estimated chargeable income is to be filed with the tax office within 3 months of the financial year end
- Financial statements are required to be audited if 2 of the following 3 conditions are met: i) SGD 10M in revenue; ii) SGD 10M in assets; iii) > 50 employees