



LIONTRUST

Liontrust Corporate Services Pte. Ltd. (Reg No. 201218612C)  
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## FACT SHEET SINGAPORE

### *General Information Introduction*

The Republic of Singapore is a Southeast Asian city-state off the southern tip of the Malay Peninsula. About 5.6 million people live in Singapore, of which 3.5 million are citizens, and many of them (74.1%) are Chinese.

Singapore is a global commerce and financial hub and is consistently recognised as one of the easiest countries to do according to the World Bank Group. Based on the Corruption Perceptions Index, Singapore is consistently one of the least corrupt countries in the world.

Singapore enjoys political stability, excellent infrastructure and with strong trade and investment, this is an ideal location for global businesses and your company benefits from:

- Singapore's network of over 50 comprehensive Double Taxation Avoidance Agreements.
- Singapore's many free trade agreements and the Investment Guarantee Agreements.

The legal system of Singapore is based on English common law.

### *Business Structure - Company*

A company is a business entity registered under the Companies Act, Chapter 50. It has a legal personality i.e. it has rights to own properties, has perpetual succession and can sue or be sued in its own name.

Every private limited company must have 'Private Limited' or 'Pte Ltd' as a suffix.

#### **(i) Private Company**

- This is a locally incorporated company where the maximum number of shareholders is limited to 50.
- Corporate shareholder is allowed.
- Shall appoint an auditor within 3 months from the date of its incorporation, unless it is exempted from audit requirements as stipulated in the Companies Act, Cap. 50.

#### **(ii) Exempt Private Company**

- This is a locally incorporated company where the number of shareholders is not more than 20.
- None of the shareholders is a corporation.
- Is exempted from audit requirements as stipulated in the Companies Act, Cap. 50.

### *Time Frame*

Upon receipt of all due diligence documents, necessary forms, clearance of compliance check and management approval, it will take within 1 working day to incorporate a company with the Accounting and Corporate Regulatory Authority ("ACRA").



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However, it may take between 14 days to 2 months if the application needs to be referred to other authorities for approval or review.

### ***Name Reservation***

An approved company name will be reserved for 120 days from the date of name application.

### ***Capital***

ACRA requires only a minimum paid-up capital of S\$1.00 to register a company.

### ***Director***

Every company must have at least one director who is an ordinarily resident in Singapore and at least 18 years old.

### ***Shareholder***

Minimum one shareholder and can be individual or corporation.

### ***Company Secretary***

Every company must appoint Company Secretary within 6 months from the date of its incorporation. He/she must be residing locally in Singapore.

### ***Accounts/ Audit***

Every company is required to maintain proper accounting records, prepare financial statements in accordance with the Singapore Financial Reporting Standards and file annual returns.

A company is exempted from having its accounts audited if it meets the following conditions as a small company:

- (a) It is a Private Company in the financial year in question; AND
- (b) It meets at least 2 of 3 following criteria a for immediate past two consecutive financial years:
  - (i) total annual revenue is not more than \$10m;
  - (ii) total assets is not more than \$10m;
  - (iii) no. of employees is not more than 50.

### ***Taxation***

A company is taxed at a flat rate of **17%** on its chargeable income. With one of the lowest corporate tax rates in the world, on top of a host of other tax schemes and incentives, Singapore is easily one of the best countries in Asia for companies to grow their businesses.



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### ***Registered Office***

A company must have a registered office in Singapore which must be operational and accessible to the public during normal office hours.

### ***Public Records***

Public records are maintained with ACRA of the names of shareholders or directors of a Singapore company.

### ***Disclaimer***

*This Fact Sheet is only for informational purposes and does not constitute, nor should it be construed as, legal advice or a legal opinion on Singapore laws.*