

# Closing a COMPANY



**ACRA**  
ACCOUNTING AND CORPORATE  
REGULATORY AUTHORITY

This brochure provides an overview of the different ways in which a company can be closed.

## How can I close a local company?

A local company can be closed by:

- Submitting an application for striking off
- Members' voluntary winding up
- Creditors' voluntary winding up
- Compulsory winding up

## Which is the best option for my company?

### • Submitting an application for striking off

As a director, you may apply to strike the name of your company from the Register pursuant to Section 344 of the Companies Act. Your application will be approved by ACRA if there is reasonable cause to believe that the company is not carrying on business, and the company is able to satisfy the criteria for striking off. The application fee payable is \$35.

Your company must have:

- Ceased trading or not commenced business since incorporation.
- The written consent of the majority of the shareholders.
- Submitted the last set of audited accounts (for companies limited by guarantee) OR the latest unaudited balance sheet for other companies.
- No outstanding tax liabilities with IRAS.
- No outstanding debts to any other government agency.
- No outstanding charges in the company's charge register.
- No involvement in any court proceedings (within or outside Singapore).
- No current/contingent assets and liabilities.

OTHER REQUIREMENTS:

### For companies dormant since incorporation

Together with your application, you need to submit a covering letter, signed by all the directors\*, stating that the company has:

- (a) been dormant since incorporation
- (b) had no business transactions since incorporation
- (c) not opened a bank account or the bank account has been closed
- (d) not held an Annual General Meeting (AGM) since incorporation or the first AGM to be held within 18 months from the date of incorporation is not due

\* Where it is not possible for all directors to sign this letter, supporting documents such as registered letters sent to inform the other directors of the intention to apply for striking-off should also be attached to the application.

### For companies that have submitted their last audited accounts

Your company's accounts should be unqualified and show that there are no assets and liabilities.

However, if the accounts are:

- Qualified with no assets and liabilities, you need to submit a letter of undertaking from the respective auditor to remove the qualification.
- Unqualified with assets and liabilities, you need to submit documentary evidence to show the disposal or settlement of assets and liabilities.

### For companies that have submitted their last unaudited set of accounts

Your company's accounts should show no assets and liabilities. If not, you would need to submit documentary evidence of the disposal or settlement of assets and liabilities.

### What happens after I have submitted my application?

- (a) ACRA will process the application within five working days. Once approved, a striking off notice will be sent to your company's registered office address, the residences of the various officers (directors and company secretary) and IRAS.
- (b) After a one month period, if no objection is received, ACRA will publish the name of the company in the Government Gazette. This is known as the First Gazette Notification.
- (c) After a three-month period from the First Gazette Notification, if there is no objection, ACRA will publish the name of the company in the Final Gazette and the name of the company will be struck off the register. The date that the company is struck off will be stated. This is known as the Final Gazette Notification.
- (d) The entire process takes about five months.

## How do I object to a striking off application?

You can do so by submitting the 'Lodgment of an Objection against Striking Off' via BizFile. This must be done after the striking off application has been approved but before the company is struck off from the Register. The fee payable is \$10. ACRA will withhold the striking off and advise the company to clear the outstanding debt within two months from the date of the objection.

If the matter can be resolved within two months, you need to lodge the 'Clearance of an Objection to Striking Off' via BizFile to clear the objection before ACRA can proceed with the striking off application. There is no fee required for this transaction.

If the matter cannot be resolved within two months, the striking off application will lapse. The company will have to submit a fresh striking off application if it still wishes to be struck off the register after the objection is cleared.

Should you suspect that a company (ie. debtor) intends to apply for striking off, you may lodge a 'Notice of Intention to Lodge Objection to Future Striking Off Application' via BizFile. The fee payable is \$10 and the objection will be valid for one year. You will be notified via email if the company does submit an application for striking off. You can then submit an online objection via BizFile.

### • Members' voluntary winding up

A company may decide to wind up its affairs voluntarily if the directors believe that the company will be able to pay its debts, in full, within 12 months after the commencement of the winding up. You will need to appoint a liquidator, or provisional liquidator, to wind up your company's affairs and file the necessary notifications required under the Companies Act.

### • Creditors' voluntary winding up

A company may decide to opt for a "creditors' voluntary winding up" if its directors believe that it cannot, by reason of its liabilities, continue its business. You will need to appoint a liquidator, or provisional liquidator, to wind up your company's affairs and file the necessary notifications required under the Companies Act via BizFile.

## • Compulsory winding up

Under certain circumstances such as an inability to pay debts, your company may be wound up by an Order of the Court. In such a scenario, the Court may appoint a liquidator to wind up the affairs of the company. Where no liquidator is appointed by the Court, the Official Receiver shall be the liquidator of the company.

## Is closing a foreign company any different?

The foreign branch has to cease its operations in Singapore if the Head Office has been dissolved or is in liquidation. The local agents will need to lodge 'Notification by the Agent of a Foreign Company of the Liquidation or Dissolution of a Company' via BizFile. The fee payable is \$10.

If the foreign company's local branch in Singapore has ceased business, the local agents are required to lodge 'Notification by A Foreign Company of the Cessation of Business' via BizFile. The fee payable is \$10.

## How do I submit the online transaction to close the company?

You can choose one of the following ways to submit the transaction:

- Submit an online transaction via [www.bizfile.gov.sg](http://www.bizfile.gov.sg) using your identification number and SingPass. This can be done from your home, office or at one of the BizFile kiosks available at ACRA office.
- Engage a "professional number holder" such as a professional firm (eg. law firm, accounting firm or corporate service provider) or service bureau (DP Bureau) to file the online transaction.

## How do I pay for the transactions?

You can pay by:

- Credit card (VISA/MasterCard/American Express)
- eNETS Debit\*
- Deposit Service Account – for professional firms that lodge transactions on behalf of their clients

\*eNETS Debit is an Internet direct debit payment service for participating banks, namely Citibank, DBS/POSB, OCBC and UOB. You need Internet access and a personal Internet banking account with the participating banks to use the eNETS Debit service. This does not apply to corporate bank account users.

- Q:** How do I know if my striking off application has been approved?
- A:** You will receive an email notification. A striking off notice will also be sent to your company's registered office address and all officers.
- Q:** My application for striking off has been approved. When will my company be closed?
- A:** Your company will be struck off the register when ACRA publishes the name of the company in the Final Gazette. The whole process will take about 5 months.
- Q:** Will ACRA inform me once the company has been struck off?
- A:** We will send a letter to the company's registered office address. You may also login to BizFile to check on the status of the company in "Directory Search" or the status of the striking off application in "Transaction Status Enquiry".
- Q:** I am unable to contact the other directors. However, I have sent them letters via registered mail to inform them of my intention to strike off the company. Can I proceed to apply for striking off?
- A:** Yes. You may proceed to apply for striking off if there is no reply from the other directors after 4 weeks from the date of sending the registered mail.
- Q:** I have cleared the outstanding payment to the objector of my striking off application. Will ACRA process my application?
- A:** Your objector will first have to lodge 'Clearance of an Objection to Striking Off' via BizFile before ACRA can proceed with the striking off application.
- Q:** I do not owe the objector any outstanding payments. What can I do?
- A:** Please liaise with the objector to clear the objection or seek legal advice if necessary.
- Q:** How can I withdraw my application to strike off my company?
- A:** You can write to ACRA stating your reasons for the withdrawal. Your letter must reach ACRA before the company is struck off. Please also enclose a cheque for \$30 made payable to "ACRA".
- Q:** I want to apply to strike off my company. Do I need to attach a tax clearance letter from IRAS to prove that my company does not have any outstanding tax liabilities?
- A:** No. A tax clearance letter from IRAS is not necessary.

## Related Brochures

How to Do Online Filing

10 Anson Road  
#05-01/15  
International Plaza  
Singapore 079903

**Helpdesk**

(65) 6248 6028

**Fax**

(65) 6225 1676

**ACRA Website**

[www.acra.gov.sg](http://www.acra.gov.sg)

**Bizfile Website (eFiling)**

[www.bizfile.gov.sg](http://www.bizfile.gov.sg)

**Enquiry Website**

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