

Notice 815 Submission of Annual Accounts

MAS 815

21 February 1978

NOTICE TO FINANCE COMPANIES

FINANCE COMPANIES ACT, CAP 191

FC Notice 15 dated 2 June 1975 and

BS (FC) Circular No. 3/76 dated 15 March 1976 are cancelled.

Submission of Annual Accounts

Pursuant to Section 28 of the Finance Companies Act, the directors of a finance company are required to submit to the Authority the following:-

I. DETAILED ACCOUNTS

A copy of the detailed audited balance sheet, profit and loss account and profit and loss appropriation account of the finance company together with any supporting schedules.

II. AUDITORS' LONG FORM REPORT

This report should include findings and recommendations, if any, on the finance company's accounting system, internal controls, quality of loans and advances and other assets, credit and loans policy and any non-compliance or violation of the Finance Companies Act, Companies Act, Notices to Finance Companies, guidelines and circulars issued by the Authority and relevant laws and regulations. Comments on other areas of weaknesses should also be included.

Overseas Branches

A copy of the auditors' report on the finance company's overseas branches should be submitted together with the respective foreign supervisory authority's report on the finance company's overseas operations.

III. AUDITORS' SUPPLEMENTARY REPORT

This report, addressed to the chief executive of the finance company for submission to the Authority, should contain the auditors' statement as to whether, during the course of their examination, anything came to their notice that caused them to believe that:-

- (a) known bad debts of material amount had not been written off or fully provided for;
- (b) adequate provision had not been made for known material doubtful debts and for any material diminution in value of other assets; and
- (c) there was any non-compliance or violation of the Finance Companies Act, Companies Act, Notices to Finance Companies, guidelines and circulars issued by the Authority and relevant laws and regulations.

III. DIRECTOR'S REPORT

The director's report prepared in accordance with subsection 5 of Section 169 of the Companies Act, Cap 185.

IV. ADDITIONAL INFORMATION

(a) information relating to items in the Balance Sheet and Profit and Loss Statement required to be submitted under Section 28 should be submitted in accordance with the format laid down in Appendix I. This information should be prepared by the finance company and the external auditors should certify that the data contained therein are in accordance with the finance company's books and records.

(b) A set of audited accounts of the finance company prepared in accordance with Section 169 of the Companies Act, Cap 185 including notes thereon.

(c) Consolidated audited accounts of the finance company and its related companies prepared in accordance with Section 169 of the Companies Act.

(d) The annual audited consolidated accounts together with notes thereon and auditors' report of the finance company's ultimate holding company. Where the ultimate holding company is a bank operating in Singapore, the accounts of the bank need not be submitted.

(e) The annual audited accounts together with notes thereon and auditors' report of any company in which the finance company holds 20% or more of the issued share capital whether such interest is held directly or indirectly.

Items I, II, III, IV and V above should be submitted together at least one month before the meeting of the Board of Directors.

Notwithstanding the above, directors of finance companies shall furnish any other information, accounts, etc that the Authority may require from time to time to enable it to analyse and study the above accounts.

It should be noted that in addition to the above requirements to be complied with by directors of finance companies, finance companies are also required to comply with Section 15 of the Finance Companies Act and Notice to Finance Companies MAS 803 regarding exhibition and publication of audited annual accounts.



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Appendix A Addition