

MAS Notice 1002 (Amendment) 2018

Issued on: 29 March 2019

AUDITORS' REPORTS AND ADDITIONAL INFORMATION TO BE SUBMITTED WITH ANNUAL ACCOUNTS

Introduction

- 1 For presentation purposes, the amendments in this document are compared against the version of MAS Notice 1002 issued on 9 March 2006 (the "Original Notice").
- 2 This document shall be interpreted as follows:
 - (a) Text which is coloured and struck through represents deletions;
 - (b) Text which is coloured and underlined represents insertions; and
 - (c) Portions of the Original Notice which are not reflected in this document are unchanged.
- 3 The amendments reflected in this document have taken effect from 24 December 2018.
- 4 This document is to be used for reference only. In the event of discrepancies between the amendments in this document and the published version of MAS Notice 1002 revised on 24 December 2018 (with effect from 24 December 2018), the published version of MAS Notice 1002 shall prevail.

~~Notice 1002 Auditors' Reports and Additional Information to be Submitted with Annual Accounts~~

MAS [Notice 1002](#)

9 Mar 2006

[Last revised on 24 December 2018](#)

NOTICE TO MERCHANT BANKS

(MAS 1002 dated 1 Nov 1985 is cancelled)

~~Auditors' Reports and Additional Information To Be Submitted With Annual Accounts~~
AUDITORS' REPORTS AND ADDITIONAL INFORMATION TO BE SUBMITTED WITH ANNUAL ACCOUNTS

—This Notice is issued pursuant to section 28(3) of the Monetary Authority of Singapore Act (Cap. 186) ["the Act"] read with Directive 6.

Definitions

2 In this Notice, "auditor" means an auditor appointed by a merchant bank under Directive 13.

3 The expressions used in this Notice shall, except where expressly defined in this Notice or where the context otherwise requires, have the same meanings as in the Act.

Reports of the Auditor of the Merchant Bank

4 ~~—~~Every merchant bank shall furnish to the Authority ~~not later than 3 months after the close of its financial year or within such longer period as the Authority may on application of the merchant bank approve,~~ the following documents:

(a) a set of audited financial statements, together with any notes thereon;

(b) a copy of the auditors' long form report, which shall include:

(i) findings and recommendations, if any, on —

(A) the ~~merchant bank's~~ accounting system, internal controls, quality of loans and advances and other assets of the merchant bank;—and

(B) any non-compliance with the Act, Banking Act, Companies Act (Cap. 50), directions issued by the Authority, or any other relevant laws and regulations, or non-observance of guidelines issued by the Authority; ~~Notices to Merchant Banks, guidelines, terms and conditions or circulars issued by the Authority, or any other relevant laws and regulations;~~

(ii) comments on any other areas of weaknesses; and

(c) a copy of the auditors' supplementary report, which shall be addressed to the chief executive of the merchant bank and shall contain the auditors' statement as to whether, during the course of their examination, anything came to their notice that caused or led them to believe that —÷

(i) known bad debts of material amounts had not been written off or fully provided for;

(ii) adequate provision had not been made for known material doubtful debts and for any material impairment of other assets; or

(iii) there was non-compliance with the Act, Banking Act, Companies Act (Cap. 50), directions issued by the Authority, or any other relevant laws or regulations, or non-observance of guidelines issued by the Authority; ~~Notices to Merchant Banks, guidelines, terms and conditions or circulars issued by the Authority or any other relevant laws or regulations.~~

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Additional Information

~~5—Every merchant bank shall furnish to the Authority information relating to items in the balance sheet and profit or loss account according to the format in Appendix I. The merchant bank shall obtain the auditors' certification that all the data contained in the information that is prepared by the merchant bank is in accordance with the financial books and records of the merchant bank.~~

~~6— Any merchant bank that is incorporated outside Singapore shall only be required to furnish information referred to in paragraph 5 in respect of the operations of the branches and offices of the merchant bank located within Singapore.~~

~~7—5~~ —Any merchant bank that is incorporated in Singapore shall, ~~in addition to the information referred to in paragraph 5,~~ furnish to the Authority the following ~~additional~~ information:

(a) consolidated audited financial statements of the merchant bank and its subsidiaries, together with the separate financial statements of any company in which the merchant bank holds, directly or through any subsidiary of the merchant bank, 20% or more of the issued share capital; and

(b) the annual audited consolidated financial statements of the merchant bank's ultimate holding company,

as and when the merchant bank receives such additional information.

[\[MAS Notice 1002 \(Amendment\) 2018\]](#)

Date of Submission

~~8—6~~ —Every merchant bank shall furnish to the Authority the information referred to in paragraphs 4 ~~and 5 to 7~~ above together with any other information or financial statements that the merchant bank is required to furnish ~~to the Authority~~ under the Directives or Notices not later than 3 months after the close of each financial year of the merchant bank or within such longer period as the Authority may on application of the merchant bank approve.

[\[MAS Notice 1002 \(Amendment\) 2018\]](#)

Supplementary Information

~~9— Every merchant bank shall furnish to the Authority any other supplementary information that the Authority may require from time to time to enable it to analyse or study the information furnished by the merchant bank.~~

Commencement date of Notice

~~10—7~~ This Notice shall take immediate effect.

~~11—8~~ MAS Notice 1002 dated 1 November 1985 is cancelled with immediate effect.

[* Notes on History of Amendments](#)

[1. MAS Notice 1002 \(Amendment\) 2018 dated 24 December 2018 with effect from 24 December 2018.](#)

Key Resources

- **[MAS Notice 1002 Appendix 1](#)**

[Download PDF\(15.55 KB\)](#)