

Companies (Summary Financial Statement) Regulations

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Legislative History

COMPANIES ACT (CHAPTER 50, SECTION 203A(9))

COMPANIES (SUMMARY FINANCIAL STATEMENT) REGULATIONS

[4th August 1995]

Citation

1. These Regulations may be cited as the Companies (Summary Financial Statement) Regulations.

Definitions

2. In these Regulations, unless the context otherwise requires —

“entitled persons”, in relation to a company, means such persons as are or would, apart from section 203A of the Act, be entitled to be sent copies of those documents relating to the company which are referred to in section 203(1) of the Act;

[Deleted by S 836/2015 wef 03/01/2016]

“full financial statements and report”, in relation to a company, means —

- (a) a copy of the financial statements or, in the case of a parent company, a copy of the consolidated financial statements and balance-sheet;
- (b) every document required by law to be attached to the documents mentioned in paragraph (a); and
- (c) the auditor’s report on the documents mentioned in paragraphs (a) and (b), unless the company is exempt from audit requirements under section 205B(1) or 205C(1) of the Act;

[S 512/2018 wef 31/08/2018]

“future financial years” means the financial years following the financial year in respect of which a summary financial statement has been sent out in accordance with section 203A of the Act and these Regulations.

Conditions that must be complied with for sending of summary financial statements

3.—(1) A company may not send out under section 203A of the Act a summary financial statement to an entitled person, in place of copies of its full financial statements and report, unless the following conditions have been complied with:

- (a) the company must have ascertained, in accordance with regulation 4, that the entitled person does not wish to continue to receive copies of those

documents;

- (b) the summary financial statement must have been approved by the board of directors and the original statement signed on behalf of the board by a director of the company;
- (c) the summary financial statement must state the name of the director who signed it on behalf of the board of directors;

[S 836/2015 wef 03/01/2016]

- (d) the summary financial statement includes the following statement in a prominent position:

“This summary financial statement does not contain sufficient information to allow for a full understanding of the financial position and performance of the company or of the group. For further information, the full annual financial statements and the auditors’ report, if any, on those financial statements should be consulted.”;

[S 512/2018 wef 31/08/2018]

- (e) the summary financial statement must contain a conspicuous statement that an entitled person has the right to demand free of charge a copy of the full financial statements and report by notifying the company and state the date by which he must so notify the company, which date shall be not later than 7 days before the first date on which copies of the full financial statements and report with respect to that financial year are sent out to entitled persons; and

[S 836/2015 wef 03/01/2016]

- (f) the company shall, with respect to every financial year following the financial year with respect to which the entitled person was consulted as to his wishes in accordance with regulation 4(3), give to the entitled person the opportunity to notify the company of a change in his wishes by sending to the entitled person a summary financial statement or full financial statements and report, as the case may be, accompanied by a printed card or form in respect of which any postage necessary for its return to the company has been, or will be, paid by the company and which is so worded as to enable the entitled person, by marking a box and returning the card or form, to notify the company of any of the following matters:

- (i) that he wishes to receive the full financial statements and report for the current financial year as well as for future financial years;

[S 836/2015 wef 03/01/2016]

- (ii) that he wishes to receive the summary financial statements for future financial years; or

- (iii) that he does not wish to receive the summary financial statements or the full financial statements and report for future financial years,

[S 836/2015 wef 03/01/2016]

and shall inform the entitled person that his failure to respond will be taken to indicate that there has been no change in his wishes.

[S 836/2015 wef 03/01/2016]

(2) An entitled person who notifies the company under paragraph (1)(f)(ii) or (iii) shall not be precluded from requesting for the full financial statements and report of the company or the summary financial statements, as the case may be, in any future year.

[S 836/2015 wef 03/01/2016]

Manner in which wishes of entitled persons are to be ascertained

4.—(1) For the purposes of section 203A(4) of the Act, whether or not an entitled person wishes to receive copies of the full financial statements and report for a financial year as well as for future financial years is to be ascertained —

- (a) from any relevant notification he has given to the company as to whether he wishes to receive copies of the full financial statements and report or as to whether he wishes, instead of copies of those documents, to receive the summary financial statements under section 203A(1) of the Act;
- (b) from any notification he has given to the company with respect to future financial years as to whether he wishes to receive copies of the full financial statements and report for those future financial years; or
- (c) failing any such express notification, from any failure to respond to an opportunity given to the entitled person to elect to receive copies of the full financial statements and report as part of a relevant consultation of his wishes by the company.

[S 836/2015 wef 03/01/2016]

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(2) For the purposes of paragraph (1)(a), a notification is a relevant notification with respect to a financial year if it relates to that year and if it is received by the company not later than 7 days before the first date on which copies of the full financial statements and report are sent out to entitled persons in compliance with section 203(1) of the Act with respect to that financial year.

[S 836/2015 wef 03/01/2016]

(3) For the purposes of paragraph (1), a relevant consultation of the wishes of an entitled person is a notice given to the entitled person which —