

Worked Example 4: (Transit from no receipts to having receipts)

Assume that the profile of the company in liquidation is as follows:

- (a) Liquidation commencement date: 02/04/2012
- (b) Period with no receipts: 02/04/2012 to 01/04/2014
- (c) Bad debts recovery of \$900 was received on 06/10/2014
- (d) Final meeting: 31/05/2016

The 1st Declaration of Receipts and Payments covering the period from 02/04/2012 to 01/04/2015 of the company has to be submitted to IRAS by 01/05/2015 (within one month from the last day of the period covered under the Declaration) and to be prepared as follows:

ABC Pte Ltd (In Liquidation)
(UEN)
Declaration of Receipts and Payments
For the Period from 02/04/2012 to 01/04/2014

Description	02/04/2012 to 01/04/2014
	S\$
Balance b/f	1,108,009.00
<u>Receipts</u>	-
Total Receipts	<u>1,108,009.00</u>
<u>Payments</u>	
Liquidator's fees and disbursements	6,000.00
Legal fee	2,000.00
Total Payments	<u>8,000.00</u>
Balance c/f	<u>1,100,009.00</u>

ABC Pte Ltd (In Liquidation)
(UEN)
Declaration of Receipts and Payments
For the Period from 02/04/2014 to 01/04/2015

Description	02/04/2014 to 31/12/2014	01/01/2015 to 01/04/2015
	S\$	S\$
Balance b/f	1,100,009.00	1,098,909.00
<u>Receipts</u>		
Bad debts recovery	900.00	-
Total Receipts	<u>1,100,909.00</u>	<u>1,098,909.00</u>
<u>Payments</u>		
Liquidator's fees and disbursements	2,000.00	1,000.00
Legal fee	-	1,000.00
Total Payments	<u>2,000.00</u>	<u>2,000.00</u>
Balance c/f	<u>1,098,909.00</u>	<u>1,096,909.00</u>

Since there are no receipts from 02/04/2015, the company does not need to file the Declaration of Receipts and Payments with IRAS on a yearly basis. The company may file the Declaration of Receipts and Payments with IRAS:

- (a) within six months before the Final Meeting; or
- (b) once every four years, whichever is earlier.

The 2nd (and last set of) Declaration of Receipts and Payments of the company covering the period from 02/04/2015 to 21/02/2016 has to be submitted to IRAS by 28/02/2016 (within 7 days from 21/02/2016) and would be prepared as follows:

ABC Pte Ltd (In Liquidation)
(UEN)
Declaration of Receipts and Payments
For the Period from 02/04/2015 to 21/02/2016

Description	02/04/2015 to 21/02/2016
	S\$
Balance b/f	1,096,909.00
<u>Receipts</u>	-
Total Receipts	<u>1,096,909.00</u>
<u>Payments</u>	
Liquidator's fees and disbursements	6,000.00
Legal fee	2,000.00
Total Payments	<u>8,000.00</u>
Balance c/f	<u>1,089,909.00</u>

Upon the Final Meeting on 31/05/2016, the liquidator is to furnish IRAS with the liquidator's Final Accounts. If the Final Accounts show that there are receipts made after the date the last Declaration of Receipts and Payments, the Comptroller will raise additional assessments accordingly. Alternatively, the liquidator can file an interim Declaration of Receipts and Payments to declare the receipts made so that assessments can be raised on a timely basis.