

Worked Example 3: (Transit from having receipts to no receipts)

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

- (a) Liquidation commencement date: 02/04/2012
- (b) Period with receipts: 02/04/2012 to 01/04/2013*
- (c) No receipts from 02/04/2013 till final meeting on 31/05/2020
- (d) Receipts by company include cash balance, fixed deposit interest, rental income, disposal of property, recovery of bad debts and disposal of fixed assets.
- (e) Payments by company include advertising fee, property tax, utilities expenses for the property, valuation fees incurred for the sale of the property and liquidator's fees and disbursements.

The 1st Declaration of Receipts and Payments covering the period from 02/04/2012 to 01/04/2013 of the company has to be submitted to IRAS by 01/05/2013 (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 01/04/2013

Description	02/04/2012 to 31/12/2012	01/01/2013 to 01/04/2013
	S\$	S\$
Balance b/f	10,000.00	20,900.00
<u>Receipts</u>		
Fixed deposit Interest	900.00	1,100.00
Rental income	18,000.00	2,000.00
Disposal of property	-	1,100,000.00
Recovery of bad debts	1,000.00	-
Disposal of fixed assets	500.00	-
Total Receipts	30,400.00	1,124,000.00
<u>Payments</u>		
Advertising fee	-	1,200.00
Property tax	1,800.00	600.00
Utilities expenses for the property	2,700.00	300.00
Valuation fees incurred for the sale of the property	-	1,391.00
Liquidator's fees and disbursements	5,000.00	8,000.00
Legal fee	-	4,500.00
Total Payments	9,500.00	15,991.00
Balance c/f	20,900.00	1,108,009.00

*The Declaration of Receipts and Payments should be prepared for the full year up to 01/04/2013. From 02/04/2013, the liquidator will file a Declaration of Receipts and Payments (With No Receipts) with IRAS within six months before the Final Meeting or once every **four** years, whichever is earlier.

Since there are no receipts from 02/04/2013, the company will 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.

Therefore, the 2nd Declaration of Receipts and Payments of the company covering the period from 02/04/2013 to 01/04/2017 has to be submitted to IRAS by 01/05/2017 (within one month from 01/04/2017) and would be prepared as follows:

ABC Pte Ltd (In Liquidation)
(UEN)
Declaration of Receipts and Payments
For the Period from 02/04/2013 to 01/04/2017

Description	02/04/2013 to 01/04/2017
	S\$
Balance b/f	1,108,009.00
<u>Receipts</u>	-
Total Receipts	1,108,009.00
<u>Payments</u>	
Liquidator's fees and disbursements	6,000.00
Legal fee	2,000.00
Total Payments	8,000.00
Balance c/f	1,100,009.00

The 3rd (and last set of) Declaration of Receipts and Payments of the company covering the period from 02/04/2017 to 21/02/2020 has to be submitted to IRAS by 28/02/2020 (within 7 days from 21/02/2020) and would be prepared as follows:

ABC Pte Ltd (In Liquidation)
(UEN)
Declaration of Receipts and Payments
For the Period from 02/04/2017 to 21/02/2020

Description	02/04/2017 to 21/02/2020
	S\$
Balance b/f	1,100,009.00
<u>Receipts</u>	-
Total Receipts	<u>1,100,009.00</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>1,092,009.00</u>

Upon the Final Meeting on 31/05/2020, 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 of 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.