

TECHNICAL NOTES

Singapore's Corporate Sector

Objective

The statistics on Singapore's Corporate Sector are compiled primarily from administrative records of government agencies. The data are used by policy makers, researchers, business community and other interested users to analyse the financial structure and performance of the corporate sector.

Administrative Data

Data on the corporate sector were obtained from financial statements and records filed by companies with the Accounting and Corporate Regulatory Authority (ACRA) and other government agencies.

Year of Reference

The period of reference is the calendar year. However, for enterprises whose accounting year differed from the calendar year, the accounting or financial year covering the major part of the calendar year was used.

Type of Business Activity

Type of business activity refers to the principal activity undertaken by the enterprise. The principal activity is defined as the one in which the enterprise devotes most of its resources or from which it derives most of its income. The classification of the principal activity of the enterprise is based on the "Singapore Standard Industrial Classification, 2020".

Currency Valuation

Singapore's corporate sector statistics are expressed in Singapore dollars. Administrative data which are submitted in foreign currencies are converted to Singapore dollars.

Definition of Terms

Total Assets	Assets refer to items controlled by the companies from which future economic benefits are expected to flow to the companies. Examples include property, plant and equipment, investment in subsidiaries/associates and cash & cash equivalent.
Total Liabilities	Liabilities are present obligations of the enterprise arising from past events, the settlement of which is expected to result in an outflow from the enterprise of resources embodying economic benefits. Examples include loans, trade payables and deposits (applicable for financial institutions only).
Total Equity	Total equity comprises mainly share capital, retained earnings and other reserves. For Singapore branches of foreign-incorporated companies, the net amount owed by Singapore branches to the foreign head offices are used as proxies for their equity.
Share Capital	Share capital refers to the amount contributed by shareholders through the issue of shares.
Profit before Tax	Profit before tax is defined as total (operating and non-operating) income less total expenses.

Equity Ratio

The equity ratio is defined as:

$$\frac{\text{Total equity}}{\text{Total assets}}$$

It measures the dependence of companies on external funding (i.e. debt) to finance their assets. The higher the dependence on external funding, the lower the ratio.

Current Ratio

The current ratio is defined as:

$$\frac{\text{Current assets}}{\text{Current liabilities}}$$

It measures the liquidity of companies, i.e. their ability to meet current liabilities when due. A ratio of 1 indicates that the company has exactly balanced its current liabilities with current assets. A ratio above 1 indicates liquidity in the company. The lower the ratio is below 1, the higher is the risk of the company running into a liquidity problem.

Return on Total Assets (ROA)

The return on total assets is defined as

$$\frac{\text{Profit before interest and tax}}{\text{Average of total assets at the beginning and end of the year}}$$

It measures the efficiency of the companies in using their assets to generate earnings. Interest payments are not deducted from earnings as they are the cost of financing business capital rather than an operating cost. The resulting ratio measures the earning capacity of the company's assets regardless of how the assets are financed.

Return on Total Equity (ROE) The return on total equity is defined as

$$\frac{\text{Profit before tax}}{\text{Average of total equity at the beginning and end of the year}}$$

It measures the companies' efficiency in using their shareholders' equity to generate earnings.

LIST OF ACTIVITIES

SSIC 2020	Industry
	Manufacturing
	Food, Beverages & Tobacco
10	Manufacture of Food Products
11	Manufacture of Beverages
12	Manufacture of Tobacco Products
	Paper & Paper Products, Printing & Publishing
17	Manufacture of Paper and Paper Products
18	Printing and Reproduction of Recorded Media
	Refined Petroleum Products
19	Manufacture of Coke and Refined Petroleum Products
	Chemicals & Chemical Products
20	Manufacture of Chemicals and Chemical Products
	Pharmaceutical Products
21	Manufacture of Pharmaceuticals and Biological Products
	Rubber & Plastic Products
22	Manufacture of Rubber and Plastic Products
	Fabricated Metal Products
25	Manufacture of Fabricated Metal Products except Machinery and Equipment
	Computer, Electronic & Optical Products
26	Manufacture of Computer, Electronic and Optical Products
	Electrical Equipment
27	Manufacture of Electrical Equipment

SSIC 2020	Industry
28	Machinery & Equipment Manufacture of Machinery and Equipment
29	Transport Equipment Manufacture of Motor Vehicles, Trailers and Semi-Trailers
30	Manufacture of other Transport Equipment
	Construction
41	Construction Construction of buildings
42	Civil Engineering
43	Specialised Construction Activities
	Wholesale & Retail Trade
46	Wholesale Trade Wholesale Trade
47	Retail Trade Retail Trade
	Accommodation & Food Services
55	Accommodation & Food Services Accommodation
56	Food and Beverage Service Activities
	Transport & Storage
50	Water Transport Water Transport
5222	Supporting Services to Water Transport
5225	Marine Surveying Services and Classification Societies

SSIC 2020	Industry
	Land & Air Transport
49	Land Transport and Transport via Pipelines
51	Air Transport
5221	Supporting Services to Land Transport
5223	Supporting Services to Air Transport
	Warehousing, Post & Courier Services
521	Warehousing and Storage
5224	Cargo Handling
5229	Other Transportation Support Activities
53	Postal and Courier Activities
	Information & Communications
	Information & Communications
58	Publishing Activities
59	Movie, Video, Television and Other Programme Production, Sound Recording and Music Publishing Activities
60	Radio and Television Broadcasting Activities
61	Telecommunications
62	Computer Programming, Information Technology Consultancy and Related Activities
63	Information Services Activities and Online Marketplaces
	Financial & Insurance
	Banks
6412	Full Banks
6413	Wholesale Banks
6414	Merchant Banks
6415	Finance Companies
	Investment Holding
642	Activities of Holding Companies

SSIC 2020	Industry
	Other Financial Services
6419	Other Monetary Intermediation
643	Trusts, Funds and similar Financial Entities
649	Other Financial Services Activities, except Insurance and Pension Funding Activities
661	Activities Auxiliary to Financial Service Activities, Except Insurance and Pension Funding
663	Fund Management Activities
	Insurance Services
65	Insurance, Reinsurance, Provident Funding and Pension Funding
662	Activities Auxiliary to Insurance and Pension Funding
	Real Estate
	Real Estate
68	Real Estate Activities
	Professional, Scientific & Technical, Administrative & Support Service Activities
	Professional, Scientific & Technical Activities
69	Legal and Accounting Activities
70	Activities of Head Offices; Management Consultancy Activities
71	Architectural and Engineering Activities; Technical Testing and Analysis
72	Scientific Research and Development
73	Advertising and Market Research
74	Other Professional, Scientific and Technical Activities
75	Veterinary Activities

SSIC 2020	Industry
	Administrative & Support Service Activities
77	Rental and Leasing Activities
78	Employment Activities
79	Travel Agencies, Tour Operators and Timesharing Service Activities
80	Security and Investigation Activities
81	Cleaning and Landscape Maintenance Activities
82	Office Administrative, Office Support and Other Business Support Activities
	Others
01	Agriculture and Related Services Activities
02	Forestry, Logging and Related Service Activities
03	Fishing, Operation of Fish Hatcheries and Fish Farms; Service Activities Incidental to Fishing
08	Mining & Quarrying
09	Service Activities incidental to Oil and Gas Extraction (excluding Surveying and Engineering Design and Consultancy Services Supporting Mining, Oil and Gas Extraction and Offshore Exploration Activities)
35	Electricity, Gas, Steam and Air-Conditioning Supply
36	Water Collection, Treatment and Supply
37	Sewage
38	Waste Collection, Treatment and Disposal Activities; Materials Recovery
85	Education
86	Health Services
87	Residential Care Services
88	Social Services without Accommodation
90	Creative, Arts and Entertainment Activities
91	Libraries, Archives, Museums and Other Cultural Activities
92	Gambling and Betting Activities
93	Sports Activities and Amusement and Recreation Activities
95	Repair of Computers, Personal and Household Goods and Vehicles
96	Other Personal Services Activities