

### **Case study 1: Valid registered address after tenancy agreement expires**

Company A entered into a tenancy lease agreement with its landlord for a period of two years. The same premises were used as the registered office address. Upon the expiry of the said tenancy agreement, the directors did not update ACRA that the company was no longer situated there. They had mistakenly assumed that the registered office address would automatically be removed from ACRA's register upon expiry of their tenancy lease agreement.

#### Outcome

As the company failed to update ACRA about the change in its registered office address, the company and its directors were subjected to enforcement action.

#### What should have been done

Company A should have updated ACRA on the new registered office address. Otherwise, the outdated registered office address will remain in ACRA's register.

#### Rationale

Companies are required by law to maintain a valid registered office address. When the registered office address is no longer in use or their tenancy agreements have lapsed, company directors or corporate secretaries have to update ACRA using the "Change in Company Information including Appointment/Cessation of Company Officers/Auditors" form in BizFile+. Companies and directors that fail to comply with this requirement may be fined up to S\$5,000 if found guilty.

### **Case study 2: Invalid registered office address resulted in the eventual disqualification of director**

Director B used Address C as the registered office address for four of his companies. However he did not update ACRA when the registered office address was no longer in use by his companies. During this period, all four companies also failed to file their annual returns. ACRA sent notices and reminders to Address C to remind the companies to file their annual returns. However, Director B did not receive the reminders since he was no longer at Address C.

#### Outcome

Director B failed to lodge with ACRA the annual returns for his four companies. ACRA was led to believe that the companies were no longer in operation and thus struck all of them off its register. Director B was also disqualified as a director under section 155A of the Companies Act.

#### What should have been done

Director B should have updated the new registered office address for his companies promptly. This would ensure that he receives all official and important correspondences, especially those regarding his legal responsibilities. By keeping the registered office address up-to-date, company directors can avoid enforcement action being taken against them.

### **Case Study 3 - Invalid registered office address resulted in the loss of business**

Company D signed a one-year tenancy lease agreement at Address E which was also used as its registered office address. After the tenancy agreement expired, Company D moved to Address F, which was within the same building premises. The directors mistakenly assumed that there was no need to update ACRA since they were still located within the same building premises.

#### **Outcome**

The directors started noticing that the new premises resulted in fewer business opportunities, but could not understand why. It turned out that prospective clients had gone to the old Address E as reflected in ACRA's records and realised that Company D was no longer there. They then assumed that Company D was no longer in business.

#### **What should have been done**

Company D should have updated ACRA promptly on the new registered office address. Otherwise, the outdated registered office address will remain in ACRA's register, which members of the public will refer to.

#### **Rationale**

Not updating ACRA of changes in the registered office address can also result in loss of business credibility and opportunities, on top of enforcement action.