

## IPA TO ROLL OUT DE-REGISTRATION EXERCISE

More than 5, 000 companies are on the list to be de-registered if they do not comply by end of this month. These 5000 companies comprise those that have not filed an annual return up to the year 2000.

An annual return is a yearly update of public information about a company on the companies register. These information include companies' addresses and details of directors and shareholders.

It is a requirement by the Companies Office that companies' records are up to date for the purposes of effective correspondences between the Office of the Registrar of Companies and the individual companies.

This is the first batch to undergo a staged compliance exercise planned for the next 6 months.

In 2017, the IPA went out on an awareness campaign in a bid to get companies who had outstanding Annual Returns to submit their Returns to avoid being de-registered when this exercise was finally rolled out.

As part of this exercise, we published on our website a list of companies which had outstanding Annual Returns. The publication of the list of non compliant companies on the website was a goodwill exercise which the IPA undertook as part of its awareness campaign towards getting companies to comply with relevant company laws. The de-registration exercise which we are rolling out now is the next step following the publication of the list and is the official process by law.

Section 366 of the Companies (Amendment) Act 2014 states that *"...a company can be removed from the register of registered companies if its annual return is at least six months late"*. Prior to enforcing this clause, the Office of the Registrar of Companies is required by the same law to publish the "Notice of Intention to Deregister a Company" to notify companies in advance before a company is removed from the companies registry.

The IPA is therefore advising company owners and the public that we will be publishing the list of companies in the media as part of our statutory requirement on Thursday this week (November 7<sup>th</sup> 2019) in the National newspaper.

Companies will be given one month from the date of publication to comply and submit their Annual Returns. A final list of those who still fail to comply will be published again in December. This is to satisfy the statutory requirements of the Registrar to publish the "Notice of Removal of Companies from the Register".

It is also a cost on the IPA to maintain records which are no longer required as the companies are no longer operating.

Once a company is deregistered, it will need to apply for reinstatement if it still wants to conduct business and the process and costs involved are tedious and expensive.