

Company Law

VOLUNTARY STRIKE OFF

Your business may be carrying unnecessary compliance costs if you have a dormant company or companies that no longer serve any useful function. One means of eliminating such costs is to apply to have such a company voluntarily struck off the Register of Companies, the process for this is considerably cheaper than a formal liquidation process.

In order to voluntarily strike a company off the following must be submitted to the Companies Registration Office.

1. A Form H15 signed by a director of the company confirming that the company has ceased trading or has never traded and that at the date of the application, the amount of assets or outstanding liabilities do not exceed €150 and that the company does not have and did not have in the previous three years an issued share capital in excess of €150 (applicable to private limited companies only) and that all outstanding Annual Returns (if any) have been filed with the Companies Registration Office.
2. A letter of no objection from the Revenue Commissioners.
3. A copy of an advertisement placed in a daily newspaper circulated in the locality of the registered office indicating the intention to apply to have the company struck-off the Register of Companies. The advertisement should appear in the newspaper not more than six weeks prior to delivery of the application for strike-off. Where a company has changed its name within the period

of twelve months prior to the date of the advertisement the former name together with the current name must appear in the advertisement. Any business name being used by the company or which was used by it during the twelve month period prior to the advertisement must also be included in the advertisement and where the advertisement is published within one year of the company changing its registered office the former registered office address as well as the current registered address must appear in the advertisement.

During the course of the strike-off process the company will be formally asked on two separate occasions, each a month apart, if it still wishes to be struck-off. The Registrar of Companies will then advertise her intention to strike the name of the company off the Register of Companies and a further month later the company will be struck off and dissolved.

Once a company is struck-off it ceases to exist as a legal entity. The High Court has the power to restore the name of the company to the Register of Companies. Applications to restore a company to the Register of Companies may be made to the High Court by any member, officer or creditor of the dissolved company within twenty years of the date of dissolution. A company which is put back on the Register of Companies is deemed to have continued in existence throughout the period during which it was struck-off. The name of the company is thus protected during this period and cannot be used by another entity.

The strike off of a company may result in the clawback



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Voluntary Strike Off

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of relief under Section 79 Stamp Duties Consolidation Act 1999 (Associated Companies Relief) which had been availed of within two years prior to the strike off. In such a situation careful consideration should be given before proceeding with strike off. It may be possible in certain circumstances to apply to the Revenue Commissioners to prevent such a clawback arising on a concessionary basis.

The advantages of dissolving a company in this way as opposed to a liquidation are that the process is more straightforward and cheaper than a voluntary winding up. However, the striking-off of a company does not absolve directors who may have been guilty of breaches of their duties to the company or of being involved in reckless trading before the company was dissolved as their liabilities will continue as if the company had never been dissolved.

LK Shields has made numerous applications of this type on behalf of clients and if you require any assistance with such a matter or any other corporate secretarial issue please contact Alan Browning.



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About LK Shields Solicitors

LK Shields Solicitors is one of the leading law firms in Ireland. Founded in 1988, we have consistently grown and we now have upwards of 130 staff. We enjoy and take pride in our work and offer clear commercial advice to our clients. We ably meet the full legal services needs of both international and national businesses across a large range of industry and service sectors.

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