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COMPANY SECRETARIAL AND CORPORATE GOVERNANCE

Involuntarily struck off, can I bring my company back to life?

by

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Every year a significant number of companies are struck off the register of companies. Whilst some of these are done by voluntary means, others are struck off involuntarily by reason of their failure to make statutory filings as required under company law. These statutory filings are normally the annual return and associated financial statements.

It is of the utmost importance for companies to adhere to their statutory requirements, as failure to do so can leave directors exposed to a variety of undesirable repercussions. If the intention is to "get rid" of a company, there are a number of options available including voluntary strike off and members' voluntary liquidation, intentional failure to keep the company's filings up to date should not be considered as an option.

What happens if a company is involuntarily struck off?

- The company's assets become vested in the state;
- The protection of limited liability is lost;
- The directors become personally liable for any debts, including bank loans or financing;
- The director of corporate enforcement will be notified and is entitled to bring action against the directors including the imposition of a disqualification order.

If your company has been involuntarily struck off, restoration is possible, however the method will depend on the period of time that has passed since the company was struck off. If less than 1 year has passed since its striking off, the company can undergo an administrative restoration which will require the company bringing all of its statutory filings up to date and making an application for restoration to the Registrar of Companies. If more than 1 year has passed, restoration will only be possible by way of application to the high court.

If your company has been struck off the register, our highly experienced company secretarial team can advise on the means of having it restored to good standing in the most expeditious manner. We can also advise on the various ways you can wind down and dissolve your company as well as assisting you in discharging your statutory obligations. For assistance with these, or any company secretarial matter, please contact a member of our team.

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About the Author