

THE CORPORATE AFFAIRS COMMISSION TO STRIKE OUT THE NAMES OF 100,000 COMPANIES FROM ITS DATABASE



- ▶ **The Registrar of the Corporate Affairs Commission ("the CAC") has disclosed that as part of the CAC's compliance drive, it has earmarked 100,000 registered companies to be struck off by the Commission for failure to file annual returns in the last 10 years.**
- ▶ **By virtue of Section 425 (3) of the Companies and Allied Matters Act, 2020. ("CAMA 2020"), failure to file annual returns for a consecutive period of 10 years is a ground for the striking off the name of a company from the companies register.**
- ▶ **The CAC would send notice of striking off to the affected companies before embarking on the action as enshrined in Section 692 (3) of the CAMA 2020.**

WHAT IS AN ANNUAL RETURN?

An Annual return is a mandatory yearly statement required to be filed by every registered business name, company or incorporated trustee in Nigeria by the Corporate Affairs Commission (CAC) to keep the commission abreast that the organisation is still active and in existence. It is to be filed irrespective of whether the business was carried out in the given year, and it is distinct from the returns filed to the tax office (FIRS, IRS).



WHO IS TO FILE ANNUAL RETURNS?

Every registered business name, company or incorporated trustee in Nigeria must file annual returns to the CAC at least once every year.



WHEN TO FILE ANNUAL RETURNS?

Annual returns are to be filed yearly except the calendar year in which the business name or incorporated trustee was registered or 18 months after incorporation of the company.



Business name - not later than the 30th day of June in each year (Section 822 of CAMA 2020),



Limited liability partnership – within 60 days of closure of its financial year (Section 773 of CAMA 2020)



Incorporated Trustees - within June and December of each year (Section 848 of CAMA 2020)



Company - within 14 days of the date of the annual general meeting (Section 417 of CAMA 2020)



E | Lawyers@tonbofa.com; W | www.tonbofa.com

