

Annual Minimum Corporate Compliances ? Legal Alert ? February 2017

Introduction

The Corporate Affairs Commission (?CAC?), usually, at the beginning of every fiscal year, reminds registered entities of their minimum annual statutory compliance obligations under the Companies and Allied Matters Act (?CAMA?). Some of these minimum compliance obligations include the filing of Annual Returns with the entity?s audited Accounts attached; affixing the entity?s name and Registration Number (?RC.NO.?) on all its correspondence and on conspicuous parts of every office or branch where the company carries on business; display of its Certificate of Incorporation at its reception area or front desk; informing the Corporate Affairs Commission (?CAC?) of any change to its registered office address; etc.

The enforcement of fines for any breach of the provisions of CAMA has commenced. We provide the following review of some of these statutory provisions, in the hope that you will find the information useful to your enterprise?s compliance efforts.

Publication of Registered Name and Rc. No.

Every registered or incorporated company is required by Law to paint or affix in letters that are easily legible, its registered/incorporated name with its registration number on the outside of every office or place where it has its registered office, and at any other location where it carries on business. Every registered company is also required by Law to paint or affix its registered name and registered number, in letters that are easily legible, on all its business correspondence like invoices, receipts, advertisements and other public notices, cheque books, promissory notes, other bills of exchange, etc. —

The penalty for infringing any of the above provisions is a fine of N 100 (One Hundred Naira) for every day that the infringement persists. Also, every Director and Manager of such an infringing company, who knowing and willfully authorises or permits any of the above default to exist and persist, is liable to bear the N100 per day fine until the infringement is remedied or set right.

Annual Returns

Every company must at least once in a year prepare and file at CAC its Annual Returns for the previous financial year end.

An Annual Return filing usually discloses in a summary form the company?s latest information regarding its Registered Address, Debenture Holders, Directors, Shareholders, Company Secretary, authorised, issued and paid-up share capital, etc. for the period that the return filed, applies to.

Accompanying every Annual Return must be the Certified True Copy (?CTC?) of the company?s Audited Financial Statements (?AFS?), with the Directors and Independent Auditors Report annexed to the AFS.

The practical penalty for any failure to comply with any of the above provisions is late filing fee of N5,000 (Five Thousand Naira) for each year that the default persists, with fixed filing fee of N3,000 (Three Thousand Naira) for each such year.

Registered and Head Office.

At incorporation, every registered entity must disclose where its Registered office will be; and where its Registered office is different from its Head office, the company must also make such disclosure in its CAC filings.

Any changes to the Registered or Head office of a company must be communicated to CAC within fourteen (14) days of such change or changes been effected.

The failure to comply with the above provision attracts a fine, against the company and against all its Senior Officers, in the amount of N 50 (fifty naira) for each person and the company, for every day that the infringement remains unremedied.

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