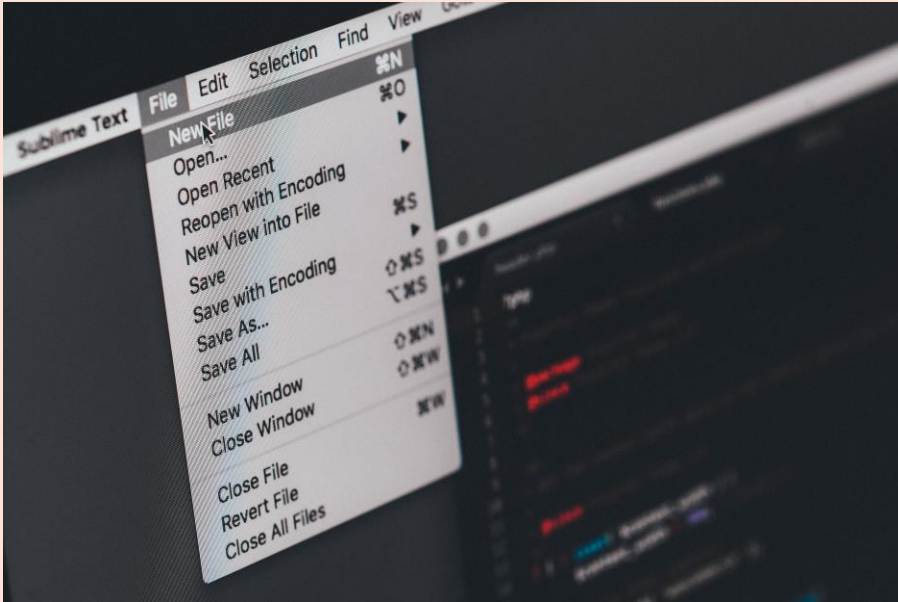


What should be contained in a company's annual returns?



After incorporation, every company is required submit to the Registrar annual returns made up to the company's return date. The Return date either is the anniversary of the company's incorporation; or if the company's last return lodged was made up to a different date, the anniversary of that date. This is to say, for instance, if a company was incorporated on January 16, 2018, the first annual return should be filed on January 16 2019. However, if the first annual return is filed on February 1, 2019, then the next annual return should be filed on February 1, 2020.

Annual Returns have to be lodged with the Registrar within twenty eight days after the date to which it is made up to and must be signed by a director or secretary of the company. Failure to file returns or filing returns that do not conform to the requirements under the law is an offence attracting a fine of up to Kshs. 200,000 on conviction.

Annual returns should contain information on the company, the company's directors and any other additional information depending on the type or status of the company as set out below:

1. Information in respect of the company:

- a) The address of the company's registered office, which includes both the postal address and the physical address of the company's registered office.
- b) The type of company and its principal business activities. The type of company could be public or private while the business activities is the type of work the company is involved in.
- c) The company name, its registered number and business name if any. The registered number is what is commonly known as the CPR Number while a business name could be the name under which the company operates, if it is different from the registered name.
- d) The date to which the company makes up the return
- e) Particulars of the total amount of the indebtedness of the company in respect of all mortgages and charges that are required to be registered with the Registrar.
- f) In the case of a company having a share capital, particulars relating to members and share capital of the company;



- g) In the case of a company not having a share capital, the number of members of the company except where the company is registered with an unlimited number of members

2. Information in respect of the company directors and secretary

- a) Particulars of present directors or alternate directors of the company, particulars of company secretaries of the company. In the case of a listed company, the annual returns should include particulars relating to members are limited to those relating to members who held 5 per cent or more of the issued shares in any class of the company's shares as at the date of the return.
- b) If a director or alternate director is a natural person, they are not required to provide an address contained in the register of directors as the usual residential address of the director or alternate director and the full number of the identity card or passport of the director or alternate director and if a company secretary is a natural person, the particulars do not include the full number of the identity card or passport of the company secretary.

3. Additional information to be included in annual return of private company

An annual return required to be lodged with the Registrar for a private company is also required to include the following information:

- a) A declaration that since the date of the last return or incorporation, the company has not issued any invitation to

the public to subscribe for any shares or debentures of the company;

- b) If the annual return discloses the fact that the number of members of the company exceeds 50—a statement that the excess consists of persons who, under the Act, are excluded in the calculation of the number of members of the company because in addition to being members of the company, they are employees or former employees of the company.

4. Documents to accompany annual return of public company or company limited by guarantee

An annual return for a public company or a company limited by guarantee is required to be accompanied by:

- a) Copies of the documents required to be sent to every member of the company including financial statements and reports — certified by a director or company secretary of the company to be true copies; and if any of the documents is in a language other than English, a certified translation in English of the document.
- b) The particulars of the directors of the company, particulars of the secretary or joint secretaries of the company in the case of a public company, or in the case of a private company that has a secretary and particulars of any person appointed as an authorised signatory of the company as well as financial statements or exemption statement where applicable.

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