

Newsletter

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SUMMARY

- BRELA has issued a public notice for all companies
- Practice note requires all companies to file the outstanding returns
- Due date for filing is 8th May 2017
- Failure to comply by the 8th of May risks the company from being deregistered from the Register



We are at your service

The public notice

Business Registration Licensing Authority (BRELA) has recently issued a [public notice](#) for all companies (locally incorporated and foreign) with respect to the annual filing requirement with the Registrar of Companies in pursuance with the requirements of the Companies Act, 2002.

The practice note requires all the entities to ensure that all outstanding tax returns are filed at the Registrar within 3 months from the date of the notice.

What does the legislation say in terms of the annual return filing?

The companies Act, 2002 under section 129 requires all locally incorporated companies to file the annual return with the Registrar of companies in the prescribed form accompanied with audited accounts for the year. Exemptions from filing are as provided under section 169 and 171 of the Act.

There is no requirement for foreign companies (incorporated elsewhere but registered under the laws of the United Republic) to file annual returns with the Registrar. These companies are required to file annual accounts with the Registrar (in practice Branches file their head office's annual accounts)

When is the due date for filing?

According to the Act, a company must file the annual return not later than the (a) the company's incorporation, or (ii) the date of filing of the predecessor annual return (if filed on a date other than the incorporation anniversary date). For Branches, the requirement is to file the accounts within three months from the date of making the accounts.

“Companies that fail to comply to the requirement risks of been stricken from the register

Penalties for failure

The public notice has issued a 3 months' deadline to 8th May 2017 where all companies that fails to file the outstanding returns are at risk of being



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deregistered from the Registration and Licensing Authority. In addition to that it has published a list of all companies with outstanding returns.

Other cases where compliance is required

Notwithstanding the above, the Companies Act 2002 requires companies to notify the Registrar of the changes or file annual returns when the following have occurred:

- Change in the director/s of the company
- Change in the company secretary
- Change in the shareholders of the company
- Change in the registered office
- Change in the share capital of the company (reduction or increase)
- Change in the MEMARTS
- Change in the particulars of the directors
- Change in the fiscal year end

OUR RECOMMENDATION

We recommend that companies review its annual filing status from the date of registration and endeavour to file all the outstanding returns prior to the expiry of the notice grace period.

Feel free to contact Basil & Alred should you require any clarification or assistance.