Guidance Not

S

hd Strike Off

1. Introduction

This guidance note is a l Companies Act 2006 (CAC where a company voluntar

This note is intended as a decide to voluntarily dissol

This note does not intendissolution and restoration comprehensive, explains the secretaries of companies of c

2. Reasons to dissolve a co

A limited company is a company must for examp statement to Companies statutory duties. If a com considering striking the co A strike off application is or to retire, the company is company was set up for a strike of the company was set up for a strike

3. Alternatives to dissolution

The voluntary strike off company may be struck of

A company may decide to off. Section 1000 CA06 gi believe that the company is

A company may also be p does have the advantage the liquidation process an company is struck off a creditors and others can register, in order for claims

Note that the voluntary insolvency proceedings whand evade/avoid known lia when a company may NO time in the last 3 months it

traded or otherwise

he as covered by part 31 of the ving a company from the register f and dissolved (s.1003 CA06).

key points for our customers who

rnment's guidance on strike off, guidance, which is extremely ecifically written for directors and It can be accessed here.

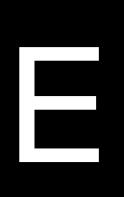
duties and potential liabilities. A ounts and deliver a confirmation its directors complying with their longer trading, it may be worth avoid these duties and liabilities. It other things, the directors wish and is no longer required or the is no longer being pursued.

red here is not the only way a

he registrar to strike the company wer if it has reasonable cause to s or in operation.

This can be a costly process but with liabilities are dealt with during a voluntary strike off, even if the its liabilities are extinguished), company to be restored to the

is not an alternative to formal te or a way for the company to try h there are certain circumstances r strike off (s.1004 CA06) if at any



- changed its name;
- disposed for value or
- engaged in any ac company or comply

Section 1005 CA06 also reconstructions (including which have not been cor application at any time.

A company cannot apply to

A company considering t consider all of its actions a any will potentially fall foul

4. Tax

Tax implications are a ke This guidance does NOT this process. It is vital t liabilities before submittin should also consider notify

5. Process

An application for voluntar its directors or a majority o

The chronology of the prod

- a. Consider whether company.
- Consider what ass will need to be tranand rights in which its dissolution pass
- c. Assign, novate o agreements.
- d. Close the company
- e. Return share capi capital belongs to to to consider underta strike off if there is our share capital re
- f. Notify all creditors, in order that they can

it held for the purpose of trading;

d to concluding the affairs of the rement.

es relating to arrangements and tion and voluntary arrangements) ent a company from making an

r if it has bearer shares in issue.

procedure will therefore need to fessional legal advice if it unsure if 14/1005 CA 2006.

inking about voluntary strike off. In the potential tax implications of any's existing and potential tax cation for strike off. A company an application.

nade on the company's behalf by

an appropriate process for the

mpany has. Note that any assets ny. The law states that all property eficial interest immediately before ompany is dissolved.

priate) all contracts and other

ansfer any domain names.

As a practical matter, as share members, a company may wish ction before applying for voluntary a remaining in the company. See or all the relevant documents.

to BEFORE applying for strike off

- g. Notify any other company's affairs,
- h. Convene a board company to be stru
- Directors should n convening the boa receives the strike
- j. Complete CH form directors, or a majo
- k. Send the complete
- I. Within **7 days** from the application to employee, creditor trustees of employmakes this a conticategories until the
- m. CH will register the is accepted as a va address to confirm of the proposed s discretion rather that
- n. If there is no reas registrar will strike time requirement in the date of the notice
- The company will Gazette.

6. Withdrawal and Restorat

If the company changes company becomes ineligapplication. Section 1009 be immediately withdrawn carries on business etc. In s.1004/5 CA06 which previous by completing and fill

Any person who has an dissolved may be able to This can however be a coway to recover a debt owe will have been extinguished creditor or other party with restored company or placed distributing assets to its an extension of the company of the com

at may have an interest in the ies, other government bodies etc.

lirectors resolve to apply for the

ng for strike off as the directors rectors at the time the Registrar

be signed and dated by all the nore than two.

pplication is made, send a copy of y time on that day is a member, any as well as any managers or 006 CA06). Section 1007 CA06 tify anyone who falls into these t with.

the company's public record (if it otify the company at its registered tion. CH will then publish a notice e. Note that the registrar has a npany's name off the register.

ections have been received, the ister. CH does not have to fulfil a ill be not less than 2 months after

cation of another notice in the

r wants to be struck off, or the e directors must withdraw the nces in which an application must pany changes its name, trades or same circumstances as apply in ting a strike off application. This is

ly that has been struck off and tore the company to the register. s. However this may be the only dissolution means that its liabilities s been restored to the register, a ring legal proceedings against the re the actions of the directors in ere unsatisfied creditors may be

reviewed by the liquidator. Offences

Note that it is considered potential imprisonment:

- to apply when the d
- to provide false or r
- not to copy the app
- not to withdraw the ineligible.

8. Objections

7.

CH states that interested will be considered by the Gazette. Any objection mu objection include:

- the company has traded, changed its
- action being taken,
- the directors have r
- any of the declarati
- other legal action is
- the directors have offence.

ch attracts an unlimited fine and

triking off;

or support of, an application;

ties within 7 days; and

ng off if the company becomes

strike off application. Objections ation has been published in the porting evidence. Reasons for an

ons of the application, e.g. it has 3 months;

money owed;

d parties;

company; or

mmitted tax fraud or some other