

The background is a complex digital graphic. It features a hand with a red tint pointing towards the center. Overlaid on this are several circular icons: a person in a suit at the top, a balance scale in the center, a gavel on the right, and a classical building at the bottom. The entire scene is set against a backdrop of blue and white binary code (0s and 1s) and concentric circles, suggesting a high-tech or legal-tech theme.

Are You Closing Your Company the Right Way?

Section 330 of the Companies Act provides that a company is removed from the register when the Registrar records its removal, bringing its legal existence to an end.

When Can a Company Be Removed?

Removal from the register typically occurs when a company

- Ceases trading operations
- Enters formal liquidation
- Completes an amalgamation
- Applies for voluntary deregistration

What Happens After Removal?

Once removed from the register

- The company is dissolved and cannot trade
- Continued trading exposes directors to severe penalties
- The removed company name can be restored within 5 years, before its available to re-use
- Dormant entities with no activity may face automatic removal for unpaid annual returns

Why This Matters

Removal does not erase past obligations.

Directors, shareholders, and other interested parties remain legally liable for actions taken prior to deregistration.

Structured Exit vs Automatic Strike-Off

While automatic strike-off may happen to dormant companies, it is not a controlled exit.

Voluntary deregistration or proper liquidation provides a cleaner, fully compliant closure that protects governance reputations.

Final Thought

Are you choosing the right approach for your company or just the easiest one?



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