

REPUBLIC OF KIRIBATI
(No. 7 of 1997)

I assent,

Telso

Beretitenti

07/07/1996

**AN ACT TO PROVIDE FOR AN EXTENSION TO THE DEADLINE FOR COMPANIES
LOGGING ANNUAL RETURNS FOR 1996 AND TO AMEND SECTION 62 OF THE
COMPANIES ORDINANCE (CAP. 10A)**

Commencement:
1996

MADE by the Maneaba ni Maungatabu and assented to by the Beretitenti.

Short Title

1. This Act may be cited as the Companies (Amendment) Act 1997.

Commencement

2. (1) The Provisions of this Act other than section 7 (1) shall be deemed to have come into operation on the 31st day of March 1997.

(2) Section 7(1) of this Act shall come into operation on 1 January 1998.

Interpretation

3. In this Act, unless the context otherwise requires -

"Company" means any company registered under the Companies Ordinance (Cap. 10A) at any time up to the commencement of this Act.

Date for delivery for registration of annual return of companies for 1996 extended to 31 October 1997

4. The last date for delivering for registration an annual return of any company for the year 1996 is hereby extended from 31 March 1997 to 31 October 1997.

Companies to be dissolved and struck off if failed to deliver for registration a return on 31 October 1997

5. The provisions of section 62(2) and 62(3) of the Companies Ordinance (Cap. 10A), as amended by this Act, shall apply to any company which fails to deliver for registration a return for 1996 on or before 31 October 1997.

Section 62 of Companies Ordinance still to apply after 1996

6. For the removal of doubt, sections 4 and 5 of this Act shall not affect or alter the date on which an annual return is to be delivered for registration as specified in section 62 of the Companies Ordinance (Cap. 10A) for any year after 1996.

Amendment of section 62 of the Companies Ordinance

7. (1) Section 62(1) of the Companies Ordinance (Cap. 10A) is hereby repealed and the following subsection substituted:-

"(1) Every company shall in every year, within a period of six months from the end of the company's financial year, deliver to the Registrar for registration an annual return in the form and containing such information as may be prescribed in the Regulations."

- (2) Section 62(2) and 62(3) of the Companies Ordinance (Cap. 10A) as amended by the Companies (Amendment) Act 1986 are hereby repealed and the following subsections substituted:

"(2) If a company fails to deliver its annual return to the Registrar within 2 months of the date by which such return had to be registered as provided in subsection (1), the Minister, acting in accordance with the advice of the Cabinet may by order strike the company off the Company Register and the company shall thereby be dissolved.

(3) Within one month of a company being struck off the Register, the Registrar shall publish a Notice in a newspaper circulating in Kiribati or

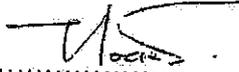
over the Radio stating that the company has been struck off and dissolved.

(4) The directors of the company dissolved under subsection (2) at the date of dissolution and any persons who were directors during the preceding 15 months shall on demand account to the Registrar for the manner in which any assets of the company were disposed of during such period and shall be jointly and severally liable for the discharge of all liabilities of the company outstanding at the date of dissolution, including the fee which was payable in respect of the annual return in respect of which default has been made:

Provided that the Court on application being made to it by any such person who was a director may relieve any such person from any liability incurred or arising in respect of the period after the date on which he ceased to be a director."

CERTIFICATE OF THE CLERK OF THE MANEABA NI MAUNGATABU

This printed impression has been carefully examined by me with the Bill which passed the Maneaba ni Maungatabu on the 24th of June, 1997 and is found by me to be a true and correctly printed copy of the said Bill.



.....
Clerk
of the Maneaba ni Maungatabu

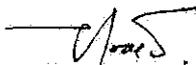
CERTIFICATE OF THE SPEAKER OF THE MANEABA NI MAUNGATABU

I certify that the above Act was on 24th June 1997, passed by the Maneaba ni Maungatabu on a Certificate of Urgency under section 68(3)(a) of the Constitution.



.....
Speaker
of the Maneaba ni Maungatabu

PUBLISHED BY EXHIBITION AT THE MANEABA NI MAUNGATABU THIS 8th DAY OF
JULY, 1997



.....
CLERK
OF THE MANEABA NI MAUNGATABU

THE COMPANIES (AMENDMENT) ACT 1997

EXPLANATORY MEMORANDUM

1. The Maneaba ni Maungatabu passed the Companies Annual Return (Amnesty) Act 1996 last year which extended the time limit for submitting annual returns from 31 July 1996 to 31 March 1997.

That deadline has passed but there is still widespread non compliance.

2. The main reason for non compliance is the difficulty in getting Company Accounts audited (which is a prerequisite in most cases to registration of an annual return).

3. Section 4 extends the time limit for delivering for registration of 1996 Annual Returns to 31 October 1997 to allow the auditors to complete their work so that completed returns for 1996 can be submitted to the Registrar.

4. Section 5 makes provision for what follows the failure to file a 1996 return.

5. Section 6 ensures there is no doubt that the date for filing returns in years after 1996 will remain 31 July 1996.

6. Section 7 amends section 62 of the Ordinance by repealing subsections (2) and (3) and substituting new subsections which give to the Minister acting in accordance with the advice of Cabinet a discretion as to whether or not to strike off a company who fails to file an annual return in accordance with the Ordinance.

Michael N. Takabwe
Attorney General
6 June 1997

