Deregistering an Irish Company

An Irish registered company which is solvent has the following options to deregister from the Register of Companies:

- **voluntary strike off**
- **placing the company into members voluntary liquidation.**

Set out below is an overview of the process involved in both options for consideration in deciding on the preferred option.

Voluntary Strike Off ("VSO")

<u>Procedure</u>

- A meeting of the Directors of the Company should be held to note that the Company has no assets and no liabilities, has ceased trading, that it does not intend trading in the future and that the VSO is recommended to the shareholder(s).
- A written resolution of the shareholders in accordance with the above should be passed.
- An application should be made to the Revenue Commissioners to obtain a letter from them stating that they have no objection to the company being struck off.
- An advertisement should be placed in a daily newspaper stating that the Company wishes to apply for strike off.
- An application should be made to the Registrar within 30 days of the advertisement being placed in the newspaper by filing a Statutory Form H15. The Form H15 must be signed by all the directors and be filed along with the letter of no objection and the page of the paper in which the advertisement was published.

Once the application for strike off has been lodged at Companies Registration Office, it should take approximately three months for the company to be struck off the Register.

Please note the following important points in relation to the strike off process:

1. The Company should not be trading and should not be carrying on a business.
2. The amount of any assets of the Company should not exceed €150.
3. The Company should ensure that all creditors have been paid, that the tax affairs are up to date and that the amount of any liabilities of the company (including contingent and prospective liabilities) do not exceed €150.
4. The Company should be up to date with the filing of its Annual Returns and financial statements at Companies Registration Office and up to date with its tax filings with the Revenue Commissioners.
5. If a company is struck off without identifying and settling all outstanding issues, a creditor can apply to have the company restored to the Register of Companies at any time up to 20 years following the date of dissolution.

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Members Voluntary Liquidation ("MVL")

Procedure

- A meeting of the Directors of the Company should be held to commence the MVL process by instructing the Company Secretary to arrange to have a declaration of solvency prepared and arrange for the holding of an Extraordinary General Meeting (EGM).
- A declaration of solvency should be signed by the Directors and a report from an independent person (usually the auditor) should be annexed to the declaration.
- The proposed liquidator should also provide his letter of consent to act as liquidator.
- An EGM should be held and the members must pass the resolutions to (i) place the company into liquidation and (ii) appoint a liquidator.
- Once the above resolutions are passed, the relevant filings should be made to the Companies Registration Office
- The liquidator should ascertain, secure and gather the company's assets and distribute the assets in accordance with applicable law.
- Once the above is completed a second EGM is convened by liquidator at which the liquidator is required to provide an account of the winding up.
- Filings should be made to the Companies Registration Office once the final wind-up meeting (EGM) is held.
- The liquidator will make a thorough inquiry into the affairs of the Company to ensure that all liabilities are discharged and assets realised in advance of the dissolution of the company. Except in exceptional circumstances, the Company can only be restored to the Register of Companies within a two year period following the date of dissolution.
- It is important that legal and tax advice is sought prior to commencing the deregistration process.

Ruairí Cosgrove
Director
ruairi.cosgrove@pwc.com

Trudy Kealy
Senior Manager
trudy.kealy@pwc.com

Paul James Cashman-Roberts
Manager
Paul.james.cashman-roberts@pwc.com