

COMPANIES INCORPORATED OUTSIDE KENYA

These are foreign companies and are in two categories:

- A foreign company having a branch in Kenya
- A foreign company registered in Kenya.

Information that a foreign registered company should submit with the Registrar

(Dec 2011Q 5A, May 2014 Q 4A)

- The charter or the memorandum of association of the company.
- Information concerning of the principal office in Kenya.
- A list of directors and secretaries and their particulars.
- A list of shareholders including their personal details.
- A certified copy of the certificate of incorporation

Upon delivering the above documents, a foreign company shall have the powers to hold land in Kenya.

Returns of Foreign Company

Foreign company are supposed to make the following returns:

- Any alteration to charter, statutes or memorandum and articles of association of foreign company
- Alteration to the list of directors or secretary of a foreign company or the particulars contained in the list of the directors and secretary
- Alteration in the names or postal addresses of the persons authorized to accept service on behalf of a foreign company
- Alteration of the address of the registered or principal office of a foreign company

Rules governing stating the Name of a foreign company (DEC 2012, Q2A)

- The name and country of incorporation must be exhibited conspicuously in every premises it carries on business.
- The name and country of incorporation must be shown on every prospectus issued by the company.
- The name, and country of incorporation must be indicated in all business documents and official publication of the company.
- If the liability of the company is limited, the fact must be indicated on every prospectus and business documents.

Consequences of contravening the legal provisions in regard to name of a foreign company.

- The company shall be liable to a default fine. The liability shall be imposed on the local representatives.
- The company shall be compelled by the registrar to comply.

Circumstances of striking the name of a foreign company from the register (June 2013 Q 7A)

- When the foreign company ceases to carry on business in Kenya.
- When the company is dissolved or deregistered in the country of origin

Particulars of the prospectus of shares of a foreign company (June 2011 Q 1B, Dec 2013 Q 4A)

- The instrument constituting or defining the constitution of the company.
- The date on which and place the company was incorporated.
- The enactment (law) under which the incorporation of the company was incorporated.
- Whether the company has established a place of business in Kenya.
- The shares or securities being offered.
- Management structure of the company.
- Whether the company has received approval from the capital market authority and Nairobi stock exchange to have its securities floated in Kenya.

Accounts of Foreign Companies

- Balance sheet/Statement of Financial Position
- Profit and loss Account/Income statement
- Group Account if it is a holding company

Service of Foreign Company

- Any process or notice required to be served on a foreign company shall be sufficiently if addressed to any person whose name has been delivered to the registrar.
- Any process or notice can be sent by registered post to the address which has been delivered to the registrar if:
- The company makes default in delivering to the registrar the name and address of a person residing in Kenya who is authorized to be served on behalf the company
- If the persons whose names and addresses have been so delivered are dead or have ceased to reside in Kenya or have refused to accept service on behalf of the company or for any reason cannot be served.

Cessation of Business of Foreign Company

If any foreign company ceases to have a place of business in Kenya, it is required to notify the registrar who removes the name of the company from the register and the company ceases to have business in Kenya.

The registrar has reasonable cause to believe that a foreign company has ceased to have a place of business in Kenya, he may send by registered post to the person authorized to accept service on behalf of the company

If the registrar receives an answer to the effect that the company has ceased to have a place of business in Kenya or does not within three months receive any reply, he may strike the name of the company off the register.