

Reinstating a Jersey company – A practical guide

Under Article 213(1) of the Companies (Jersey) Law 1991, the Jersey court has the power to reinstate a company that has been dissolved and may give directions to return the company and third parties to the position they would have been in if the company had not been dissolved.

Why reinstate a company?

Jersey companies may be dissolved where they have been voluntarily liquidated, subject to a creditors winding up, or subject to a declaration of *désastre* (a Jersey insolvency process). Frequently, companies are struck off the register and dissolved for failing to file annual returns. Companies are frequently reinstated because an asset (such as a bank account) that it held prior to dissolution had not been distributed, or so that they can be party to legal proceedings.

Who can apply?

An application to reinstate a company can be made by the liquidator of a company or any other person who is interested, such as a former shareholder, director or creditor. Trustees, where they held shares in a dissolved company likewise fall under the category of interested persons.

What is the process?

Company reinstatements are court applications made by way of a Representation. Applicants must obtain the consent of both the Companies Registrar and the Income Tax Comptroller. Consent is generally granted once the following conditions have been met:

- a) any outstanding fees or penalties have been paid;
- b) the company has a confirmed registered office; and
- c) the Company Registrar has been provided with information on beneficial ownership and company activities which he may request.

Once consent has been received from the Registrar and Comptroller, the Representation is lodged with the Judicial Greffe. The Representation must set out the registration number, shareholders and former directors of the company as well as providing any reasons for why the company was struck off, together with exhibit sheets attaching the Registrar and Comptroller's confirmations.

Is there a time limit?

Applications for company reinstatements must be made within 10 years of the company's dissolution. Once the 10 year limit has passed, the Crown is entitled to keep the company's assets.

How long does an application take?

Company reinstatement applications can often be processed and completed within two or three working weeks. Applicants should factor in additional time for gathering relevant background or ownership documentation before starting the application process.

How can Dickinson Gleeson help?

Company reinstatement applications are a straight-forward and powerful tool for asset recovery and litigation. Dickinson Gleeson's partner-led approach gives applicants a responsive and professional service, as well as enabling the firm to quote competitively for company reinstatement applications.

For more information, please contact Edward Scott (edward.scott@dgadvocates.com) or Craig Swart (craig.swart@dgadvocates.com).

This briefing is intended to give a summary of Jersey law and practice in this area. It should not be relied on as legal advice.