

**“YOUR BUSINESS, OUR FOCUS”**

**MEDIA RELEASE: Annual Returns Compliance Programme – Focus on the Public Companies**

The Companies and Intellectual Property Commission has as one of its objectives in terms of Section 186 (1) (d), a responsibility to “promote compliance with the Act”. Inherent to this responsibility is the “efficient, effective and widest possible enforcement of the Act” as stipulated in Section 186 (1) (e).

Companies and Intellectual Property Commission (CIPC) has as some of its responsibilities to monitor compliance with the requirements of the Companies Act, 71 of 2008. CIPC has observed that companies do not file their annual returns nor their annual financial statements as required by section 33 of the Companies Act.

There is an increasing percentage of the public companies that continuously fail to file their annual returns timeously. CIPC will in few weeks embark on a Compliance Programme to visit public companies that failed to file annual returns. Inspectors will be appointed by the Commissioner and site visit will be conducted to those affected public companies across the country. In terms of section 30 of the Companies Act, the public companies are required to prepare annual financial statements and have them audited. Furthermore, the Companies Regulations 30(2), requires the same public companies to file a copy of the latest approved audited annual financial statements with CIPC on the date that it files its annual returns.

The aim of the compliance drive is to ensure that:

- Registered public companies file their Annual Returns within their the prescribed period of time and if not, to encourage them to comply with the Companies Act, 2008;
- File annual financial statements via XBRL (for more information see, [www.cipc.co.za](http://www.cipc.co.za));
- To create awareness and education around the filing of Annual Returns by public companies;
- Identify any possible areas for further investigation into their compliance with the Companies Act, 2008
- Understand the challenges as to why these public companies are not filing Annual Returns within the prescribed period of time;
- Collect data to develop a comprehensive compliance profile of public companies.

ENDS

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