

# Flash report

15 January 2019

Issue 2



**This flash report is issued as a reminder of some key reoccurring annual events relating to the Companies Act 2015 which came into effect from 1 January 2016**

## Contents

Annual prescribed registration fee

Solvency resolution

Lodgement of annual reports or proforma financial statements

Financial statements (relating to foreign companies)

Late lodgement fees

Annual General Meeting

## Prescribed registration fee

- The Companies Act 2015 provides that companies/businesses are required to pay an annual prescribed registration fee (APRF) **within 28 days after the anniversary** of the day on which it is registered. A fixed penalty applies where the APRF is not paid within 28 days
- The prescribed registration fee and fixed penalty are based on the type and gross turnover of the company/business

## Solvency Resolution

- An annual Solvency Resolution must be passed by the company's director(s) **within 2 months after the end of each financial year**. For companies with 31 December balance dates, the solvency Resolution must be passed by 28 February of the following year
- Where the directors of a company have lodged an Annual Report or Proforma Financial Statements with the Registrar under Part 32 of the Companies Act 2015 within the last financial year, the above provision does not apply
- Where a Solvency Resolution is not passed within 2 months after the end of each financial year then the company must notify the Registrar of that fact within 7 days after the end of the 2 month period after the financial year
- In the event that the director(s) has passed a negative Solvency Resolution the company must notify the Registrar (in a prescribed form), within 7 days after the resolution was passed

## Lodgement of Annual Reports or Proforma Financial Statements

- Audited Financial Statements and a Directors' report must be prepared for each financial year by all:
  - Public Companies;
  - Large Private Companies; and
  - Managed Investment Schemes
- Proforma Financial Statements must be prepared for each financial year by:
  - all Medium Private Companies; and
  - Small Private Companies where controlled by a person resident outside of Fiji or by a corporation incorporated outside of Fiji for all or part of the year unless:
    - ♦ it is consolidated for that period in Financial Statements or Proforma Financial Statements for that year lodged with the Registrar
- A Company or Managed Investment Scheme that has to prepare an Annual Report or Proforma Financial Statements for a financial year under the Companies Act 2015 must lodge the Annual Report or Proforma Financial Statements with the Registrar **within 4 months after the end of the financial year**

- Companies are required to write to the Registrar if they wish to seek extension of time for lodgement of Annual Reports or Proforma Financial Statements. The Registrar may extend the 4 months period by an additional 2 months if he or she is satisfied that there are reasonable grounds for granting the extension
- Where a Small Private Company prepares Financial Statements and a Directors' Report or Proforma Financial Statements or where a Medium Private Company prepares Financial Statements and a Directors' Report in response to a Member(s) or Registrar's direction under section 389 of the Companies Act 2015, these are not required to be lodged with the Registrar, unless directed
- The Registrar may make any Annual Report or Proforma Financial Statements lodged with the Registrar publicly available

#### Financial statements (relating to Foreign Companies)

- Where a registered Foreign Company is required to prepare financial statements under the law of its place of incorporation or formation, the Foreign Company must at least **once in every calendar year and at intervals of not more than 15 months**, lodge a copy of those Financial Statements together with a statement in writing in the Prescribed Form, verifying that the copies are true copies of the documents so required
- The Registrar may extend the period of lodgement of the Financial Statements
- Irrespective of the requirements in the home country, the Company must prepare and lodge Financial Statements if required to do so by the Registrar, in the form and time required by the Registrar

#### Late lodgement fees

- Below are the late lodgement fees for the late lodgement of Financial Statements with the Registrar:

| Entity                   | within 1 month after due date | within 3 months after due date | > 6 months after due date |
|--------------------------|-------------------------------|--------------------------------|---------------------------|
| Small Private Company    | \$5                           | \$10                           | \$50                      |
| Foreign Company          | \$100                         | \$200                          | \$1,000                   |
| Listed Company           | \$100                         | \$200                          | \$1,000                   |
| Company not listed above | \$50                          | \$100                          | \$500                     |

#### Annual General Meeting (AGM)

- Companies must hold an AGM at least once in each calendar year and **within 6 months after the end of its financial year**
- Companies may apply to the Register to extend the period within which the Company is required to hold an AGM. The application must be made before the end of the period within which the Company is required to hold an AGM. Where the Registrar grants an extension, the Company must hold its AGM within the extended period

Please contact your KPMG client service partner or team member if you require any further information or assistance with the above matters

#### Contact us

##### Suva

**Partners:** Michael Yee Joy  
Lisa Apted  
Steve Nutley  
Anare Manulevu

**Tax:** Annie Yuen  
Nalin Kumar  
Shazmeen Hussain

##### Business

**Services:** Reshma Chand  
Priya Prasad  
Natasa Dutt

**T** +679 330 1155  
**F** +679 330 1312

##### Nadi

**Partners:** Renu Chand  
Sharvek Naidu

##### Business

**Services:** Radika Raj

**T** +679 672 7188  
**F** +679 672 7183

#### IMPORTANT

This flash report is issued in summary form exclusively for the information of clients and staff of KPMG and should not be used or relied upon as a substitute for detailed advice or as a basis for formulating business decisions.