



<b>Designated Activity Company</b>
1. Minimum number of Directors = 2
2. 1-149 Shareholders
3. Company activity limited to those which are in line with the objectives stated in the Objects Clause
4. Company Secretary can be a Director
5. Must hold an AGM
6. Must have authorised share capital
7. Can list Debts and Securities
8. Can be a Credit Institution or Insurance Undertaking



EOS Solicitors  
 The Rubicon Centre,  
 CIT Campus,  
 Bishopstown,  
 Cork

Phone: +353 21 492 8939  
 Email: [info@eossolicitors.ie](mailto:info@eossolicitors.ie)




**Company Conversions**  
**Under the Companies Act**  
**2014**

EOS Solicitors  
*Efficient, Cost Effective, Streamlined*  
*Legal Services.*



For a large number of both small and big businesses in Ireland they carry out their business activities under a company. For the majority these companies were set up by Accountants and the company owners are not entirely familiar with the details of the Company but they need to be as at the end of 2014 the much anticipated “new” Companies Act was finally signed into law. From an everyday life point of view one of the most substantive requirements of the Act was that every company currently registered with the Irish Companies Registration Office (CRO) must “convert” to one of the new company types.

Under Act Companies have until the 30<sup>th</sup> of November 2016 to convert which seemed like a long time back in January 2015 but now facing into the final weeks of November it doesn't seem so long.

In particular for companies who want to convert to a “Designated Activity Company” (for more information on Designated Activity Company see the table below” they must pass the necessary resolution by the **31<sup>st</sup> of August 2016**. Unfortunately converting isn't as easy as simply passing a resolution as further paperwork must be filed with the CRO.

Those companies who want to convert to the “LTD” company type under the new act they have more time but the CRO is advising that this should be done as soon as possible as given there are at present approximately 200,000 companies on the Irish register who need to convert under the 2014 Act and the CRO has advised there is no guarantee that applications received towards the end of the **30<sup>th</sup> November** deadline will be processed before that date.

On the plus side companies that don't get around to converting before the deadline will be automatically converted to an LTD on the 1<sup>st</sup> of December 2016. However, depending on the nature of the company this company type may not in fact be suitable. In addition technically a Director of a company who hasn't converted before the deadline date have failed to carry their duties as a Director.

For companies who haven't yet converted they should consider which Company Type is most suitable for them and begin the conversion process as soon as possible.

## Comparison of Company

### Types under 2014 Act

LTD
1. Minimum number of Directors = 1
2. 1-149 Shareholders
3. No Object Clause required
4. Sole Director cannot be Company Secretary
5. Can dispense with requirement to hold an AGM provided required procedure is followed.
6. No requirement to have authorised Share Capital
7. Cannot list Debts or Securities
8. Cannot be a Credit Institution or Insurance Undertaking