

COMPANIES AND ALLIED MATTERS ACT (AMENDMENT) BILL, 2022

ARRANGEMENT OF CLAUSES

Clauses:

1. Amendment of the Principal Act
2. Amendment of Section 2
3. Amendment of Section 831
4. Amendment of Section 838
5. Amendment of Section 839
6. Amendment of Section 842
7. Amendment of Section 843
8. Amendment of Section 844
9. Amendment of Section 845
10. Amendment of Section 846
11. Amendment of Section 848
12. Amendment of Section 849
13. Citation

A BILL

FOR

AN ACT TO AMEND THE COMPANIES AND ALLIED MATTERS ACT, 2020 TO
STRENGTHEN THE OPERATIONS OF NON-GOVERNMENTAL ORGANISATIONS
IN NIGERIA, AND THEIR COMPLIANCE WITH THE PROVISIONS OF THIS ACT
AND FOR RELATED MATTERS

Sponsored by Senator Ibrahim Yahaya Oloriegbe

[] Commencement

ENACTED by the National Assembly of the Federal Republic of
Nigeria as follow:

- | | | | |
|----|----|---|--|
| 1 | 2 | 1. The Companies and Allied Matters Act, 2020 (in this Bill | Amendment of
the Companies
and Allied Matters
Act, 2020 |
| 3 | 4 | referred to as the "Principal Act") is hereby amended as contained herein. | |
| 5 | 6 | 2. Section 2 (2) (b) of the Principal Act is amended by inserting a | Amendment of
Section 2 |
| 7 | 8 | new sub-paragraph "ix" as follows: | |
| 9 | 10 | "(ix) Non-Governmental Organisations Community appointed by | |
| 11 | 12 | the Minister, and" | |
| 13 | 14 | 3. Section 831 of the Principal Act is hereby deleted. | Amendment of
Section 831 |
| 15 | 16 | 4. Section 838 (3) of the Principal Act is amended by deleting the | Amendment of
Section 838 |
| 17 | 18 | word "he" in Line Two, to read as follows- | |
| 19 | 20 | "(3) A person who knowingly acts or joins in acting in | |
| 21 | 22 | contravention of this section, is liable to refund such income or property so | |
| 23 | 24 | misapplied to the association." | |
| 25 | 26 | 5. Section 839 of the Principal Act is amended by- | Amendment of
Section 839 |
| 27 | 28 | (a) Substituting for sub-section (1) a new sub-section "(1)"- | |
| 29 | 30 | "(1) The Commission or one-fifth of members of an association | |
| 31 | 32 | may apply at the Federal High Court, through a motion on notice, for an | |
| 33 | 34 | order to suspend the trustees of an association and appoint an interim | |
| 35 | 36 | manager or managers to manage the affairs of an association where there is | |
| 37 | 38 | demonstrable evidence that- | |

1 (a) there is or has been any misconduct or mismanagement in the
2 administration of the association;

3 (b) it is necessary or desirable for the purpose of-

4 (i) protecting the property of the association,

5 (ii) securing a proper application for the property of the association
6 towards achieving the objects of the association, the purposes of the
7 association of that property or of the property coming to the association,

8 (iii) public interest; or

9 (c) the affairs of the association are being run fraudulently."

10 (b) Substituting for sub-section (2) a new sub-section "(2)"-

11 "(2) The court upon hearing the motion on notice, may issue an order
12 suspending the trustees and proceed to appoint an interim manager or
13 managers upon the petitioners presenting all reasonable evidence or such
14 evidence as may be requested by the Court in respect of the petition;

15 Provided that duration for the appointment of an interim manager or
16 managers shall not exceed a period of 6 months from the date of the order for
17 suspension of the trustees."

18 (c) Substituting for sub-section (3) a new sub-section "(3)"-

19 "(3) The Court with the assistance of the Commission, may-

20 (a) make provision with respect to the functions to be performed by
21 the interim manager or managers appointed, which may include the powers
22 and duties of the trustees of the association concerned and any other power or
23 duty specified in the order;

24 (b) make provision for the remuneration of the interim manager or
25 managers, which payment shall not be made from the funds of the association."

26 (d) Substituting for sub-section (4) a new sub-section "(4)"-

27 "(4) The functions referred to in subsection (3) shall be performed by
28 the interim manager or managers under the supervision of the Commission and
29 they shall report on their activities to the Commission in the manner prescribed
30 by the Commission."

1	(e) Deleting sub-sections (5), (6), (7), (8), and (9).	
2	6. Section 842 of the Principal Act is hereby deleted.	Amendment of Section 842
3	7. Section 843 of the Principal Act is hereby deleted.	Amendment of Section 843
4	8. Section 844 of the Principal Act is hereby deleted.	Amendment of Section 844
5	9. Section 845 (1) of the Principal Act is amended by-	Amendment of Section 845
6	(a) deleting the words "a bi-annual" in Line One and replacing it	
7	with the words "an annual".	
8	(b) inserting immediately after the word "Association" in Line	
9	Two, the words "at the end of its fiscal year", and to read as follows:	
10	“(1) The trustees of an association shall submit to the Commission	
11	an annual statement of affairs of the association at the end of its fiscal year,	
12	as the Commission shall specify in its regulations."	
13	10. Section 846(5) of the Principal Act is amended by substituting	Amendment of Section 846
14	for sub-section (5) a new sub-section "(5)"-	
15	"(5) The financial year of an association, where not made by the	
16	association shall be determined by the Commission through regulations	
17	issued under subsection (3) for the purposes of this Act and any regulation	
18	made under it."	
19	11. Section 848 (1) of the Principal Act is amended by deleting the	Amendment of Section 848
20	words "earlier than 30th June or" in Line One, to read as follows:	
21	"(1) The trustees of the association shall, not later than 31st	
22	December each year (other than the year in which it is incorporated), submit	
23	to the Commission a return showing the name of the association, the names,	
24	addresses and occupations of the trustees, and members of the council or	
25	governing body, particulars of any land held by the corporate body during	
26	the year, and of any change which has taken place in the constitution of the	
27	association during the preceding year."	
28	12. Section 849 of the Principal Act is amended by-	Amendment of Section 849
29	(a) inserting immediately after the word "may" in Line One, the	
30	words "decide to",	

1 (b) deleting the word "to" in Line Two and replacing it with the word
2 "the", to read as follows:

3 “(849) Two or more associations with similar aims and objects may
4 decide to merge under terms and conditions as the Commission may prescribe
5 by regulation.”

Citation

6 **13.** The Bill may be cited as the Companies and Allied Matters Act
7 (Amendment) Bill, 2022.

EXPLANATORY MEMORANDUM

This Bill seeks to amend the Companies and Allied Matters Act 2020, to strengthen the operations of non-governmental organisations in Nigeria and their compliance with the provisions of this Act.