THE RIDGE LEGAL CONSULTANTS BUSINESS REGISTRATION SERIES

VOLUME 1

BUSINESS STRUCTURE DECISION CHECKLIST

Purpose: To **h**elp prospective entrepreneurs choose the most suitable legal structure in Nigeria.

1.1 STEP 1: DEFINE YOUR PURPOSE

- Is the business for profit?
- Will you operate alone or with others?
- Will you seek investors?

1.2 STEP 2: CONSIDER THE OPTIONS

- Business Name
- Private Company Limited by Shares (Ltd)
- Company Limited by Guarantee (Ltd/Gte)
- Incorporated Trustees (for NGOs/Associations)

1.3 DECISION CHECKLIST

- Do I need a limited liability
- Do I need a separate legal identity
- Do I need an easy access to funding
- Do I need perpetual succession
- Do I need a lower compliance burden

1.4 DOCUMENTS TO PREPARE

- Means of identification (Government Approved)
- Proposed business names
- Business objectives
- Directors/Owners details
- Address

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- Email and phone

1.5 Common Mistakes

- Choosing the wrong structure
- Registering before planning ownership
- Ignoring future growth
- Not seeking professional advice

1.6 Relevant Nigerian Regulators

- Corporate Affairs Commission (CAC)
- Federal Inland Revenue Service (FIRS)
- SCUML (where applicable)

1.7 The Ridge Legal Practice Tip

- Choose the structure that suits where your business will be in 3–5 years, not just where it is today.

1.8 Notes

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