



www.growkudos.co

GoogleAnalytics

GoogleScholar



KBLSP Journal

Open Research Europe

CERN

THE COMPANY SECRETARY AND CORPORATE GOVERNANCE UNDER NIGERIAN COMPANY LAW: REASSESSING THE SMALL-COMPANY EXEMPTION UNDER CAMA 2020

•Oaihimire Idemudia Edetalehn

•Oaihimire Ruth Omonkhefe

1[PhD, FICMC, MC Arb], Senior Lecturer in the Department of Private and Property Law, Faculty of Law, Edo State University, Iyamho, Edo State, Nigeria.

<oaihimire.edetalehn@edouniversity.edu.ng> | [\[https://orcid.org/0009-0007-1507-2815\]](https://orcid.org/0009-0007-1507-2815)

2Doctoral Candidate, Oba Erediauwa College of Law, Igbinedion University, Okada & Ag. Director, Civil Litigation, Edo State Ministry of Justice, Edo State, Nigeria.

<ruth.oaihimire@iuokada.edu.ng> | [\[https://orcid.org/0009-0003-5861-5585\]](https://orcid.org/0009-0003-5861-5585)

10.5281/zenodo.23635980

Abstract

The company secretary occupies an increasingly significant position in Nigerian corporate governance and regulatory compliance. Section 330(1) of the Companies and Allied Matters Act 2020 (CAMA 2020) requires every company, other than a qualifying small company, to appoint a secretary. That exemption reflects a legislative preference for proportionate regulation and lighter compliance burdens on smaller enterprises, yet it raises a governance question: whether dispensing with the mandatory appointment of a secretary also creates uncertainty over who remains responsible for the functions the office ordinarily performs. Against this background, the authors argued that exemption from appointing a secretary should not be read as an exemption from the corporate governance and compliance obligations the office ordinarily discharges, and that the financial and ownership criteria used to define a small company do not always track its governance complexity. The paper therefore maintained that rather than abolishing the exemption, the need for a graduated framework under which qualifying small companies retain the statutory exemption while receiving greater clarity on responsibility for secretarial and compliance functions, on voluntary appointment of competent secretaries on transition, when a company outgrows small-company status, and on governance-sensitive regulatory intervention. The authors concluded that such an approach would preserve proportionality while strengthening corporate accountability under Nigerian law.

Keywords: Company Secretary; Small-Company Exemption; Corporate Governance; Comparative Company Law.

©Terms and conditions of access and use can be found at <https://www.kbsjournals.com/index.php/kblsp>

1. Introduction

The company secretary occupies a distinctive position in contemporary corporate law. Once regarded chiefly as an administrative officer, the role has grown into one concerned with corporate compliance, board administration, statutory record-keeping,

regulatory communication and the effective functioning of governance structures generally. Both legislation and modern governance codes now reflect this shift.

In Nigeria, the Companies and Allied Matters Act 2020 (CAMA 2020) supplies the principal statutory framework governing the appointment and functions of company secretaries. Section 330(1) provides that, except in the case of a small company, every company shall have a secretary.¹ This marks a departure from treating the appointment of a secretary as a purely formal requirement and reflects a legislative objective of reducing unnecessary regulatory burdens on smaller enterprises.

The exemption nevertheless raises several questions. If a small company need not appoint a secretary, who is responsible for the functions ordinarily associated with the office? Does the exemption merely dispense with the office, or does it also relieve the company of the compliance responsibilities the office would otherwise discharge? More fundamentally, is financial size an adequate basis for deciding whether an enterprise needs the governance support a company secretary ordinarily provides?

These questions matter more than they once did, since corporate governance is no longer the preserve of large public companies. Even a relatively small private company may undertake complex transactions, employ a substantial workforce, interact with regulators, hold significant assets, receive external investment, or operate in a heavily regulated industry. Company size and governance complexity, in other words, cannot simply be assumed to move together.

Nor is the modern company secretary merely a filing clerk. Nigerian law recognises the secretary as an officer of the company, and the Nigerian Code of Corporate Governance 2018 (NCCG 2018) assigns the office substantial governance responsibilities, expecting the secretary to guide directors, coordinate induction and training, assist with board planning, facilitate the circulation of board information, and advise on ethics, conflicts of interest and corporate governance.²

The central argument of this article is that the small-company exemption under CAMA 2020 should be read as an exemption from the mandatory appointment of a secretary, not as a general exemption from the compliance responsibilities ordinarily

¹Companies and Allied Matters Act 2020 (Nigeria) (CAMA 2020), s 330(1).

²Financial Reporting Council of Nigeria, Nigerian Code of Corporate Governance 2018 (NCCG 2018), Principle 8.

associated with the office. The distinction matters: it allows the law to keep regulation proportionate without opening a governance vacuum.

The article addressed five questions, inclusive of, what is the contemporary legal status and role of the company secretary under Nigerian company law? Secondly, what statutory and governance responsibilities attach to the office? Thirdly, does the small-company exemption under CAMA 2020 adequately balance regulatory proportionality against governance needs? Fourthly, what lessons might Nigeria draw from selected foreign jurisdictions? Finally, what reforms could improve the present framework without imposing disproportionate burdens on small companies?

The article adopts a doctrinal and comparative methodology. The doctrinal strand examines CAMA 2020, relevant Nigerian judicial authority and the NCCG 2018. The comparative strand considers jurisdictions whose approaches illustrate different methods of regulating company secretaries, not with a view to transplanting foreign rules into Nigerian law, but to identify regulatory principles capable of improving the Nigerian framework.

The article's contribution lies in situating the small-company exemption within the wider relationship between company size, compliance and governance complexity, and in showing that a more satisfactory framework would preserve the exemption while clarifying responsibility for compliance functions and allowing regulatory requirements to respond, where appropriate, to governance complexity rather than size alone.

2. The nature and scope of the exemption of 'small-company' under CAMA 2020

There is need to consider the characteristics of small company as provided in the Company and Allied Matters Act of Nigeria.

I. The Statutory Exemption

S.330(1) provides: "Except in the case of a small company, every company shall have a secretary."³ The provision draws a clear line between the general rule of mandatory

³CAMA 2020, s 330(1).

appointment and the statutory exception for a company falling within the definition of a small company.

S.394 defines a small company by reference to specified financial, ownership and structural criteria. Among other requirements, the company must satisfy the applicable turnover and net-assets thresholds and fall within the statutory ownership conditions.⁴

The exemption thus represents a deliberate legislative decision to reduce the regulatory burden on smaller companies.

II. Exemption from Office is not Exemption from Compliance

The main distinction is between the office of company secretary and the functions the office ordinarily performs.

A company that qualifies as small is not required to appoint a secretary, but it does not follow that the company is relieved of its other statutory obligations concerning records, returns, meetings, corporate documentation or regulatory compliance. The practical performance of such responsibilities may therefore fall to the directors, an employee, an officer, or an external professional adviser, depending on the company's circumstances.

This distinction avoids two opposite errors: assuming that every small company must, in practice, appoint a professional secretary despite the express statutory exemption, and assuming that the exemption eliminates the need for proper corporate administration. The better reading is that CAMA removes the mandatory office while leaving the company's underlying legal responsibilities substantially intact.

III. Who Performs the functions in an Exempt Company?

CAMA 2020 does not establish a separate statutory office that automatically assumes all secretarial functions where a small company elects not to appoint a secretary. S.330(3), however, provides that where the office of secretary is vacant, or there is otherwise no secretary capable of acting, acts required or authorised to be done by the secretary may be performed by an assistant or deputy secretary or, where necessary,

⁴CAMA 2020, S. 394

by an officer of the company generally or specially authorised by the directors.⁵ Although not framed as a comprehensive substitute for the secretary in every exempt small company, the provision shows that the Act contemplates secretary-related functions being performed by other authorised corporate officers.

The position of an exempt small company must therefore be determined by reference to the particular statutory obligation, the company's internal arrangements, and the authority of the person performing the relevant function. The absence of a mandatory secretary does not, of itself, transfer every secretarial responsibility to the directors. Directors remain responsible for the management and supervision of the company, while employees or other officers may perform administrative functions where properly authorised, and the company may engage external professional advisers where specialist legal, accounting or compliance expertise is required.

A distinction should be maintained between performance of a function and ultimate legal responsibility for compliance. A company may delegate the practical task of preparing a return, maintaining records or organising meetings, but such delegation does not necessarily relieve the company, or the person on whom the relevant statute places responsibility, of that legal obligation.

This approach is consistent with proportionality. A small company should not necessarily be required to incur the cost of a formally appointed secretary merely because certain secretarial functions must still be performed; at the same time, the absence of a designated secretary makes the clear allocation of responsibility particularly important. Regulatory guidance should therefore identify the principal functions that remain applicable to exempt companies and clarify how responsibility for their performance may appropriately be allocated.

IV. The Governance Gap

The principal concern is not that every small company lacks governance capacity, but that the present statutory framework may allow responsibility for important compliance functions to become diffuse.

⁵CAMA 2020, s 330(3).

Where no secretary is appointed, the directors may assume responsibility for matters a secretary would otherwise coordinate. In a well-managed small company this creates no difficulty; in a company with weak internal administration, however, the absence of a designated compliance officer may contribute to missed filings, inadequate records, defective meeting procedures, and uncertainty about who is responsible. The problem is therefore one of governance allocation, not simply of staffing.

V. Financial Size and Governance Complexity

The use of financial thresholds to define small companies is understandable, since financial criteria are relatively objective and administratively convenient. Financial size, however, does not necessarily track governance complexity. A company with modest turnover may operate across several jurisdictions, hold valuable intellectual property, receive foreign investment, operate in a regulated sector, or undertake complex contractual arrangements, while a company with comparatively high turnover may have a simple ownership structure and limited governance demands. Financial thresholds are therefore useful as a baseline, but imperfect as the sole indicator of governance need.

VI Should the Exemption Be Abolished?

The answer should be no. Abolishing the exemption would impose additional compliance costs on precisely the enterprises for which the legislature has chosen a proportionate regulatory approach, undermining the broader policy objectives of facilitating entrepreneurship and reducing unnecessary administrative burdens. The better solution is to retain the exemption while improving the surrounding regulatory framework.

VII A Graduated Approach

A graduated approach would recognise three broad categories. First, a genuinely small and straightforward company should remain free to operate without appointing a secretary. Secondly, a small company whose activities have grown more complex should be encouraged to obtain appropriate professional secretarial support, even though formal appointment remains optional. Thirdly, where a company ceases to

satisfy the statutory conditions for small-company status, the obligation to appoint a secretary should become operative, accompanied by appropriate transition guidance.

This model preserves proportionality while recognising that governance needs may differ among companies of similar financial size.

VIII Independence and Compliance Advice

The secretary's governance role also raises a question of independence. A secretary expected to advise directors on statutory compliance should be able to communicate concerns without undue interference. This does not make the secretary independent of the board in the way an independent non-executive director is; rather, it means the secretary should have sufficient professional standing to give objective compliance advice. Where a small company voluntarily appoints a company secretary, that appointment should be regarded as a governance mechanism rather than merely an administrative convenience.

3. Framework on status of the Company Secretary under CAMA 2020

The status of the Company secretary cannot be over-emphasised. However, there are significant material issues to be considered.

1. Historical Development of the Office

The common-law conception of the company secretary was once considerably narrower than the modern understanding of the office. The secretary was historically regarded as an administrative servant of the company rather than a genuine participant in its management, a position illustrated by the early English authority of *Barnett, Hoares & Co v South London Tramways Co*, where the office was treated as no more than a species of ordinary employment.⁶

The position changed as companies grew larger and their administration more complex. In *Panorama Developments (Guildford) Ltd v Fidelis Furnishing Fabrics Ltd*, the English court recognised the company secretary as a senior officer possessing real authority in the administrative sphere of the company's affairs, marking the

⁶*Barnett, Hoares & Co v South London Tramways Co* (1887) 18 QBD 815.

transition from clerical employee to an officer capable of representing the company within a defined sphere of authority.⁷

Nigerian courts have similarly recognised the importance of the office. In *Okeowo v Migliore*, the Supreme Court considered questions concerning the appointment and standing of a company secretary, part of a broader line of Nigerian judicial authority treating the secretary as a distinct corporate office rather than a mere administrative appointment.⁸

The Court of Appeal in *Wimpey (Nig) Ltd v Balogun* likewise described the company secretary as a high-ranking officer forming part of the company's management structure, an authority that still usefully illustrates the modern Nigerian conception of the office.⁹

2. Statutory Status under CAMA 2020

CAMA 2020 regulates the office of company secretary expressly in sections 330 to 335. S.330 establishes the general requirement of appointment, subject to the small-company exemption; S.332 deals with qualifications; S.333 with appointment and removal; S.334 with fiduciary duties; and S.335 with the secretary's functions.¹⁰ The statutory framework thus establishes the company secretary as a distinct corporate officer, a position reinforced by S.868, which brings the secretary within the statutory meaning of "officer" of a company.¹¹

This inclusion is significant, but should not be read as equating the secretary with a director. The office carries distinct statutory responsibilities and operates within a different legal framework; in particular, the secretary does not possess the general decision-making powers vested in the board.

S.335(2) is especially important here. It provides that the secretary shall not, without the authority of the board, exercise any power vested by the Act or the company's articles in the directors.¹² The provision recognises the secretary's importance while

⁷*Panorama Developments (Guildford) Ltd v Fidelis Furnishing Fabrics Ltd* [1971] 2 QB 711.

⁸*Okeowo v Migliore* (1979) 11 SC 138.

⁹*Wimpey (Nig) Ltd v Balogun* (1986) 3 NWLR (Pt 28) 324.

¹⁰CAMA 2020, ss 330-335.

¹¹CAMA 2020, s 868.

¹²CAMA 2020, s 335(2).

preserving the constitutional distinction between administrative and board-level authority.

3. Agency and Authority

The company secretary may act as agent of the company within the scope of authority conferred by law, the company's constitution, the board, or the circumstances of the appointment, and *Panorama Developments* shows that third parties may, in appropriate circumstances, rely on the apparent authority of a secretary in administrative matters.¹³

That principle should not be overstated. The secretary does not possess unrestricted authority to bind the company in every transaction; S.335(2) expressly limits the secretary's ability to exercise powers vested in directors.¹⁴

The secretary's authority is thus best understood as functional and bounded, a distinction that matters both for corporate governance and for allocating responsibility where a secretary acts beyond the authority conferred on the office.

4. Qualification and Appointment

S.332 places directors under a duty to take reasonable steps to ensure that the secretary has the requisite knowledge and experience to discharge the functions of the office, with additional qualification requirements applying to public companies.¹⁵ This provision reflects an important policy choice: the effectiveness of the company secretary depends not simply on the existence of the office but on the competence of the person occupying it.

S.333 regulates appointment and removal, and the statutory scheme as a whole treats appointment of a secretary as a matter requiring genuine corporate consideration rather than a purely clerical exercise.¹⁶

5. Statutory Functions

S.335(1) identifies the principal statutory functions of the company secretary. The secretary must, among other things, attend meetings of the company, the board and its committees where required, render secretarial services, and advise the company on

¹³*Panorama Developments (Guildford) Ltd v Fidelis Furnishing Fabrics Ltd* (n 2).

¹⁴CAMA 2020, s 335(2).

¹⁵CAMA 2020, s 332.

¹⁶CAMA 2020, s 333.

compliance with applicable rules and regulations.¹⁷ The secretary is also responsible for maintaining statutory registers and records, ensuring the preparation and filing of required returns and notifications with the Corporate Affairs Commission, and performing such administrative and other secretarial duties as the directors or the company direct.

These responsibilities show that the statutory role extends well beyond clerical administration: record-keeping, regulatory filing, compliance advice and board administration are all components of effective corporate governance.

6. Fiduciary Considerations

S.334 requires careful treatment. Mere status as an officer does not automatically saddle the secretary with every fiduciary duty owed by directors; however, where the secretary acts as an agent, fiduciary obligations may arise, including duties relating to conflicts of interest, confidential information, unauthorised profits, and the proper exercise of entrusted authority.¹⁸

The distinction matters because the law should not impose director-level responsibilities on a secretary merely by virtue of office. Liability must instead be tied to the person's actual role, authority, conduct and the applicable statutory or common-law principles.

7. The Company Secretary and Corporate Governance

The NCCG 2018 significantly broadens the understanding of the secretary's governance function. Principle 8 recognises the secretary as an important link between the board, management and the wider governance structure.¹⁹ Among other responsibilities, the secretary is expected to guide directors in discharging their duties, coordinate director induction and training, assist with board planning, notify directors of meetings and matters requiring attention, compile board papers, ensure board decisions are properly recorded and communicated, and advise on ethics, conflicts of interest and governance generally.

The secretary also bears responsibility for the flow of information within the board and its committees, and between senior management and non-executive directors.

¹⁷CAMA 2020, s 335(1).

¹⁸CAMA 2020, s 334.

¹⁹NCCG 2018, Principle 8.

What these provisions show is that the company secretary has become part of the institutional infrastructure through which good governance operates. The office is better understood, in short, as a compliance and governance function with administrative dimensions, rather than an administrative function with occasional governance responsibilities.

4. Comparative perspective and incidental Lesson for Nigeria

It is imperative to do comparisons with other jurisdictions, including the UK, Australia, Singapore, South Africa and India, in order to properly situate Nigeria.

A. Comparative framework

I. United Kingdom

The United Kingdom offers a useful example of a jurisdiction permitting private companies to operate without a mandatory company secretary. S.270 of the Companies Act 2006 provides that a private company is not required to have a secretary.²⁰ The UK model shows that mandatory appointment is not indispensable to an effective company-law system; corporate responsibilities can instead be allocated among directors and other corporate actors.

The lesson for Nigeria is not that the UK model should be copied, but that a statutory exemption can coexist with a functioning corporate compliance framework.

II. Australia

Australia draws a similar distinction. S.204A of the Corporations Act 2001 provides that a proprietary company is not required to have a secretary, while a public company must have at least one.²¹

Australia offers a particularly useful comparison, because its law addresses the consequences of a proprietary company operating without a secretary: S. 188 makes directors of such companies responsible where specified corporate obligations are contravened, and no secretary is in place.²²

²⁰Companies Act 2006 (UK), s 270.

²¹Corporations Act 2001 (Cth), s 204A.

²²Corporations Act 2001 (Cth), s 188.

This demonstrates an important principle: removing the office does not remove responsibility, an approach that supports the central argument of this article and offers a useful model for Nigerian regulatory development.

III. Singapore

Singapore adopts a more prescriptive model. S.171 of the Companies Act requires every company to have one or more secretaries and imposes competence requirements.²³

The Singapore model places greater emphasis on universal corporate secretarial support, and demonstrates the possible advantages of ensuring that corporate records and compliance responsibilities are supported by a designated professional office. Its principal disadvantage for Nigeria is that universal appointment could impose disproportionate costs on smaller enterprises.

IV. South Africa

South Africa adopts a differentiated model under the Companies Act 71 of 2008.²⁴ The statutory requirement for a company secretary applies principally to public and state-owned companies, subject to statutory qualification and residence requirements. The model shows that a company-law system can distinguish between categories of companies by governance significance rather than treating every company identically.

V. India

India takes a more interventionist approach. The Companies Act 2013 contains provisions on key managerial personnel, company secretaries and secretarial audit for prescribed companies.²⁵ The Indian framework demonstrates the possibility of linking professional company-secretarial requirements to the size and governance characteristics of a company; however, the Nigerian regulatory environment differs materially from India's, so direct transplantation would be inappropriate.

²³Companies Act 1967 (Singapore), s 171.

²⁴Companies Act 71 of 2008 (South Africa).

²⁵Companies Act 2013 (India).

B. Summary of the comparison

The comparative evidence reveals three broad regulatory models: the exemption model, under which smaller private companies may operate without a secretary (the UK and Australia); the universal appointment model (Singapore); and the graduated governance model, under which mandatory professional secretarial support is concentrated on companies whose size, public character or governance significance justifies it (South Africa and India provide useful examples).

Nigeria already sits closer to the first and third models, since CAMA 2020 expressly exempts small companies while retaining the general requirement for other companies. The principal task is therefore not to replace the existing model, but to clarify and improve it.

5. Reform Options and the future of the Company Secretary

The first arm here considers the available reform options and thereafter, the future of the Company Secretary.

I. Retaining the Statutory Exemption

The small-company exemption should be retained. It reflects the legitimate principle that regulatory requirements should be proportionate to the size and circumstances of the enterprise.

II. Clear CAC Guidance

The Corporate Affairs Commission should issue accessible guidance explaining:

- i. The criteria for small-company status;
- ii. The effect of the exemption;
- iii. The corporate functions that remain applicable to exempt companies;
- iv. Who may perform those functions;
- v.. The consequences of ceasing to qualify as a small company; and
- vi. The circumstances in which voluntary appointment of a company secretary may be advisable.

Such guidance would reduce uncertainty without requiring legislative amendment to every operational detail.

III. Clear Allocation of Responsibility

Where a small company does not appoint a secretary, responsibility for statutory filings, corporate records, meetings and regulatory communications should be clearly allocated internally. Directors should not be permitted to assume that the absence of a secretary means an absence of responsibility.

IV. Voluntary Appointment

Small companies should be encouraged, rather than compelled in every case, to appoint competent company secretaries where their governance needs justify it. Voluntary appointment may be particularly valuable where a company has external investors, multiple directors, substantial contractual commitments, significant regulatory exposure or complex ownership arrangements.

V. Transition When the Company Ceases to Qualify

A company may grow beyond the statutory definition of a small company, and the regulatory framework should make that transition as clear as possible. CAC guidance should explain the point at which the mandatory appointment requirement arises and provide an appropriate compliance pathway.

VI. Governance-Sensitive Regulation

The regulatory framework should move gradually towards a more governance-sensitive approach. Financial thresholds should remain the primary statutory mechanism, given their objectivity, but sectoral regulators and the CAC should be able to recognise circumstances in which governance complexity justifies additional compliance support. This would be preferable to imposing a universal professional-secretary requirement on all small companies.

VII. Strengthening the Governance Function

Where a company appoints a secretary, the appointment should be understood in substantive terms; the secretary should not be reduced to a filing intermediary. The governance responsibilities identified by Principle 8 of the NCCG should guide the

operation of the office, particularly where the secretary is involved in board administration and compliance.²⁶

VIII. Professional Competence and Continuing Development

The quality of the company-secretary function depends on competence. Professional bodies and regulatory institutions should therefore encourage continuing professional development in company law, corporate governance, digital compliance, data protection, anti-money-laundering obligations and emerging regulatory requirements. The objective should be competence rather than unnecessary credentialism.

VIX. Access to Objective Compliance Advice

Company secretaries should be able to give the board candid compliance advice. Where a company voluntarily appoints a secretary, the governance structure should allow the secretary to communicate material compliance concerns to the board without inappropriate interference, particularly where that advice conflicts with management's immediate commercial preferences.

X. Proportionate Liability

The secretary's legal responsibilities should remain connected to the person's actual statutory functions, authority and conduct. That the secretary is an officer should not automatically result in personal liability for every corporate default; equally, an officer who knowingly participates in a contravention, or breaches a specific statutory or fiduciary obligation, should not escape responsibility merely because the office is described as administrative. A balanced approach should therefore distinguish corporate liability, directors' responsibility and the secretary's personal responsibility.

XI. Digital Corporate Compliance

The growing digitalisation of corporate registration and filing offers an opportunity to simplify compliance for small companies. The CAC's digital platforms should continue to facilitate electronic filing, reminders of statutory obligations, and accessible compliance information. Digital compliance systems can reduce the need for a permanent in-house secretary while ensuring companies remain aware of their obligations.

²⁶NCCG 2018, Principle 8.

XII. A Balanced Regulatory Model

The most appropriate Nigerian model is therefore neither universal mandatory appointment nor complete deregulation. The preferred model combines mandatory appointment for companies covered by S.330; statutory exemption for qualifying small companies; clear allocation of compliance responsibilities; voluntary professional appointment where appropriate; and enhanced governance expectations where company size or complexity warrants them. This reflects proportionality without sacrificing accountability.

XIII. Periodic Review

The statutory thresholds and regulatory consequences attached to small-company status should be reviewed periodically. Economic conditions, inflation, technological development and changes in business structures may render financial thresholds less effective over time, and periodic review would keep the definition responsive to contemporary commercial realities.

XIV. Looking Ahead

As Nigerian corporate governance continues to evolve, particularly with growing attention to environmental, social and governance (ESG) reporting, data protection and financial technology regulation, the demands on the company-secretarial function are likely to expand rather than shrink, even for companies exempted from mandatory appointment. Regulatory reform should accordingly be forward-looking, anticipating the compliance burdens that smaller but fast-growing enterprises are likely to face, rather than treating the small-company exemption as a rule fixed permanently to present circumstances.

6. Conclusion and Recommendations

The company secretary has evolved considerably under modern company law, and Nigerian law no longer supports a conception of the office as merely clerical. CAMA 2020 establishes the secretary as a corporate officer with statutory responsibilities relating to meetings, records, regulatory filings and compliance, while the NCCG 2018 assigns the office significant governance responsibilities as well.

The exemption in S.330(1) is therefore significant. It represents a deliberate policy of proportionate regulation, relieving qualifying small companies of the obligation to

appoint a company secretary.²⁷ The exemption is defensible and should not be abolished.

The difficulty lies in treating the exemption as though it also removes the underlying responsibilities of corporate compliance. It does not. A small company remains a legal entity subject to the statutory obligations applicable to it, and where no secretary is appointed, the company must ensure that relevant corporate and compliance functions are properly performed and that responsibility for them is clearly allocated. Directors may undertake or supervise such functions; employees or other officers may perform them where properly authorised; and professional advisers may be engaged where specialist expertise is required. None of these arrangements, however, should be understood as automatically transferring ultimate statutory responsibility away from the company, or from any person on whom a particular statutory obligation expressly places responsibility.

The analysis also shows that financial size does not always correspond with governance complexity. A company may satisfy the statutory definition of a small company while engaging in activities that warrant more sophisticated corporate administration.

The appropriate response is a graduated regulatory framework. The law should preserve the exemption while providing clearer guidance on responsibility for compliance functions and encouraging voluntary professional support where circumstances justify it.

Based on the foregoing, we therefore recommend as follows;

1. The small-company exemption under S.330(1) CAMA 2020 should be retained.
2. The Corporate Affairs Commission (CAC) should publish clear guidance on the practical consequences of the exemption.
3. That guidance should draw a clear line between exemption from appointment and exemption from corporate compliance obligations.
4. Small companies should be encouraged to identify the persons responsible for statutory records, filings, meetings and corporate compliance.
5. Voluntary appointment of a competent company secretary should be encouraged where the governance needs of a small company justify it.

²⁷CAMA 2020, s 330(1).

6. The CAC should provide clear transition guidance for companies that cease to qualify as small companies.
7. The regulatory framework should increasingly recognise governance complexity as a relevant consideration alongside financial size.
8. Professional bodies should promote continuing professional development for company secretaries, particularly in corporate governance, digital compliance and emerging regulatory requirements.
9. Company secretaries should be able to give boards objective compliance advice without inappropriate interference.
10. The personal liability of company secretaries should be determined by their statutory responsibilities, authority and conduct, rather than by officer status alone.
11. Digital corporate compliance systems should be further developed to help smaller companies meet statutory obligations without unnecessary administrative cost.
12. The statutory definition of a small company, and the operation of the secretary exemption, should be periodically reviewed to ensure continuing relevance to Nigerian commercial realities.

Ultimately, the question is not whether every Nigerian company should have a company secretary, but whether every company has an effective mechanism for ensuring corporate compliance and sound governance. CAMA 2020 has chosen to answer that question through a differentiated model. The task now is to refine that model so that the small-company exemption remains proportionate without becoming a source of governance uncertainty.

The future of the company secretary in Nigeria should therefore be understood not simply in terms of whether the office is mandatory, but in terms of the value it contributes to corporate governance, compliance and accountability. Technology may reduce routine administrative work, but it cannot replace professional judgment on statutory compliance, board procedure, conflicts of interest, corporate records and regulatory obligations. The modern company secretary is, in the end, best understood as a governance professional whose work combines legal knowledge, regulatory awareness, corporate administration and ethical judgment.