



Core legal requirements of companies, directors and the registered office.

The Companies Act 1993 prescribes a large number of requirements for companies, directors and the registered office. This document does not intend to be exhaustive in outlining these requirements, but to outline of core requirements of all company regardless of how small or inactive they are. The following is not to be considered advice of any kind.

Requirement	Companies Act or Companies Office link	Managing the requirement in Connectworks
Essential requirements A company must have (a) a name; and (b) 1 or more shares; and (c) 1 or more shareholders, having limited or unlimited liability for the obligations of the company; and (d) 1 or more directors, of whom at least 1 must— (i) live in New Zealand; or (ii) live in an enforcement country (<i>currently only Australia</i>) and be a director of a body corporate that is incorporated in that enforcement country under a law that is equivalent to this Act.	Part 2	
Share registers The share register must "state, with respect to each class of shares, the names, alphabetically arranged, and the latest known address of each person who is, or has within the last 10 years been, a shareholder". It is required to be held at the registered office	s87(2)(a)	Connectworks automatically formats shareholder information to be compliant with this requirement. It is held at the registered office.
A company must maintain a share register "that records the shares issued by the company and states whether, under the constitution of the company or the terms of issue of the shares, there are any restrictions or limitations on their transfer; and where any document that contains the restrictions or limitations may be inspected" in addition "state, with respect to each class of shares, the number of shares of that class held by each shareholder within the last 10 years; and the date of any issue of shares to; or repurchase or redemption of shares from; or transfer of shares by or to each shareholder within the last 10 years, and in relation to the transfer, the name of the person to or from whom the shares were transferred". It is required to be held at the registered office.	s87(1), s87(2)(b) and s87(2)(c)	Different classes of shares can be managed in Connectworks and voting rights, limitations and preferences set. Connectworks then automatically formats shareholder and transaction details to be compliant with the requirements of the Act. The share register is held at the registered office.
Dividends Board to authorise any dividends after being satisfied that the solvency test has been met	S52	Connectworks contains Cert 52.1(solvency declaration following a distribution). It automatically merges with client company details.
Shareholder meetings The board must call an annual meeting of shareholders unless there is nothing required to be done at the meeting and the board has resolved it in the interests of the company not to hold the meeting	S120	Connectworks contains the 3 types of 'shareholder resolution in lieu of annual meeting'. If a meeting is to be held, the following is also available. A workflow, board minutes of a meeting, board written resolution, notice of meeting, proxy form and postal voting form.
Major transactions		

A company must not enter into a major transaction unless the transaction is approved by special resolution.

[S129](#)

Connectworks contains a major transaction workflow and resolutions to approve major transaction. The trusts solution includes the resolution template for trustee companies to approve major transactions of a trust.

Filing an annual return

The information you include in your annual return must be authorised by a company director, or by a solicitor, chartered accountant or by a person authorised to act on behalf of the company. Failure to file an annual return may result in the company being removed from the register

[Available here](#)

Connectworks has a process to efficiently enable all clients to easily verify company details prior to the filing of annual returns. Changes can be retrieved and updated in Connectworks and annual returns e-filed to the Companies Office. A lower filing fee applies to annual returns filed via Connectworks.

Updating company addresses to the Companies Office

The Companies Register must hold up to date addresses for your company's: registered office, address for service, and address for communication. You must notify us at least 5 working days before a change of address for the registered office or address for service of your company is due to take effect. You should update the Companies Register as soon as possible if your communication address changes.

[Available here](#)

Registered office updates can be made in Connectworks then e-filed to the Companies Office. Bulk registered office changes are also accommodated.

Updating director details to the Companies Office and adding directors

The name, address and appointment status of all company directors must be kept up to date on the Companies Register. The register must be updated within 20 working days of a change to these details occurring. You must register any new director within 20 working days of their appointment.

[Available here](#)

Connectworks has workflows to outline the required processes to appoint and remove directors and alternative directors, plus death or a director. The required notices, resolutions, minutes, certificates and forms are also included and auto-merge with the company and director details. Director detail updates can be e-filed to the Companies Office from Connectworks.

Updating shareholder details

You must advise the Companies Office when you change a shareholder's personal information, add or remove them from a share allocation, or increase or decrease their shareholding. These changes must be recorded in the share register, and included in the next company annual return.

[Available here](#)

Connectworks contains comprehensive shareholding functionality and compliant share registers. Annual Returns can be e-filed to the Companies Office (singularly or in bulk) and a lower filing fee applies. Updates of shareholder details will soon be able to be e-filed to the Companies Office from Connectworks.

Company records

Subject to subsection (3) and to section 195, a company must keep the following documents at its registered office: The form of records should be kept in accordance with S190 and be available for inspection in accordance with S191.

[S190](#)

Documents held in Connectworks are in a printable format, in English and are available at the registered office of the company.

The constitution of the company.

[S189](#)

Connectworks contains a modern constitution template and provides storage to hold it as the registered office.

Minutes of all meetings and resolutions of shareholders within the last 7 years.

[S189](#)

Minutes can be generated clause-by-clause from the clause templates in Connectworks. They automatically merge with company details. They can then be signed using the flexible signing options available and then stored.

Minutes of all meetings and resolutions of directors and directors' committees within the last 7 years.

[S189](#)

Connectworks document storage

<p>The full names and addresses of the current directors.</p>	<p>S189</p>	<p>Current director details can be imported from the Companies Office. Connectworks annual return verification process facilitates any changes to be gathered. Accurate details then recorded in company profile in Connectworks and e-filed to Companies Office.</p>
<p>Copies of all written communications to all shareholders or all holders of the same class of shares during the last 7 years, including annual reports made under section 208.</p>	<p>S189</p>	<p>Connectworks document management</p>
<p>Copies of all financial statements and group financial statements required to be completed by this Act or any other enactment for the last 7 completed accounting periods of the company:</p>	<p>S189</p>	<p>Connectworks document management</p>
<p>The accounting records required by section 194 for the current accounting period and for the last 7 completed accounting periods of the company:</p>	<p>S189</p>	<p>Connectworks document management</p>
<p>An Interests Register A director must disclose to the board and record in the interest register any interest in a transaction involving the company (unless arising the ordinary course of the company's trading)</p>	<p>S140</p>	<p>Connectworks has a templated Interests Register enabling Director Benefits, General Disclosures, Indemnities, Specific Disclosures and Use of Information to be easily recorded against all directors.</p>
<p>Directors Directors are appropriately qualified (S151) and properly consented and certified under Sections 152 and 153.</p>	<p>S151, S152, S153</p>	<p>Connectworks contains the required directors certificates that auto-merge with company and director details. They can then be signed using Connectworks flexible signing and stored in Connectworks.</p>
<p>A Director must act in good faith and in what the director believes to be the best interests of the company.</p>	<p>S131</p>	
<p>A director must not allow the business of the company to create a substantial risk of serious loss to the company's creditors.</p>	<p>S135</p>	
<p>A director must not agree to the company incurring an obligation unless the director believes on reasonable grounds the company will be able to perform the obligation.</p>	<p>S136</p>	
<p>A deed to be signed by the company is to be signed by at least two directors (where there are two or more) or the sole director which is witnessed, unless modified by the company's constitution.</p>	<p>S180</p>	<p>A signing policy can be easily set for each company in its profile in Connectworks. Documents aren't deemed 'signed' using Connectworks until this signing criteria has been met.</p>
<p>Annual Report Requirements include every company with 10 or more shareholders unless the company has opted out of compliance with this section in accordance with section 207I. and Every company with fewer than 10 shareholders if the company has opted into compliance with this section in accordance with section 207K.</p>	<p>S208</p>	<p>Minutes to opt-out of producing an annual report in accordance with the relevant requirement can be easily generated from the clause templates in Connectworks. They can then be signed using the flexible signing options available, and then stored.</p>
<p>Optional</p>		
<p>Properly authorised remuneration</p>		

<p>Following the proper procedures to authorise remuneration under S161 can act as an "insurance policy" in case of a liquidation. If a company is being liquidated, any remuneration to directors not deemed to be fair or properly authorised may instead be treated as a loan and required to be repaid. This could involve the directors being required to repay all remuneration earned in the 6 years prior to the liquidation.</p> <p>An article is available here</p>	<p>S161</p>	<p>Connectworks contains a workflow on properly authorising director remuneration, plus the required notice, minute, resolution and directors certificate. This auto-merges with the company details and then can be signed via Connectworks as well as stored.</p>
<p>Have a constitution</p> <p>If a company does not have a constitution, the company, the board, each director, and each shareholder of the company only have the rights, powers, duties, and obligations set out in The Companies Act.</p>	<p>S27, S28, S29, S30, S31, S32, S33, S34</p>	<p>Connectworks contains a modern constitution template that includes many elements found in shareholder agreements. Having them in one documents provides better clarity and eliminates the need to cross-reference separate documents.</p>