

Submission from

Diane Robinson CA, BTheol, Auckland

Chartered Accountant and Director of Called to Account Limited a company specialising in the audit of Not For Profit organisations

Submission on

The Exposure Draft of the incorporated societies Bill published by MBIE. Closing date for submissions 30 June 2016

General Comment

The existing Act is old and is due for an overhaul. My congratulations on doing so.

It seems that references to “proscribed information” will probably be set by later regulations. However if you do further workshops some detail on that proscribed information would be helpful, e.g. is there going to be an annual return fee , what will be the required in the annual return. I have a sense the Registrar of Incorporated societies might be looking at Charities DIA style register with more expensive IT and data...

References are to the clauses of the Bill

Ref No.	Comment
10/1/a/ii	I understand the Registrar needing to consider whether a new Society sounds too much like the name of an existing society. But I note some societies have very similar names, e.g Club (Auckland Branch).....Club (North Auckland Branch). There have also been times when a bunch of members leave an existing society because of some dispute and then form another society with a very similar name. My question is how the Registrar will in practice deal with new societies having similar names to existing ones.
18	Validity of action is a good clause, solving the ultra vires problem
20	Another good clause remedying an old problem
24	Requiring the rules to spell out how one becomes a member and ceases makes excellent sense
24(m)	Makes sense but will lead to a lot of constitutions being rewritten and /or perhaps some societies being wound up
24/4/c	Presumably includes an organisation incorporated under The Friendly Societies Act
27/2	Presumably members could participate in the vote to change a constitution by postal vote or electronic rather than physical presence at an AGM?
27 & 28	Currently an amendment is deemed not to exist until it has been registered by the Registrar. Will this continue to apply? If they forget to send the new rules to the Registrar do the new rules apply or only when (possibly) years later someone actually registers them?
36	Will professional secretariats which are not natural persons still be able to act as the contact for the society and be able to file annual returns and update information held by the Registrar?

40	This is essential as many society's may require committee membership to include people who would otherwise be ineligible under s39
43	Could the contact officer be a professional secretariat firm as above
45	Will a resignation notice pushed under the door of any empty clubhouse(Registered office) suffice? Especially if no one receives the notice? E.g. the cleaner bins it
70	How is contact defined? Would an email address do?
76	Entirely fair and proper
82	You may wish to add all accounting records must be kept in or be readily accessible from New Zealand
83/1/b	Requirement for 2 committee members to sign off financial statements makes sense
85	What will the prescribed information of the annual return encompass? And will there be a filing fee?
86	What are the requirements of a registered office can it be a PO Box , a NZ domain website?
111	Will this provision also be available to the Estate of a deceased former member?
151	No more surplus assets to members-fair enough. However some current organisations may struggle to find another organisation to nominate, because their society was formed for a small narrow purpose and there is no like-minded other organisation.