



What Can Shareholders Really Ask For

Posted on: October 14, 2026

You receive an email from a shareholder requesting company information. The request seeks the management accounts, bank statements and board minutes of the company for the last 20 years. Do you have to provide them?

Section 178 of the Companies Act 1993 gives shareholders a broad right to request

information held by a company. However, the right is not unlimited. Whether information must be disclosed depends on three factors:

1. Is the request a valid section 178 request?
2. Why is the shareholder asking for it?
3. Does the company have a legitimate reason for refusing it?

Why do shareholders have information rights?

The purpose of section 178 is accountability.

In recent cases, the High Court has repeatedly adopted the view that the purpose of section 178 is to ensure that those in control of the company, the directors and management, are accountable to shareholders.[1] Accountability is enhanced by allowing shareholders access to company information.

This principle has underpinned the courts approach to shareholder information requests. The right to make a section 178 request exists so shareholders can understand and protect their investment.

What can a shareholder request?

Section 178 does not prescribe a list of information that can or cannot be requested. The courts have recognised that “information” is a broad concept and is not limited to statutory company records.

Recent cases have involved requests for financial statements, management accounts, bank statements, directors’ and shareholders’ meeting minutes, invoices and receipts, valuation reports, tenancy and property records and access to company accounting systems.[2]

The question is therefore often not whether a particular type of document can be requested, but whether the shareholder has a proper basis for requesting it.

What makes a valid request?

To make a valid request under section 178, a shareholder must:

1. make the request in writing; and
2. identify the information sought with sufficient detail to enable it to be identified.[3]

Once the request is received, the company has 10 working days to:

1. provide the information;
2. agree to provide it within a specified period;
3. agree to provide it subject to payment of a reasonable charge; or
4. refuse the request and explain the reasons for doing so.[4]

Do companies have to provide everything requested?

The Courts have consistently held that section 178 requests must be made in good faith and for a proper purpose.[5]

In the recent decision of *Kroll v Envirocon Ltd*, Walker J stated that a proper purpose is one rationally connected to the shareholder's interest as a shareholder.[6]

This is an important qualification. A shareholder is not automatically entitled to information simply because they have requested it. The company may consider why the information is sought and how it relates to the shareholder's investment.

When can a company refuse?

The Companies Act 1993 recognises that there may be legitimate reasons for declining a request.

A company may refuse a request where disclosure would, or would likely be to:

1. prejudice the commercial position of the company; or
2. prejudice the commercial position of another person.

A company may also refuse a request if it is frivolous or vexatious.[7]

For example, concerns may arise where the information is commercially sensitive, includes confidential information relating to customers or suppliers, or could benefit a shareholder connected with a competing business. However, the company should identify the particular prejudice that they consider disclosure would or would be likely to cause. Refusing a request based on a general or blanket concern about confidentiality, without explaining the specific commercial risk arising from that disclosure, may not provide a sufficient basis for refusal.

A refusal should not be treated as a box-ticking exercise. If the shareholder challenges the decision, the company may ultimately need to justify its reasons for withholding the information.

What happens if the shareholder challenges the refusal?

A shareholder who believes information has been improperly withheld may apply to the court under section 178 for an order requiring the company to comply with the request.

The court may order disclosure where it considers there is insufficient reason for refusing the request, or that other considerations outweigh the company's reasons for withholding the information.

Disclosure is not necessarily a yes or a no exercise. The court may require disclosure but impose restrictions on how information is used or disclosed.

In some cases, a shareholder may seek relief under section 179, which allows the court to appoint an independent person to inspect the company's records and report back to the court.

What should directors do if they receive a request?

Shareholder information rights under section 178 are broad, but they are not unlimited. When a request is received, directors should promptly consider:

1. whether the request is in writing

2. whether the request identifies the information sought with sufficient detail;
3. what relevant information is held by the company;
4. why the shareholder appears to be seeking the information;
5. whether disclosure may cause commercial prejudice;
6. the costs that may be associated with compiling and providing the requested information; and
7. how the company will respond within the 10-working day timeframe.

Directors should also ensure that the company records the request, the information considered and the reasons for its response. That record may become important if the decision is later challenged.

The real issue is rarely whether a shareholder can ask for information. More often, it is whether the shareholder has a proper purpose and whether the company has sufficient reason to refuse disclosure.

If your company has received a shareholder information request, or you are a shareholder considering seeking information, our Corporate and Commercial team can help you assess the request and respond appropriately.

[1] *Ayyildiz v Casablanca Sylvia Park Ltd* [2018] NZHC 2782 at [14], cited in *Sayegh v Fermit NZ Ltd* [2019] NZHC 703 at [10], *Kelly v Kelly Construction (2002) Ltd* [2020] NZHC 458 at [9], *Hewson v Azure Property Investments Ltd* [2024] NZHC 314 at [5] and *Kroll v Envirocon Ltd* [2025] NZHC 497 at [26].

[2] *Hewson v Azure Property Investments Ltd* [2024] NZHC 314 at [9]

[3] *Kroll v Envirocon Ltd* [2025] NZHC 497 at [35].

[4] Companies Act 1993, s 178(3).

[5] *Kelly v Kelly Construction (2002) Ltd* [2020] NZHC 458 at [10]; *Hewson v Azure Property Investments Ltd* [2024] NZHC 314 at [6]; and *Kroll v Envirocon Ltd* [2025] NZHC 497 at [35].

[6] *Kroll v Envirocon Ltd* [2025] NZHC 497 at [41].

[7] S 178(4)