

ANNUAL RETURNS – AGMS – FINANCIAL REPORTING

Under the Companies Act 1993 there are three main administration matters that need attention every year:

- Filing the annual return.
- Holding an AGM.
- Complying with financial reporting obligations.

Our Corporate & Commercial team can provide further guidance. Reach out to your usual CLM contact if you need any help.

Key dates

Annual return due date:	By the end of the month assigned to the company			
Balance Date of company:	31 Mar	30 Jun	30 Sep	31 Dec
Financials statements due date (if required under Companies Act):	31 Aug	30 Nov	28/29 Feb	31 May
Annual report due (if required under Companies Act):	20 working days before the AGM			
Latest date for AGM:	30 Sep	31 Dec	31 Mar	30 Jun

Annual returns

- Used to update key company details. Must be filed online by the end of the company's assigned month.
- A company may be **struck off** if it doesn't file its annual return.

Easy wins

- Update your "address for communications" and use a position based email (not a personal email) to ensure no Companies Office reminders slip through the cracks.

AGMs / Resolutions in lieu of AGM

- The AGM is an annual meeting of shareholders. Shareholders can hear from the board, vote on key matters including director and auditor appointments, and comment on the management of the company.
- Every company must hold an AGM within 6 months of its balance date and within 15 months of the last AGM.
- Closely held companies usually pass a written shareholder resolution in lieu of an AGM. The directors can also resolve not to call an AGM if certain criteria apply.

Easy wins

- Diarise AGM preparation 3-4 months after balance date.
- Know your financial reporting obligations in advance (see below).

Financial reporting obligations

- The Companies Act 1993 governs whether a company needs to prepare, audit and/or register GAAP compliant financial statements, or provide an annual report to shareholders. A company's specific obligations depends on:
 - The number of shareholders, whether less than 10 or 10 or more.
 - If the company is "large" or not under the statutory test.
 - The level of overseas ownership or control.
 - If the company is part of a group – is it a subsidiary of another company, does it have subsidiaries of its own.
- Small locally owned companies with fewer than 10 shareholders don't need to appoint an auditor and only need to prepare financial statements to meet general accounting and tax filing obligations, *unless* "opted in" to more onerous obligations by shareholders holding 5% of the voting shares.
- Small locally owned companies with 10 or more shareholders must prepare and audit GAAP compliant financial statements within 5 months of balance date, *unless* shareholders holding 95% of the voting shares "opt out".
- Companies with subsidiaries do financial statements for the whole group.
- "Large" NZ owned companies must prepare GAAP compliant financial statements but can opt out of auditing.
- The "large" test is based on the revenue or total assets for the last two accounting periods for the company and its subsidiaries. Lower thresholds apply for overseas companies and subsidiaries of overseas companies.
- Companies with 25% or more overseas ownership may have to register their financial statements.

Easy wins

- Talk to your lawyer or accountant *before* your AGM so you don't run out of time to "opt out" if you need to.
- Know if your company/group is "large" - check the last two years' group revenue and total assets.
- Monitor the % of voting shares held by overseas persons – if it reaches 25%, seek advice.