

Background Information - Incorporated Societies Act 2022

The book *Getting to Grips with Not-for-Profit Governance*, is being published against the backdrop of the new Incorporated Societies Act 2022¹. This Act replaces the Incorporated Societies Act 1908², strengthening the rules with respect to aligning them to the Companies Act and in some cases the Financial Reporting Act.

The Incorporated Societies Act 2022 comes into effect on 5 October 2023, once the regulations have been issued³.

The Act requires all incorporated societies to re-register. They will have from 5 October 2023 until April 2026. The last thing an organisation wants is to be de-registered. *Getting to Grips with Not-for-Profit Governance* provides the basics they need to know as a not-for-profit/incorporated society.

There are more than 24,000 incorporated societies in New Zealand. If you divide the time given for re-registration by the number of existing incorporated societies, that requires an average of 880 societies re-registering per month over the next 30 months. Exciting times lie ahead.

Resources hub

The Incorporated Societies Register has created a resources hub. In it there is information about the changes existing societies need to make if they are to remain incorporated societies⁴.

- 1) Getting ready for reregistering
- 2) Key changes
- 3) Committees and officers
- 4) Dispute resolution procedures
- 5) Financial reporting
- 6) Your society will need a constitution
- 7) What's changing for members
- 8) Records you must keep

Types of incorporated societies⁵

Incorporated societies cover a wide variety of entities including:

- Animal protection

¹ <https://www.legislation.govt.nz/act/public/2022/0012/latest/whole.html>

² <https://www.legislation.govt.nz/act/public/1908/0212/latest/whole.html>

³ <https://www.mbie.govt.nz/about/news/greater-clarity-and-protection-for-incorporated-societies-passes-into-law/>

⁴ <https://is-register.companiesoffice.govt.nz/law-changes-for-societies/>

⁵ Extract from the book, *Getting to Grips with Not-for-Profit Governance*, page 112

- Charities⁶
- Cultural societies
- Environmental protection
- Health services
- Parent-teacher associations
- Professional associations
- Racing clubs⁷
- Recreational clubs
- Religious groups
- Residents' associations
- Sports clubs
- Social clubs
- Trades unions

As an aside, according to the Ministry of Business, Innovation and Employment (MBIE) there are approximately 24,000 incorporated societies in New Zealand⁸. Of these some 7,000 are also charities (out of a total of around 28,000 registered charities)⁹.

⁶ Which may also operate under the Charities Act 2005: www.legislation.govt.nz/act/public/2005/0039/latest/DLM344368.html

⁷ Which may also operate under the Racing Industry Act 2020
www.legislation.govt.nz/act/public/2020/0028/latest/LMS291924.html

⁸ <https://www.mbie.govt.nz/about/news/greater-clarity-and-protection-for-incorporated-societies-passes-into-law/>

⁹ <https://www.charities.govt.nz/news-and-events/blog/5-things-charities-need-to-know-about-the-new-incorporated-societies-act/>