

The impact of failing to re-register



Incorporated Societies Act

This document has been created in partnership with Gibson Sheat Lawyers.

Incorporated societies must re-register under the Incorporated Societies Act 2022 (**Act**) before 5 April 2026 to maintain their incorporated status.

Alongside the other benefits of incorporation, being an incorporated society will often be a requirement to being a member of your regional and/or national sporting or recreation organisation. It may also be required by your funders.

If an existing incorporated society has not reregistered under the Act **before 5 April 2026**, the law states that:

1. **the existing society ceases to exist** as at 5 April 2026; and
2. the Act applies as if the existing society had been removed from the Register as at 5 April 2026. This means that unless a society applies to be restored (which is discussed later in this document), the regime under the Act for distributing a society's assets will apply.

In practical terms if a society ceases to exist, it is not a legal entity anymore. It cannot enter into any new contracts in its name. This may also cause it to be in breach of any existing contracts which require it to remain incorporated and be validly existing, such as a grounds / facility lease with local council, funding or sponsorship agreements or the conditions of holding a liquor licence.

The group cannot continue to use the word 'Incorporated' in its name, and its former registered name will be available for another group to incorporate under. If people continue to operate the group (for example, if they are running an event or competition), they will be doing so in their personal capacities.

A society will have its assets distributed

If a society fails to re-register, then a society will be subject to a process for distributing its assets that is directed by the Registrar. The time and cost involved in this process is unknown, particularly given the number of societies that may potentially be removed from failing to re-register that the Registrar will need to deal with on an individual basis.

A society's surplus assets will be distributed to a not-for-profit entity (or entities) named in the society's constitution, consistent with any resolution passed in accordance with the Act. If the assets cannot reasonably be disposed of in accordance with the constitution, or if no resolution has been approved, then the assets can be distributed as the Registrar directs.

Entities which have been nominated in a society's constitution that are not 'not-for-profit' cannot receive any surplus assets.

Restoration

A society may be restored to the Register of Incorporated Societies. Restoration is possible by applying online to the Companies Office. The cost is \$177.78 + GST. Guidance will be available shortly on the Companies Office website as to the online process and what the application must include.

The Registrar may restore an existing society to the Register under the Act up until the sixth anniversary of the date on which it ceases to exist. For societies that fail to re-register, this date would be 5 April 2032.

Until a society is restored, it will have 'ceased to exist' under law. Restoration will still require a society to meet the minimum requirements of members and committee members under the Act, and to have a constitution which complies with the Act.

Winding up before 5 April 2026

Incorporated societies in the sport and recreation sector are strongly encouraged to re-register.

If this is not possible or practical, and a society wishes to continue in operation as an unincorporated entity, then it **must appoint a liquidator or apply for dissolution** under the Incorporated Societies Act 1908 **before 5 April 2026**. You should check with your national or regional organisation to see if you can still be a member of that organisation if you choose to become unincorporated. You should also consider if being unincorporated will have any implications on your ability to receive funding.

Societies should check and follow what is set out in their constitution as to the steps they need to take to deal with their surplus assets on a wind up, what meetings must be held and how decisions must be passed.

Don't leave it too late! Help is available.

Check out Sport NZ's [constitution templates and guidance](#) that can be adapted by organisations and clubs.

There is also a Constitution Builder on the [MBIE website](#).

If you have any questions, please contact Governance@sportnz.org.nz.