

## Ending a society



Many incorporated societies registered under the Incorporated Societies Act 1908 will reach a point when they can no longer operate as a society. This may be because the society is:

- No longer active. For example, the membership numbers have dropped or the purpose the society was set up for has been achieved, or
- Unable to continue to operate. For example, it is in financial difficulty.

When the society reaches the end of its 'life' there are two ways that it can be brought to an end.

1. **Dissolution** - The Registrar of Incorporated Societies can issue a notice dissolving the society if he believes that the society is no longer operating.
2. **Liquidation** - The society can be placed into liquidation by its members or the High Court. At the end of the liquidation the society will be wound-up.

The effect of the dissolution by the Registrar and the end of the liquidation is the removal of the society from the register and the end of its life as a separate legal entity. As the society is no longer incorporated it can no longer hold property and enter into contracts. It may also affect the society's ability to apply for charitable status for tax purposes.

## Revoking a dissolution

After the dissolution, the Registrar can revoke the dissolution if he is satisfied that the society is still operating. Please note that there is a NZ\$204.45 fee to do this.

- [Read more about restoring an incorporated society](#)



### Situations that may result in dissolution

#### When the financial statements haven't been filed

If the society fails to send a copy of its annual financial statements to the Registrar, he may assume it has ceased to operate and begin the dissolution process.

#### When a society has ceased to operate

If the society has no assets or liabilities, an officer of the society can send the Registrar written advice that it has ceased to operate and request that it be removed from the Register.

#### Liquidation

The members of a society can place the society into liquidation. Alternatively the High Court (on an application from a creditor, society or member) can make an order placing a society into liquidation.