*<Client first name> <Client last name>*

*<Company>*

*<Postal address 1>*

*<Postal address 2>*

*<City> <Postcode>*

*<Date>*

Dear *<Client first name>*

Company Compliance

As you’re aware, (your firm name) acts as the registered office for your company.

There has been an increase in the record keeping and reporting requirements placed upon us as the registered office to help your company remain compliant.

These include requirements by the Companies Office around the date, place of birth and residency of all directors and by Government as part of international tax agreements.

In addition to this, there is new anti-money laundering/countering the financing of terrorism (AML/CFT) rules in place for accountants to make us reporting entities, as banks and lawyers are currently. This requires more oversight of clients' activities, more record keeping and requirements to report any suspicious activities.

All this is an addition to the company having a share register that is compliant with both section 87(2)(a) and section 87(1),(2)(b,c) of the Companies Act 1993, an interests register, maintaining directors certificates and 7 years of company records, plus filing annual returns.

There are also tasks that should be undertaken in accordance with best practice to ensure your company is well managed, with robust governance and record-keeping. This is especially important if it is ever challenged in any way, or if you ever wish to sell part or all of the business or bring on a new director.

In addition, following the right procedures can act as an “insurance policy”. For example, in the case of a company being liquidated, any remuneration to directors not deemed to be fair or properly authorised may instead be treated as a loan and required to be repaid. This could involve the directors being required to repay remuneration earned in the 6 years prior to liquidation.

While these tasks could involve extra hours of work, but as with many things, there’s a technology solution to help.

We’ve elected to use a New Zealand software product called Connectworks

www.connectworks.com

It will allow us to effectively manage what we’re now required to do.

It also offers you the choice to conveniently approve resolutions and sign documents electronically if you wish, or to print sign, scan and upload them.

It also provides the ability to easily approve or update information required by the Companies Office as part of the annual return process.

The annual cost is $ +GST, which we intend to disburse from (date) as part of our annual fee for company secretarial services.

There is also an option to give you full access. This would allow you to access and manage the risks, assets and interests registers in Connectworks.

Directors and key staff can also use the document management feature of for Connectworks important records such as leases, contracts and employment agreements. Documents are held securely and can be shared, approved and digitally signed by all users.

You can also access the Connectworks shareholding management system and governance documents.

This full access is an additional $ +GST per user, per annum.

Please advise us if you have any questions or would like to take up full access for one or more directors.

*Best Regards*