



Registrar of Companies prohibits 38 people from being directors

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The Registrar of Companies prohibited 38 people from being directors of limited liability companies in the 2016/17 financial year.

"Companies are vehicles for people to do business, and just as some people should not be behind the wheel of a car, these people have shown they should not be directors, each having been involved in companies that failed due to mismanagement," says Registrar Ross van der Schyff.

"Limited liability companies create an opportunity for people to open businesses and take risks, which are crucial in allowing New Zealanders to bring their innovative ideas to market. However, being a director comes with important responsibilities. We take breaches of the Companies Act very seriously," says Mr van der Schyff.

Collectively the 38 people prohibited from being directors of limited liability companies are banned for 209 years, with three directors receiving particularly lengthy bans:

- Robert James Cottle from Nelson was banned for ten years for his negligence as sole director of failed gold mining company Infratech Mining Limited.
- Steven Wayne Morrow from Hamilton was banned for nine years for his failures across Repiling Specialists NZ Limited, Groundtech Solutions Limited, and South Pacific Repiling Specialists Limited.
- Kendall Christie Twigden was banned for eight and a half years for her role in the failure of Phoenix Forex Limited, Restaurant Limited and Acorn Publishing Limited.

"When directors fail in their duties it can cause losses for creditors, create a level of distrust in the community, and jeopardise New Zealand's reputation as a great place to do business," says Mr van der Schyff.

"The World Bank ranks New Zealand as number one for both 'ease of doing business' and 'starting a business.' I recognise the need to ensure that the ease of incorporating a company in New Zealand is balanced with appropriate regulatory action to ensure that those people who have demonstrated they are not fit to manage companies are prohibited from being directors.

"By prohibiting these people from being directors, the Registrar of Companies provides protection for the public from directors and managers of companies who have been unscrupulous, incompetent or irresponsible, and maintains the reputation of New Zealand."

Section 385 of the Companies Act allows the Registrar to prohibit directors for a period of up to ten years, so they are not able to take advantage of the limited liability status of a company, or be involved in the management of a company.

If you are aware of a director or person who has been involved in the management of a failed company, who may qualify for prohibition, then you can [lodge a complaint using our online form](#)

[Read more information about the prohibition of directors on our website](#)