



*Many Investors, One Voice*

**ANNUAL REPORT AND SUPPORTING DOCUMENTS FOR THE ANNUAL GENERAL  
MEETING**

**OF THE**

**NEW ZEALAND SHAREHOLDERS' ASSOCIATION INCORPORATED**

**FOR THE YEAR ENDED 31st MARCH 2014**

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**AGENDA FOR THE ANNUAL GENERAL MEETING  
of the  
New Zealand Shareholders' Association Inc.**

The Annual General Meeting will be held on the 6<sup>th</sup> of September 2014 in Auckland commencing 11.55 hrs.

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1. Apologies
2. Approval of the previous Annual General Meeting minutes.
3. Chairman's Report.
4. Election of Board Members.
5. Presentation and adoption of the Annual Report incorporating the Chairman's Report and Annual Accounts.
6. Re-appointment of M.A. O'Meara (Chartered Accountant) as Accounts Reviewer for the year ended 2014.
7. General Business.

## ASSOCIATION DIRECTORY

Organisation	New Zealand Shareholders' Association Incorporated	
Registered Office	4th Floor Smith and Caughey Building Wellesley Street Auckland, 1010 New Zealand	
Contact details	Phone number 0800-697-27478  Web site <a href="http://www.nzshareholders.co.nz">http://www.nzshareholders.co.nz</a>  PO Box 6310 Auckland 1010 New Zealand.	
Date Incorporated	7 May 2001	
Society Number	1138448	
Banker	The ANZ Banking Group Limited	
Directors	John Hawkins Chris Curlett Grant Diggle Gayatri Jaduram Lyn Lim Andrew Reding Max Smith Martin Watson	(Chairman) (Secretary and Treasurer)
Members' Annual Accounts Reviewer.	M.A. O'Meara (Chartered Accountant)	
Tax Accountants	Gilligan Sheppard	

## PREVIOUS MEETING MINUTES

Minutes of the Annual General meeting of the New Zealand Shareholders' Association held on 7th September 2013 at Christchurch commencing at 11:45 hours.

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**Attendance** J Hawkins (Chairman), A Best, C Curlett, G Diggle, L Lym, G Jaduram, M Smith and M Watson plus a total of 142 members and partners/spouses.

**Apologies** 9 apologies were received.  
Proposed and seconded apologies be adopted. *Passed unanimously*

**Previous Minutes** Proposed and seconded these be adopted. *Passed unanimously.*

**Chairman's Report** Hawkins referred the meeting to the Chairman's Report which had been circulated and spoke briefly to it.

**Change of Rules** The Chairman talked to the proposed change of Rules of the Association and the unanimous recommendation of the Board these be adopted. He pointed out there was one minor typographical error which did not alter the intent of the rules and this was to be incorporated in the final rules to be voted on. The resolution was put that:

- "1. The existing rules of the Association be altered by replacing the existing rules with the draft rules enclosed with the annual report; and*
- 2. The draft rules enclosed with the annual report be adopted as the rules of the Association."*

Proposed and seconded. *Passed unanimously*

### **Election of Board members**

Each of the candidates addressed the meeting.

It was proposed and seconded Diggle be re-elected to the Board of the Association. *Passed by acclimation.*

It was proposed and seconded Reding be elected to the Board of the Association. *Passed by acclimation.*

It was proposed and seconded Smith be elected to the Board of the Association. *Passed by acclimation.*

It was proposed and seconded Watson be elected to the Board of the Association. *Passed by acclimation.*

### **Chairman's Report and Annual Accounts**

The Chairman referred the meeting to the Chairman's report previously discussed and the Annual Accounts of the Association.

Curlett addressed the meeting and spoke to the Annual Accounts, noting the improved position of the Associations investments and the valuation of these, the change in the investment philosophy to establish a reserve and the positive effect of the previous actions in respect of the Administration expenses. There has been a increase in the Insurance costs however this was for the protection of the National Board and Branch Boards.

**It was proposed and seconded the Annual Report incorporating the Chairman's Overview and Financial Statements be accepted. *Passed unanimously***

**Reappointment of M.A. O'Meara as Accounts Reviewer for the year ended 2014**

The Chairman gave a brief history of the Accounts Review philosophy of the Association and the Board's recommendation for the appointment of M.A. O'Meara, who is also a Chartered Accountant, to undertake this role.

**It was proposed O'Meara be appointed to undertake a Financial Review on behalf of members. *Passed unanimously***

**Meeting closure at 1230**

Signed as a true and correct record on \_\_\_\_\_ 2014

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Chairman

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Secretary/Treasurer

## **ANNUAL ACCOUNTS, ACCOUNTS REVIEW AND NOTES**



O'Meara & Co

Chartered Accountants

409 Dominion Road, Mt Eden

Auckland 1446, New Zealand

P O Box 56 565, Auckland 1446

## Accountant's Report To

### The Members of

### New Zealand Shareholders' Association Inc.

I have reviewed the financial statements of New Zealand Shareholders' Association Inc. on pages 9 to 13 for the year ended 31 March 2014, in accordance with the Review Engagement Standards issued by the New Zealand Institute of Chartered Accountants.

A review is limited primarily to enquiries of the association personnel and analytical review procedures applied to financial data, and thus provides less assurance than an audit. I have not performed an audit and, accordingly, I do not express an audit opinion.

Based on my review, nothing has come to my attention that causes me to believe that the accompanying financial statements on pages 9 to 13 do not give a true fair view.

A handwritten signature in blue ink, appearing to read 'm a o'meara'.

20 August 2014

**M A O'Meara**  
**O'Meara & Co**  
**Chartered Accountant**  
**Auckland**  
**New Zealand**



**New Zealand Shareholders' Association Inc.**  
**Balance Sheet**  
**As at 31 March 2014**

<u>2013</u> NZ\$	Note	<u>2014</u> NZ\$
<b><u>ACCUMULATED MEMBERS FUNDS</u></b>		
\$21,033	Equity at the start of the year	\$ 37,663
\$ 2,418	Unrealised Share Investments	-\$ 393
\$14,212	Years Operating Surplus/ Deficit	\$ 6,641
<b><u>\$37,663</u></b>	<b>TOTAL MEMBERS FUNDS</b>	<b><u>\$ 43,911</u></b>
<b>This is represented by:-</b>		
<b><u>NON-CURRENT ASSETS</u></b>		
\$ 15,062	Investments (Shares) 4	\$ 22,375
\$ 19,378	Fixed Assets at book value	\$ 28,508
\$34,440	<b>TOTAL NON-CURRENT ASSETS</b>	<b>\$ 50,883</b>
<b><u>CURRENT ASSETS</u></b>		
\$ 19,504	Bank	\$ 22,189
\$ -	Provision for tax 6	\$ 117
\$ -	GST refund due	\$ 2,553
\$24,921	Accounts receivable	\$ 15,279
\$44,425	<b>TOTAL CURRENT ASSETS</b>	<b>\$ 40,138</b>
<b><u>\$78,865</u></b>	<b>TOTAL ASSETS</b>	<b>\$91,021</b>
<b><u>LESS CURRENT LIABILITIES</u></b>		
\$ 5,825	Accounts Payable	\$ 18,667
\$32,064	Prepayments	\$ 26,474
\$ 837	GST Payable	\$ -
\$ 2,476	Branch accounts Balance	\$ 1,969
<b><u>\$41,202</u></b>	<b>TOTAL NET CURRENT LIABILITIES</b>	<b><u>\$47,110</u></b>
<b><u>\$37,663</u></b>	<b>TOTAL NET ASSETS</b>	<b><u>\$ 43,911</u></b>

Chairman

20/8/14

Secretary/Treasurer

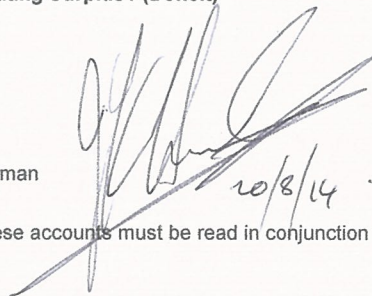
20/8/14

These accounts must be read in conjunction with the Notes to the Accounts

**New Zealand Shareholders' Association Inc.**  
**Statement of Income and Expenditure**  
**For the year ended 31 March 2014**

<u>2013</u> NZ\$		Note	<u>2014</u> NZ\$
<b><u>INCOME</u></b>			
\$ -	Advocacy Action and Contract review work		\$ 620
\$ 702	Bank Interest		\$ 1,019
\$ 362	Dividends received		\$ 1,546
\$ 2,356	Donations received		\$ 12,217
\$ 836	Education income		\$ 565
\$ -	FLOW licence fee		\$ 2,169
\$ 31,666	Sponsorship received		\$ 29,167
\$ 78,138	Subscriptions		\$ 85,835
\$ 600	Other income		\$ -
<b>\$ 114,660</b>	<b>Total Income</b>		<b>\$ 133,138</b>
<b><u>EXPENSES</u></b>			
\$ 30,688	Administration costs	1	\$ 34,939
\$ 4,665	Advocacy Action and Contract review work		\$ -
\$ 5,757	AGM costs		\$ 10,764
\$ 3,175	Awards Presentation Costs		\$ 3,958
\$ 4,040	Branch Subsidies		\$ 5,537
\$ 2,788	Branch and Conference Expenses		\$ 1,357
\$ 2,789	Credit card fees		\$ 2,853
\$ 3,927	Directors meeting costs		\$ 8,184
\$ 2,262	Education expenses		\$ 2,592
\$ 4,188	Insurance		\$ 14,284
\$ 3,463	Membership promotion costs		\$ 1,247
\$ 7,346	Newsletters		\$ 8,466
\$ 4,125	NZSA Financial Accounts annual review costs		\$ 5,100
\$ 6,526	Webb site maintenance		\$ 10,994
\$ 72	Other expenses		\$ -
<b>\$ 85,809</b>	<b>Total Expenses</b>		<b>\$ 110,274</b>
<b>\$ 28,851</b>	<b>Operating Result before Depreciation, Tax and Extraordinary items</b>		<b>\$ 22,865</b>
<b><u>LESS NON CASH EXPENSES and EXTRAORDINARY ITEMS</u></b>			
\$ 14,639	Depreciation as calculated		\$ 16,104
\$ -	Provision for Taxation	6	\$ 120
<b>\$ 14,213</b>			<b>\$ 16,224</b>
	<b>Operating Surplus / (Deficit)</b>		<b>\$ 6,641</b>

Chairman



10/8/14

Secretary/Treasurer



20/8/14

These accounts must be read in conjunction with the Notes to the Accounts

## **NOTES TO THE ACCOUNTS OF THE NEW ZEALAND SHAREHOLDERS' ASSN INC**

### **Statement of Accounting Policies**

#### **Financial Reporting Period**

The financial statements are for the year ending 31 March 2014.

#### **Statutory Base.**

The New Zealand Shareholders' Association Inc is a non-profit making Incorporated Society registered as such with the Inland Revenue Department.

#### **Measurement Base.**

These financial statements have been prepared on a historical cost basis with accruals for amounts receivable and payable at year end.

#### **Equipment Summary including Depreciation Data.**

Asset Class	Cost	Opening Book value	Additions	Disposal	Depreciation	Closing Book value	Depreciation Rate used
Web s/w	\$ 91,262	\$ 18,771	\$ 25,234	\$ -	\$ 15,952	\$ 28,053	48%
Stands	\$ 1,264	\$ 607	\$ -	\$ -	\$ 152	\$ 455	25%
	\$ 92,526	\$ 19,378	\$ 25,234	\$ -	\$ 16,104	\$ 28,508	

Whilst NZSA has been, and remains, operating as a going concern the closing book values above may not be realisable for the amounts stated.

#### **Goods and Services.**

All amounts stated in the financial statements exclude Goods and Services Tax other than in respect of Accounts Receivable, Accounts Payable and Share Investments all of which include GST and the GST ledger account balance.

#### **Events since Balance Date**

There have been no significant events since balance date.

## **Notes to the Financial Statements**

### **1 Administration Costs.**

A number of Expense items have been combined into this category. A comparison of the most significant items between the two years is;

	<b>2013-14</b>	<b>2012-13</b>
Administration costs	\$ 4,408	\$ 5,025
Accommodation	\$ 1,500	\$ 1,500
Accounting	\$ 18,000	\$ 18,000
R and M	\$ 3,670	\$ 853
Parking	\$ 1,579	\$ 1,525
Postage	\$ 1,916	\$ 329
Stationery and Printing	\$ 603	\$ 1,130
Telephone	\$ 3,263	\$ 2,326
Total Administration	\$ 34,939	\$ 30,688

### **2 NZSA Financial Accounts annual review costs**

This role has been undertaken by M.A. O'Meara who was re-appointed at the 2013 Annual General Meeting. Members should note this is a Review and **not** an Audit nor does it include the NZSA Branch Accounts.

The Review report, concerning the Financial Statements for the 2013/14 year, is attached as part of the 2013/14 Annual Report.

The cost of the report is accrued as \$4,500 and has been included in the Statement of Income and Expenditure (2013: \$4,125).

### **3 Donations received in kind**

Telecom paid the costs associated with the 0800 phone number used by the NZSA during the year.

### **4 Investments**

The investments in the 2013-14 accounts at their potential realisable value at balance date \$22,375 (2012-13 \$15,062). There is a fundamental uncertainty over the possible realisable value of these assets.

### **5 Declaration of Interests - Payments**

Over the year Directors, Officers and Members have undertaken work on behalf of the Association and payments have been made for this at market rates.

## **6 Taxation**

Income Tax is accounted for using the taxes payable methods. The income tax expense charged to the Statement of Income and Expenditure is the estimated tax payable in the current year, adjusted for any differences between the estimated and actual tax payable in prior years. An exemption of \$1,000 is available to the Association due to its not-profit nature and the restriction on the distribution of profits to members.

## **7 Contingent Liabilities / Capital commitments**

At balance date there are no known contingent liabilities or capital commitments (2013: \$0) nor has the NZSA granted any securities in respect of liabilities payable to other party whatsoever.

# CHAIRMAN'S OVERVIEW 2013 – 2014

## Introduction.

Once again it has been a very busy time for the Association. During the year, the once in a generation revision of commercial law was highlighted by The Financial Markets Conduct Act finally passing into law. Members should not underestimate the importance of this as it will set the scene for the next 40 years and fundamentally increase the protections offered to retail investors. That is why NZSA has put so much effort into ensuring your voice has been heard front and centre. The new law consolidates regulation that was previously spread over a range of different Acts and makes many changes and tweaks to the advantage of investors. NZSA should take some credit for this outcome and I am indebted to the efforts of Gayatri Jaduram, Lyn Lim and Grant Diggie, my fellow legal and regulatory committee members, in this regard.

The FMC Act comes into force progressively. In April, one very important change happened - the introduction of simplified fund raising for "same class" debt and equities. This should put an end to the highly unfair SPP process that we have spent a lot of time complaining to companies about over the last 18 months. From now on we will expect most equity raisings to be renounceable rights issues. Investors will be happy with much simplified and abbreviated documentation now required for both debt and equity issuance that falls under the new rules.

Further regulations to come into effect at the end of the year will amongst other things prescribe the way returns and fees in managed funds are presented, making fair comparisons finally possible. At the same time, a risk meter system will be introduced which will hopefully give investors a broad brush guide to the likely volatility of individual funds and perhaps assist them in selecting ones that are most suitable for their own circumstances.

Another change many will welcome is a drastic reduction in the size of Prospectus documents (to be called a PDS in future). For equities these will be limited to 60 pages . This should remove a lot of the excess verbiage and multiple repetition we currently suffer. However, to see more detailed information, access to an internet based "register" will be required.

Many, many other changes that I highlighted in last year's report are now law and it would be fair to say that the regulators finally have a toolbox that should send a shiver down the spine of those that seek to exploit investors for their own enrichment. However, as I have said repeatedly, legitimate commercial risk taking (which can sometimes go wrong, but which is necessary to grow companies) is not something that can be regulated.

It remains your individual responsibility to do your research before parting with your hard earned cash.

The Association enjoys a very good relationship with FMA and this has continued seamlessly under new CEO Rob Everett. We have also been working hard to build a better understanding with NZX. It is no secret that we have had concerns about aspects of the market discipline process for some time. However, with a lot of goodwill on both sides and a significant boost in NZX resourcing in this area, I am pleased to advise that we have made real progress over the last six months. Regular, constructive and mutually beneficial engagement is now the norm and will bring benefits to investors over time. I am grateful to Andrew Reding for his work in this area. Members will also have seen decisions released in regard to Rakon and Marsden Maritime (Northport), both instances where we formally complained on your behalf. One other complaint was not upheld, however a voluntary undertaking was made by the company involved which will eliminate a repetition of the matter that concerned us.

Another noticeable change over the past year has been the degree to which government departments want to gain the NZSA's views on a range of matters affecting investors and taxpayers alike. The ability to talk directly to policy advisors about matters such as director fees, FIF tax (on overseas investments), mutual recognition of imputation credits and the impact of overseas online purchases on the viability of some listed companies, in addition to our ongoing regulatory effort, is invaluable. We have also met with commerce Minister Craig Foss and will be keen to establish a relationship with whoever is Minister after the election.

### **The NZSA board.**

This year Gayatri Jaduram and Lyn Lim are both retiring by rotation. the association is very fortunate that both are offering themselves for re-election. Both are unanimously commended to you by the Board.

The appointment of Max Smith (Canterbury) and Martin Watson (Waikato) 18 months ago has brought significant skills to the board and ensured that views from beyond the Auckland region are heard loud and clear. Whilst it would be nice to have other branches represented, we are constrained by the reality that we must have sufficient Auckland based directors to cover the large number of meetings and discussions that happen in that city and our other relatively new director, Andrew Reding is certainly playing his part in that.

The subcommittee structure that we introduced over the past three years continues to result in considered and appropriate responses to a wide variety of issues and materially increases the high regard in which the NZSA is held within the broad capital markets community.

## **Membership**

I am pleased to report that membership is growing steadily. This is particularly satisfying given that most clubs and organisations are reporting falls. The feedback we receive from members remains very positive.

Last year, I announced at the AGM that we were working on a membership initiative with the Australian Shareholders Association however this has progressed more slowly than we hoped for. This year we have invited ASA Chairman Ian Curry to the Annual conference.

## **Finance and Administration**

Corporate donations have continued to be renewed as they fall due. I am also pleased to report that once again this year, NZX has committed to partnering with us and provided significant assistance toward the staging of our annual investor conference, something that is now becoming a "must attend" educational opportunity. We are conscious that donations should not be seen as a way of "currying favour". As previously, I can assure members that any funds received are provided without strings, and if they were given as a way to influence us, we would not hesitate to walk away.

The end result is that with this funding, increasing membership and careful cost control we have been able to build our reserves.

## **Selected Activity this year**

1. We have continued to pulse members about a range of matters. On average we sent 3 pulses each month. We would like to increase this as resources allow. Members without email are disadvantaged, but timeliness considerations mean postal advice is not practical.
2. Company advocacy continues with Martin Watson, Andrew Reding and Grant Diggle, supported at times by all our other directors, taking an increasing role. For South island based companies, having Max Smith on the spot has meant a much higher level of engagement and increased profile for the Association. If issues are particularly contentious we now form sub committees to advise the full NZSA board.
3. One particular issue over this year has been the activity around Abano. I will not repeat information you will have already seen, but there are two important matters that should be noted. Firstly, our activity was not a case of supporting the company, but rather it involved ensuring the 80% of shareholders who stood to be relatively disadvantaged had a voice. Secondly, the Association is concerned at the extremely aggressive tactics that surfaced, some for the first time in new Zealand. These do not add to the accurate and balanced information that investors



- need and deserve when making such important decisions. We believe the overwhelming vote against the proposal to remove the Abano chairman indicates that most investors agree. We have been talking with NZX and FMA with a view to ensuring that an equality of responsibility rests with both parties in these types of situation.
4. The decision relating to Marsden Maritime (Northport) outlined above was very important. It marks perhaps the first time in recent years that the Tribunal has been asked to interpret the scope of the listing rules and establish the boundaries of acceptable behaviour. We hope that this will become an established part of the Tribunal's mandate as it will bring greater certainty and clarity to both investors and other market participants.
  5. We were encouraged to see Kiwi Income Property internalise its management during the year. KIP involved NZSA from an early stage, and we have been influential in persuading the Trust to corporatize at the earliest opportunity - once some debt instruments are settled later in the year. This will bring investors under the protection of the Takeovers code.
  6. CEO remuneration and directors fees increases remain on our radar. We continue to take a moderate view. As I said last year, providing there is close correlation between pay and performance we will generally not intervene. We do continue to remind boards that internal succession planning statistically achieves the best outcomes. Imported "rock stars" have a poor track record and high base pay has no correlation with the outcomes that will be achieved.
  7. This year we have put quite a lot of effort into our members only Key Performance Data graph system. These have addressed issues around timeliness and in a few cases accuracy of information. About 60 companies are covered and I recommend you look at the information in conjunction with other sources when making investment decisions. This site is coordinated by Alan Best and Chris Curlett.
  8. The NZSA remains in demand as a speaker at conferences and seminars. We continue to push the views of retail shareholders and ensure that these are not lost in the "noise" from the funds management, broking and merchant banking ends of the markets. Our media profile is good through most of the country, but once again Auckland remains the exception, with poor business coverage despite being the engine room of the economy.
  9. Each NZSA Board meeting has a branch representative attend on a rotating basis. I have also had the pleasure of visiting and speaking at our Wellington and Waikato branches in the last few months. Strong branches are essential to the

health of the Association and I remain indebted to the efforts of all committee members around the country.

10. Alan Best and Bruce Parkes produce the Scrip magazine. This goes from strength to strength. We have had many compliments about the professional layout and interactive electronic versions they have instituted. Also, a big thank you also to everyone who sends in reports and opinion pieces – the lifeblood of the magazine.
11. We continue to tweak our website and regularly add new information both in the public and members areas. Those of you who do not have access to the internet or email are missing out on a wealth of opportunity in so many ways.
12. Board Associate Jacquie Staley has again ably coordinated our proxy service. We attended around 60 AGM's last year. While there are plenty of volunteers in most parts of the country, Auckland certainly needs more people to act as our proxy holders. We want to institute a more formal approach to training proxy reps and assisting with information about questions to be asked and voting guides for resolutions. However, to do this we need greater resourcing, especially from members willing to give a few hours once or twice a year.
13. The Secretarial and Treasury role continues to be well served by Chris Curlett. Chris also handles membership and drives changes and improvements to the website. His time commitment is very considerable. Anyone involved with clubs and volunteer organisations will realise just how lucky we are to have someone prepared to put in this effort year after year.
14. For the fourth year, NZX has joined with us as "Principal Partner" of our annual Investor Conference and AGM. This is an invaluable assistance to the Association, and makes it possible for members to have an exceptional quality event without the matching cost burden.

**Future Directors and Board Diversity** Future Directors was is a joint venture with the Institute of Directors and has been driven primarily by NZSA associate director Des Hunt, Sir Stephen Tindall and Michael Stiassny. The large number of first rate applicants has been almost embarrassing. Des continues promoting this initiative from outside the board and we are seeing a slow but steady increase in appointments. Some companies have now taken on their second Future Director.

We continue to encourage greater diversity in the boardroom. NZSA policy on this topic extends far beyond just gender diversity. For example, we were pleased to see that recently, (after repeated suggestions from NZSA), Sky city has finally appointed its first Asian director.

**Awards** This year we gave the Beacon Award to Sean Hughes, CEO of FMA since its inception. It is hard to imagine anyone else who has so quickly changed the regulatory environment at an operational level. Sean has now resigned and returned to Australia. His successor, Rob Everett will be speaking at the NZSA Investor Conference.

Given the potential for litigation, the board has discontinued the Golden Glob award although we do recognise that a number of prime candidates are still lurking out there - some of them fortunately now behind bars.

**Litigation.** Following the settlement reported in my last report in regard to the defamation action brought by Hotchin and Watson, I am pleased to say that there are no other actions that we are aware of. The significant increase in the Associations insurance cost that this has triggered remains a real concern, but we must maintain cover to mitigate any personal risk to our directors and branch officers.

**Research Scholarships.** Last year I wrote that Auckland University had finally found a suitable person for the one remaining PhD scholarship. Unfortunately, this then fell through. However, I can report that finally an appointment has been made and Jeremy Beckham has now commenced his PhD. The board met with Jeremy a couple of months ago and was very impressed with his credentials and proposed research. Going forward, we will provide more information via the Scrip. An important factor for the NZSA is that we will gain some valuable research time as part of the arrangement.

**Education.** Last year I wrote that on its own the NZSA can only scratch the surface on financial literacy. Nationally, the Commission for Financial Literacy and Retirement Income has emerged as the National Coordinator of Financial Literacy education. It has published a wide range of useful material for both schools and Sorted Coordinators. Its Sorted website is a great resource for private investors. We have told the Minister that this whole area remains insufficiently funded at all levels. Financial literacy should be an essential part of the school curriculum, and the CFLRI continues to pursue this.

We expect that over time, KiwiSaver will stimulate more New Zealanders to take an interest in how their savings are invested. To that end we are considering trialling some after 5 events aimed at KiwiSavers. These would be presented in conjunction with industry participants. It remains astonishing to me how few people realise that via their KiwiSaver account, they are already heavily invested in the share market. When funds hit a critical threshold, the penny will drop and we can expect that they will start to take much greater interest in how their money is managed. We see potential for new members from this source.

**Summary** As always, our emphasis remains on making sure retail investor concerns are heard, promoting best practice and obtaining a fair deal for all shareholders. We continue to try to find ways of adding value to your membership. This year we have an

astonishingly good line-up for our 2014 Investor Conference. Anyone who can possibly attend should make the effort. On its own, the conference will repay your membership fee several times over.

We have now achieved a level of respect among all participants which is allowing us input at all levels. The result is that where it really matters, your concerns are taken into account at company, market, regulator and government levels. The NZSA strap line "Many investors, one voice" is now a very loud voice indeed.

John Hawkins  
Chairman.

## ELECTION OF BOARD MEMBERS

Two board members have retired by rotation and seek re-election. The following synopses have been supplied.

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### **Lyn Lim:**



Lyn is a commercial lawyer with significant experience in litigation. Lyn specialises in the provision of legal advice to a clientele of largely Asian businesses and high net worth individuals, and is a multilingual speaker of several Asian languages.

Lyn is an experienced Board member and currently sits on a number of Boards, including the Auckland Regional Amenities Funding Board, MyKris Limited, Auckland University of Technology, ASB Community Trust, Public Trust and the New Zealand Chinese Youth Trust.

Lyn is a partner of the boutique law firm Forest Harrison, which she established in 2006.

### **Gayatri Jaduram:**



Gayatri has a passionate (and working) interest in consumer and investment law in New Zealand.

She is a lawyer with 27 years' experience working predominantly with businesses and corporations involving banking & financial services law, insolvency law and general corporate and commercial law. She holds law and masters in commercial law with honours degrees from Auckland University. She is also a disputes tribunal referee based at the Auckland District Court.

Gayatri is also a member of various industry groups including as a committee member of the Australasian Banking and Financial Services Law Association and of an Auckland District Law Society subcommittee.

She is also a co-opted member of the board of trustees of Mount Albert Grammar School where her 2 sons are students.

## PROXY FORM

The Secretary  
New Zealand Shareholders' Association Inc.  
C/- 40 Tidey Road  
Mr Wellington  
Auckland. 1072  
**NEW ZEALAND**

**OR FAX TO +64-9-3095260**

**NOTE TO BE A VALID PROXY IT MUST BE RECEIVED BY THE ASSOCIATION AT  
THE ABOVE ADDRESS NO LATER THAN 24 HOURS PRIOR TO THE MEETING**

I/We \_\_\_\_\_ of \_\_\_\_\_  
(Please print your name)

being a member of the New Zealand Shareholders' Association Incorporated hereby

appoint \_\_\_\_\_ of \_\_\_\_\_  
(Please print the proxy holder name)

or failing them \_\_\_\_\_ of \_\_\_\_\_  
(Please print the alternative proxy holder name)

as my proxy to vote for me on my behalf at the Annual General Meeting of the  
Association to be held on the 6th of September 2014 and at any adjournment thereof.  
My proxy holder is instructed to vote as follows

**For.    Against.    Proxy holder    Abstain.  
                         discretion.**

**A      Appointment of Board members**

Lyn Lim

☐☐☐☐

Gayatri Jaduram

☐☐☐☐

**B      Adoption of the Annual Report  
Including Chairman's Report and  
Annual Accounts.**

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**C      Re-appointment of M.A. O'Meara  
as Accounts Reviewer**

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Signed by the member of the Association \_\_\_\_\_

Please PRINT your name here \_\_\_\_\_

Member Number \_\_\_\_\_ (Failure to supply your  
member number will NOT render this Proxy invalid)