



ANNUAL REPORT AND SUPPORTING DOCUMENTS FOR THE ANNUAL GENERAL MEETING

OF THE

NEW ZEALAND SHAREHOLDERS' ASSOCIATION INCORPORATED

FOR THE YEAR ENDED 31st MARCH 2018

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

1. Apologies
2. Approval of the previous Annual General Meeting minutes.
3. Chairman's Report.
4. CEO's Report
5. Presentation and adoption of the Annual Report incorporating the Chairman's Report, Performance Reports, Accounts Review and Notes.
6. Appointment of Directors
7. Re-appointment of M.A. O'Meara (Chartered Accountant) as Performance Report Reviewer for the year ended 2019
8. General Business.

PREVIOUS MEETING MINUTES

Minutes of the Annual General Meeting of the New Zealand Shareholders' Association held on 19th August 2017, James Cook Grand Chancellor, Wellington.

John Hawkins declared the AGM open at 11.45 pm

Attendance:

John Hawkins ó Chairman, Chris Curlett, Grant Diggle, Gayatri Jaduram, Martin Watson, Andrew Reding, Max Smith, Michael Midgley and 227 NZSA Members, Partners/Spouses and Guests.

Apologies:

Daniel Wong and seven other members.

Previous Minutes and Matters arising:

The Minutes of the AGM held on 3rd September 2016 as contained in the 2017 Annual Report were taken as read. Proposed and seconded these be adopted. **Passed unanimously.**

Chairman's Report

John Hawkins referred the meeting to the Chairman's Report which had been circulated in the Annual Report and then addressed the meeting.

John's address covered the demerger tax and being instrumental in a Bill being before the House, shareholder activism over Rakon and the removal of a Director despite a significant family interest voting block. Questioning the situation regarding Wynyard has regrettably proved to be correct however is a prime example of how the NZSA has a very real role to play. Veritas was another example of concern over closely held companies. We continue to monitor local and overseas trends actively which have included comments on the Financial Advisers Act Review and the distinction between a Financial Adviser and a Sales person. The Beacon award continues to grow from strength to strength and will hopefully grow this year in stature and influence on both the Corporate and Press.

John concluded with specific thanks to Gayatri Jaduram who is retiring from the Board after seven years working for the members. Her input to the success of the NZSA has been significant, and the Board wishes her well.

CEO's Address

Michael Midgley addressed the meeting and commented he had only joined in March 2017. He has been able to visit Branches and also meet a number of members. However, much of his time has been involved in the Advocacy Role. It has been a busy period culminating in the Fletchers issues.

Adoption of the Chairman's Report and Annual Accounts contained in the Annual Report.

It was proposed and seconded the Annual Report of the New Zealand Shareholders Association Incorporated as at 31st March 2017 incorporating the Chairman's Report and the Annual accounts as at 31 March be adopted. **Passed unanimously.**

Transparency in Remuneration

Martin Watson addressed the meeting and referred the meeting to the Interests section of the Annual Report. He outlined those Members who are paid and the roles they undertook.

Additionally, he commented the Board had resolved to provide the Chairman of the NZSA with an Honorarium of \$30,000 p.a. in recognition of the work he undertakes on behalf of the NZSA, commencing in September 2017.

Reappointment of O'Meara and Co as Reviewer of the accounts.

The Chairman advised the meeting the Board had elected to both adopt the XRB format of the Accounts and also to continue to have these Reviewed as distinct to Audited. The Board supported the re-appointment of M.A.O'Meara (Chartered Accountant) to undertake this role.

It was proposed O'Meara be appointed to undertake a Financial Review of the YE 2018 accounts on behalf of Members. **Passed unanimously.**

Questions from Members:

There were questions covering a number of issues including Social Media and the NZSA involvement

John Hawkins declared the meeting closed at 12.32 pm.

Signed as a true and correct record on _____ 2018

Chairman

Secretary/Treasurer

CHAIRMAN'S OVERVIEW 2017 – 2018

Introduction



At the start of the financial year, NZSA took an important step forward with Michael Midgley commencing in the CEO role. I noted then that the workload tends to expand to match the resource available, but I don't think anyone expected the continual stream of issues that occurred during 2017 -2018. I will touch on just a few of the time-consuming issues and the CEO will expand in his own report.

The fall from grace of Fletcher Building stunned us with its speed and severity, but regrettably we were not surprised that the company struck problems. As early as 2015, we had taken concerns to the Fletcher Chair about reports we were getting regarding culture and morale in the business as an apparent revolving door of staff changes began to really bite. It is often said that "culture" will define performance and Fletcher certainly seems to bear this out. Throughout the saga, we tried to keep members informed and even went so far as to produce a time-line of our interactions. It is also a lesson to boards to keep an ear to the ground and listen to concerns from shareholders.

The second shock was the decision by Xero to desert its New Zealand listing and move exclusively to the ASX. While we knew it was unlikely the company would change its mind, we did challenge them vigorously on why they had not maintained a dual listing here. The reality for many people is that offshore investing, even in Australia, is more difficult and expensive, and not everyone wants to face the inevitable exchange rate risk (although this can of course potentially work in one's favour).

A number of commentators opined that the Xero move was a death knell for NZX and partly of the exchange's own making. I do not think that was the case at all. However, it may have energised NZX to accelerate a range of changes that have been rolled out since the end of our financial year, not the least being an intention to force most transactions on-market by reducing the across the counter threshold to just \$50,000. This should improve liquidity and allow a greater number of people and organisations to participate.

We have seen a larger number of companies move to hybrid Annual Meetings during the year. NZSA fully supports these as they increase the opportunities for participation regardless of where you live. Earlier pressure for virtual only meetings seems to have subsided, and we think that is a good thing.

The problems of poorly prepared listings came to the fore again this year. The downward spiral of Veritas has been well documented. It was particularly galling for shareholders to see the vendor of the Mad Butcher division take it private again for a fraction of the original sale price, when as CEO, he had contributed to the decline. And the float of Tegel showed that care needs to be taken when faced with optimistic predictions originating from much hyped private equity sales. NZSA did point out the risks at the time of the IPO, and it gives us no satisfaction at all to see our concerns realised.

Regulatory issues came to the fore again this year. The inability of FMA to complete investigations in a timely manner is completely unacceptable. The Wynyard investigation for example has been ongoing for nearly 18 months. We are often told that "this is norm overseas". Well, New Zealand is not "overseas". It is a very poor argument from a regulator that needs to try much harder.

The biggest drama in many ways has been the demise of CBL. While not officially terminal just yet, it seems unlikely that any worthwhile value will remain for shareholders. The most disconcerting issue is the fact that the Reserve

Bank and FMA were involved in investigations for nearly a year before the matter went public. Quite how the secrecy provisions of the Reserve Bank and the continuous disclosure provisions that FMA has ultimate authority to enforce can co-exist is a mystery to us. NZSA has been active behind the scenes in trying to initiate change in this area. Michael's report gives more information.

At the end of the financial year, Grant Diggle resigned as a director. Grant has taken a part-time research role which takes some of the load off Michael and myself, while allowing us to expand the proxy service and better handle submissions and other policy matters.

To end on a positive note, we have seen a very significant lift in all shareholders being treated equally in equity raises. The use of accelerated rights issues has really picked up, and for the first time, Heartland Bank gave retail investors an opportunity to participate in the bookbuild for shares not taken up. This was particularly satisfying as we had previously criticised Heartland for favouring institutions via placements and SPP's. The legislation simplifying and enabling same class issues has been on the books for some time now, but it shows that persistence is required to change old habits.

The NZSA board

There has been quite a change in Association governance. With an (modest) executive team now in place, the decision was made to disestablish the associate-director roles. These were informal advisory positions that served us well in the past but were becoming less relevant. Alan Best, Des Hunt and Jacquie Hagberg filled these positions with distinction, but also understood the rationale for change. Des continues to promote the Future Director programme which is now well established and going from strength to strength.

During the financial year, as earlier indicated, Gayatri Jaduram stood down from the board. Grant Diggle followed at year end, but his skills and knowledge are not lost to the Association as noted above. In February, we co-opted Matthew Underwood as a director. His knowledge and practical experience have already proven what a good move this was. We have been looking at our skill set and will likely seek to appoint at least one further director during the current year.

Chairman Position

At the last Annual Meeting, I announced that I intended to stand down and would not seek re-election. The Board has spent a great deal of effort seeking a replacement. We did have three interested parties, two of whom were high profile candidates. Unfortunately, for a variety of reasons, all have subsequently withdrawn.

As a result, I have been under pressure to re-consider my earlier decision. Anyone who has been in this position will know that it is very difficult to walk away from something that has been a passion for nearly 10 years without a suitable successor in place. Accordingly, I have allowed my name to go forward for re-election at the AGM. Whether I remain in the Chairman role will be up to the board to decide.

Branches

Branches are the backbone of this organisation. The wide range of activities they organise to suit individual branch preferences is a real strength for the organisation. I think the committee chairs will acknowledge that the respect for, and interest in, the NZSA has meant it is becoming easier to obtain top-flight presenters. We continue to video a number of presentations and professionally produced videos are available on the members' area of our website along with a host of other valuable information.

I am sure that I speak for all members when I say we are indebted to the work the six local committees put in to make these activities a reality.

Membership

Membership increased significantly over the year with Wellington doing a great job leveraging off the 2017 Investor Conference and a series of educational courses run shortly after. The feedback we receive in our periodic surveys and from members throughout the year remains very positive, and in almost all cases, those who do not renew do so for reasons unrelated to the Association's performance.

Existing members are our best sales people. You need to encourage people to join. You can be rightly proud and enthusiastic about what your Association offers. Our gift membership facility runs throughout the year and makes a particularly valuable Christmas present that will keep giving back for a whole year.

I must also thank our Corporate Members who support us, not for financial gain, but because they believe a strong independent voice for retail shareholders is good for the market.

Finance and Administration

The accounts show our financial situation to be very sound. We have been able to build a reserve of funds and can plan with a degree of certainty. This is important for two reasons. Firstly, we have obligations to our employees and contractors as well as ongoing office costs. We need to be able to have a time buffer to deal with these should income drop unexpectedly. Secondly, we want to have sufficient reserves to maintain a "fighting fund" for direct action and/or advocacy as necessary.

The board has clear protocols to ensure funds are invested wisely as well as clear and conservative spending authorities.

As previously, the Association continues to voluntarily undertake an annual review in line with XRB requirements, even though we remain below the threshold for these. We are required to consolidate branch accounts into the national organisation but respect the need for branches to run their own affairs. The consolidation gives a fairer financial view of the whole organisation. Once again, we need to thank our Secretary/Treasurer Chris Curlett for his sterling work in this complex area.

Health and safety

I am pleased to report that we had no health and safety incidents reported during the year. While the requirements may be seen by some as unnecessary, we have no choice when it comes to compliance.

Investor Conference

For the eighth year in a row, NZX has committed to partnering with us and provides significant assistance toward staging of our Annual Investor Conference. We are indebted to them for helping make the event the huge success it has become. We put together a tremendous line up of speakers for the 2017 Conference in Wellington where we had the welcome problem of needing to close off registrations two weeks early as we were sold out. The Conference has gone from strength to strength and is probably the largest independent financial event in the country.

Awards

Beacon: For 2016, we gave the Beacon Award to Rob Campbell, Chairman of Summerset, Tourism Holdings and Sky City. Our citation particularly praised Rob for his willingness to publicly express views on sometimes

controversial subjects and his commitment to consider sustainability and social concerns within the context of Chairing diverse and highly successful companies.

Business Story of the Year: At very short notice, the NZSA decided to pick up the defunct EY Business Journalist Awards and we have incorporated our earlier Business Story award into this. There are four award categories. The supreme winner was Karen Scherer for her story about serious financial misconduct at Fuji Xerox. Ironically, this was the very story that caused the EY event to implode.

Website and Branding

Last year we said the board had commenced work to have the website modernised. While we missed our self-imposed deadline, members will have noticed that the new website went live in July. It introduces a more modern style and incorporates revised branding that was introduced to be consistent across the whole organisation in March.

Scrip Magazine

During the year, Alan Best retired as Scrip editor. This left some big shoes to fill and Don Kinnell has proved to be up to the task. Bruce Parkes also stepped back from the onerous task of formatting and typesetting the Scrip. Shirley Brears has accepted this role and is rapidly getting to grips with the task with Bruce's guidance. Thank you, Alan and Bruce, for taking a simple stapled set of A4 sheets and turning them into a professional and highly valued member benefit available both on-line and in hard copy.

Education

The Association is probably unique in having a comprehensive and independent face-to-face educational offering. Our "Investing Options and Starting in the Sharemarket" course has been very popular with waiting lists in Auckland and an additional course added because of demand in Wellington. Since year end, Christchurch also required a second course and the Bay of Plenty intend to run a course in September.

However, for the second year running, we have now lost our Auckland night school venue when Mt Roskill Grammar decided to close down. We are currently sorting out an alternative. While internet based learning has a place, there is no doubt that face-to-face remains a necessary and preferred option for many people, and the hollowing out of available facilities does nothing to help.

If funds can be procured, we will pursue an internet course ourselves, but feedback increasingly suggests that the main niche for NZSA is in the face-to-face space.

Staff

Many of you will have now met Michael Midgley who has been with us since March 2017. He has settled in well and handled the enormous pressures of an incredibly busy year with great skill. He has been ably supported by our EA Jacquie Spillane who makes the whole place run like clockwork.

Thanks

I am extremely grateful to have such a strong board to support me. Andrew Reding, Chris Curlett, Gayatri Jaduram, Grant Diggle, Martin Watson, Max Smith, Daniel Wong and Matthew Underwood all provide me with invaluable wisdom and support over the year.

I also want to acknowledge our former Associate Directors, Des Hunt for his work with the Future Director programme, Jacquie Hagburg for managing our proxy service and Alan Best for his sterling work on the Scrip amongst many other jobs.

Summary

I was going to write something different, but on reflection, last year's final paragraph says it all, so it bears repeating.

Many investors, one voice. Concise and accurate! For a modest organisation, we really do punch above our weight and offer shareholders a great deal. Tell your friends what they are missing out on. Encourage them to come on the journey and enrich their investing experience.

John Hawkins
National Chairman.

CEO'S OVERVIEW 2017 – 2018



The number of issues confronting NZSA and the ensuing level of activity in the year under review was quite unexpected. A year ago I said something similar to the AGM but it has just got more so.

It is clear that with additional resources we are more visible and effective, and as a result are being asked to do more. A good example is the number of companies that now come to us for our opinion, sometimes even before we are aware of an issue. And it is not just the companies, individual directors increasingly take the initiative and seek to interact with us about all the companies in which they are engaged.

The most prevalent reason for company contact is in relation to resolutions for annual meetings. In the past the first we knew of these was usually when the notices of meeting were published but not only has there been a change, it has been growing fast. Companies now know we are reasonable and approachable and come with draft resolutions for discussion. These are often about remuneration of directors but capital raisings and special resolutions are also raised more frequently.

NZSA is now often in a position of influence at an early enough stage to effect modification of intentions and outcomes. Companies realise that NZSA's Proxy Voting Intentions (PVIs) are widely read and sometimes reported when controversial issues arise. They see it is in their interest to do what they can to avoid adverse or negative comment from us.

By their nature these discussions are both time consuming and confidential. NZSA's reputation has been enhanced by our respect for that and by our determination to display integrity and professionalism.

The feedback we get from members (and non-members) is invaluable to these debates and we welcome your input at any time. The increase in this level of activity means that we are keen to have more member participation in this area. So, where you know about this company or that issue and you can help, please let us know.

Fletcher Building (FBU) was a good example. Much of the information we took to the company in our meetings came from our members and their contacts. While most of the hard work on the Fletcher problems is now done we are monitoring their progress. We were disappointed that the recent board appointments were not more oriented towards specialist knowledge for some areas and believe this is still required. Importantly, although we have been strong in our criticisms, we have managed to maintain dialogue throughout and are gradually rebuilding the relationship.

CBL is another case where we received good input from members and other sources. Our concern now is to continue to be active in seeking change to the legal framework that allowed the present situation. We have interacted with the Reserve Bank and the Financial Markets Authority and met the Minister of Commerce to make our case on this and other regulatory matters. It's likely we will have to spend many more hours on this.

These high profile issues have drawn considerable media attention and calls for comment from NZSA. Awareness of the existence of a more formal and permanently staffed national office has increased approaches from the

media, members and many others. Our ability to respond promptly to these approaches further enhances our visibility.

NZX is of course a leading party with which we meet regularly and make formal as well as informal submissions as required. We have had a number of these to deal with since NZX began the review of its business and structure. We are pleased at the level of liaison and acceptance of our point of view on many issues.

Government continues to seek NZSA's input on issues, and policy revision questions have been more prevalent since the election with various requests for comment from MBIE.

While we have drawn matters to the attention of FMA we have also been involved in making submissions on issues they raise. Even with the simplest of matters considerable time and research is involved in making submissions and the availability of our new researcher is valuable. The submissions we make are available on our website.

Members will have seen that we have circulated surveys on behalf of some organisations and they have expressly thanked us for the quality of responses received from our members.

We continue to take an interest in the regulation of financial advisors where the code of conduct is still being debated.

NZSA's own survey of members got a good response from you and the results enable us to refine what we offer and seriously empower our arguments in company meetings.

The appointment of former director Grant Diggie as a part-time researcher has meant that we have been able to increase the number of Proxy Voting Intention notices we issue. Members have told us these are highly valued and the growing requests for our presence as a proxy holder at meetings is one aspect in our increased public visibility. This year we will probably cover at least 100 companies. This important function of NZSA is dependent on those members who volunteer to attend meetings as proxy holders and we are all indebted to, and sincerely thank them.

In addition to the increased demands from our routine work we have spent a great deal of time on our website and the associated issues around our brand and marketing. The new look website had just launched successfully at the time of writing and without the cost overruns that seem to plague the outside world. We thank Alex of NetInsites for that.

Our member management system continues to be upgraded and improvements to the event management function mean that even with the growth in membership and the size and frequency of events we are able to organise all our events without the considerable expense of engaging contractors. This results in us being able to deliver events such as this conference at a fraction of the cost members would otherwise have to pay. There are few organisations of NZSA's size that can boast that they manage all their events on their own. A lot of credit for this is due to Jacquie Spillane.

The new team on The Scrip have made a great start and thanks are due to Don and Shirley and Alan and Bruce for an apparently simple and seamless transition.

The volume of issues we have had to address has meant that it has largely been branches' own initiatives that have produced membership growth and the work of Wellington in capitalising on last year's conference was

exemplary. Other branches have had their own successes and it is clear that providing education opportunities is a useful tool in attracting new members. We plan more work in this area. We would like to have a dedicated contact person for membership and education when resources permit.

As with every volunteer based, not for profit organisation NZSA is constrained in its activities by resources. We have some initiatives planned to strengthen our finances, but continued membership growth is key. Members are our best promoters. Please spread the word.

Thank you to all those who give their skills and time to NZSA because they believe in what we do. Your directors give unstintingly and it is a privilege to work with them.

Michael Midgley

PERFORMANCE REPORTS, REVIEW AND NOTES.

THE NEW ZEALAND SHAREHOLDERS' ASSN. INC.

Information

For the Financial Year Ended

31 March 2018

Legal Name of Association: The New Zealand Shareholders' Association Incorporated

Type of Association and Legal Basis: New Zealand Incorporated Society

Registration Number: 1138448

Directors:

- John Hawkins (Chairman)
- Chris Curlett (Secretary-Treasurer)
- Grant Diggle (Resigned 2018)
- Gayatri Jaduram (Resigned 2017)
- Andrew Reding
- Max Smith
- Matthew Underwood (Co-opted 2018)
- Martin Watson
- Daniel Wong

Members Annual Accounts Reviewer: M.A. O'Meara, (Chartered Accountant)

Association Tax Accountants: Gilligan Sheppard

Association's Purpose:

The objects of the Association are to:

- a) Represent, protect and promote the interests of investors in shares and other Investment Products; and
- b) To promote and encourage an active, efficient, fair and transparent market for raising capital and trading in shares and other Investment Products.

For the avoidance of any doubt, the Association can do all such things as are incidental or conducive to the attainment of its Objects or any of them and to promote any other activity not repugnant to its Objects, including without limitation:

- a) Influencing through the policy of Government.
- b) Making submissions to Parliament and regulatory bodies on laws.
- c) Performing and encouraging research.
- d) Providing an advocacy role.
- e) Providing a proxy service.
- f) Encouraging good governance within Organisations.
- g) Organising meetings and functions for members, often with keynote speakers from finance, industry, journalism, politics and other relevant sectors.
- h) Undertaking educational activities and working with other organisations in relation to investor education.
- i) Establishing and maintaining branches throughout New Zealand.

Association Structure:

The New Zealand Shareholders' Association Incorporated is structured as a central National office with six partially self governing Branches in New Zealand.

The National Body is governed by a central Board made up of elected members. The Branches each have their own committee which manages the day to day activities of the Branch, reporting to the National Board.

Main Sources of the Association's Cash and Resources:*

The NZ Shareholders' Association receives a large majority of funding for its activities from Members subscriptions. There are a number of investments in Shares which provides a minor income flow and the National Board has a policy of increasing this investment and reserve funding.

This funding is spread over the entire membership of the Association and is divided between two principle groupings, the Individual Membership and the Corporate Membership.

Main Methods Used by the Association to Raise Funds:*

The Association generates its funding from Membership fees and to a minor degree from event based support, such as advertising and promotion of an event. The Annual Conference receives funds from the NZX and the support of speakers at the event.

Branches may also receive Membership Fees and a Branch Subsidy to assist them during the early stages of their development. Additionally Branches receive funds from their own Functions and Activities.

Association's Reliance on Volunteers and Donated Goods or Services: *

There is a tremendous amount of work undertaken at all levels of the Association on a voluntary basis. This is supplemented by a small and hard working staff within the National Office made up of the Secretary / Treasurer and two Employees filling the roles of Chief Executive and Executive Assistant.

Contact details

Physical Address:	West Plaza Building Customs Street. Auckland City.
Postal Address:	c/- PO Box 2494 Shortland Street Auckland 1010
Phone/Fax:	0800-697-27478
Website:	www.nzshareholders.co.nz

THE NEW ZEALAND SHAREHOLDERS' ASSN. INC.

Review Report

For the Financial Year Ended

31 March 2018



Chartered Accountant

P O Box 56 565, Auckland 1446

Phone 09 631 7849

INDEPENDENT ASSURANCE PRACTITIONER'S REVIEW REPORT

To the Members of New Zealand Shareholders' Association Inc.

Report on the Performance Report

I have reviewed the performance report of New Zealand Shareholders' Association Inc. on pages 15 to 28, which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended 31 March 2018, the statement of financial position as at 31 March 2018, and the statement of accounting policies and other explanatory information.

The Responsibility of the Board Members for the Performance Report

The Board Members are responsible on behalf of the entity for:

- a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- b) The preparation and fair presentation of the performance report which comprises the entity information, the statement of service performance, and the statement of financial performance, the statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report, in accordance with Public Benefit Simple Format Reporting – Accrual (Not-For-Profit) issued in New Zealand by the New Zealand Accounting Standards Board, and
- c) For such internal control as the Board determine is necessary, to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

Assurance Practitioner's Responsibility

My responsibility is to express a conclusion on the performance report. I conducted my review of the statement of financial performance, the statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standard on Review Engagements (New Zealand) (ISRE (NZ)) 2400 (Revised), and the review of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Those standards require that I conclude whether anything has come to my attention that causes me to believe that the performance report, taken as a whole, is not prepared in all material respects in accordance with the Public Benefit Simple Format Reporting – Accrual (Not-For-Profit). Those standards require that I comply with ethical requirements.

A review of the performance report in accordance with ISRE (NZ) 2400 (Revised) and ISAE (NZ) 3000 (Revised) is a limited assurance engagement. I will perform procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate and applying analytical procedures, and evaluate the evidence obtained. The procedures selected depend on my judgement, including the areas identified where a material misstatement is likely to arise and includes performing procedures to obtain evidence and evaluating whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

The procedures performed in a review are substantially less than those performed in an audit conducted with International Standards on Auditing (New Zealand) and ISAE (NZ) 3000 (Revised). Accordingly, I do not express an audit opinion on the performance report.

Other than in my capacity as assurance practitioner, I have no relationship with, or interests in, New Zealand Shareholders' Association Inc.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that:

- a) The reported outcomes and outputs, and quantification of the outputs to the extent practicable, are not suitable;
- b) the performance report on pages 15 to 28, does not present fairly, in all material respects, the entity information and service performance for the year then ended, and the financial position of New Zealand Shareholders' Association Inc. as at 31 March 2018, and its financial performance, and cash flows for the year then ended in accordance with Public Benefit Entity Simple Format reporting – Accrual (Not-For-Profit).


27th July 2018
M A O'Meara
Chartered Accountant

THE NEW ZEALAND SHAREHOLDERS' ASSN. INC.

Statement of Service Performance

For the Financial Year Ended
31 March 2018

Over the Financial Year ended 2018 the Association has;

- Encouraged Members to vote at meetings or provide the Association with their Proxy
- Provided members with a greater insight into how the NZSA will vote undirected Proxies at Company Meetings
- Continued the ongoing dialog with the New Zealand Stock Exchange (NZX)
- Further attempted to develop a stronger working relationship with the Financial Markets Authority (FMA)
- Provided commentary to members and the public on the Associations views in regard to specific corporate and regulatory matters and investing generally
- Continued to run Education Courses for members and the public
- Worked with Listed Companies to enhance Governance
- Established a National office and staffed it with-in the constraints of the Associations cash flow
- Provided the framework enabling a range of member events and services to be provided

Description of the Associations Outcomes

- To achieve a stronger and more vibrant Equities Market in New Zealand by increasing investors' confidence in the market.
- Increased active involvement in the Market by the Investor's
- Improving an understanding the risks and rewards available to Investors.
- For the Investor to act as the Business Owner and to look at the Companies they have invested in to better appreciate the complex activities of the Companies.
- To encourage good governance within the Companies and to ensure the Monitoring and Regulatory activities function well to grow the Market and instil confidence in it.

Description and Quantification (to the extent practicable) of the Association

Branch Outputs:

	Actual	
	This Year	Last Year
Branch Meetings Held	49	46
Speakers and Presentations to Members	55	59
Visits to Companies	11	6
Other Activities	-	6
New Branches established	-	-
Meeting Groups supported by the National office	1	1

The Board herewith approve the Financial Report for the year ended 31 March 2018 as presented on Pages 14 to 28 inclusive.

For and on behalf of the Board;


Chairman
27/7/2018


Secretary / Treasurer
27/7/2018

THE NEW ZEALAND SHAREHOLDERS' ASSN. INC.

Statement of Financial Performance

For the Financial Year Ended
31 March 2018

Actual Last Year*			Details	Note	Actual this year*		
Branch	National	Group			Group	National	Branch
\$	\$	\$			\$	\$	\$
Revenue							
1,000	5,737	6,737	Donations, fundraising and other similar revenue*	1.1	5,081	3,706	1,375
25,703	300,261	325,964	Fees, subscriptions and other revenue from members*	1.2	373,813	344,502	29,311
24,594	17,020	41,614	Revenue from providing goods or services*	1.3	66,854	43,881	22,973
966	7,054	8,020	Interest, dividends and other investment revenue*	1.4	8,105	7,232	873
43	24	67	Other revenue		694	694	-
52,306	330,096	382,402	Total Revenue*		454,547	400,015	54,532
Expenses							
-	6,567	6,567	Expenses related to public fundraising*		-	-	-
-	121,264	121,264	Volunteer and employee related costs*	2.1	209,353	209,353	-
45,818	35,608	81,426	Costs related to providing Goods or Services*	2.2	80,893	30,300	50,593
-	-	-	Grants and donations made*		-	-	-
1,211	105,650	106,861	Other	2.3	122,494	120,916	1,578
47,029	269,089	316,118	Total Expenses*		412,740	360,569	52,171
Non-cash expenses and extraordinary Items							
597	7,558	8,155	Depreciation		11,122	10,437	685
-	10	10	Provision for Taxation		-	-	-
47,626	276,657	324,283	Total Expenses		423,862	371,006	52,856
4,680	53,439	58,119	Surplus/(Deficit) for the Year*		30,685	29,009	1,676

NOTE; This page should be read in conjunction with all the Statements of Financial Performance and the Notes forming a part of them. These Statements have not been Audited however have been Reviewed in accordance with the requirements of the External Reporting Board Standards.

THE NEW ZEALAND SHAREHOLDERS' ASSN. INC.

Statement of Financial Position

For the Financial Year Ended
31 March 2018

Actual Last Year*			Details	Note	Actual this year*		
Branch	National	Group			Group	National	Branch
\$	\$	\$			\$	\$	\$
ASSETS							
Current Assets							
78,856	156,980	235,836	Bank accounts and cash*		233,077	150,915	82,162
-	38,018	38,018	Debtors and prepayments*		67,053	67,053	-
-	-	-	Inventory*		-	-	-
-	-	-	Provision for Tax		-	-	-
3,405	-	3,405	GST Recoverable		4,198	-	4,198
-	1,648	1,648	Other current assets		2,564	2,564	-
82,261	196,646	278,907	Total Current Assets		306,892	220,532	86,360
Non-Current Assets							
-	65,095	65,095	Investments*	3	65,140	65,140	-
2,284	26,508	28,792	Property, plant and equipment*	4	33,327	31,728	1,599
-	-	-	Other non-current assets		-	-	-
2,284	91,603	93,887	Total Non-Current Assets		98,467	96,868	1,599
84,545	288,249	372,794	Total Assets*		405,359	317,400	87,959
LIABILITIES							
Current Liabilities							
6,834	47,059	53,893	Creditors and accrued expenses*		55,599	47,027	8,572
-	6,547	6,547	GST Payable		6,463	6,463	-
-	1,384	1,384	Employee costs payable*		1,598	1,598	-
6,834	54,990	61,824	Total Current Liabilities		63,660	55,088	8,572
6,834	54,990	61,824	Total Liabilities*		63,660	55,088	8,572
77,711	233,259	310,970	Total Assets less Total Liabilities (Net Assets)*		341,699	262,312	79,387
77,711	233,259	310,970	Accumulated Members Funds	4	341,699	262,312	79,387

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THE NEW ZEALAND SHAREHOLDERS' ASSN. INC.

Statement of Cash Flows

For the Year Ended
31 March 2018

Actual Last Year*			Details	Note	Actual this year*		
Branch	National	Group			Group	National	Branch
\$	\$	\$			\$	\$	\$
Cash Flows from Operating Activities*							
Cash was received from:							
1,000	5,737	6,737	Donations, fundraising and other similar receipts*	5,081	3,706	1,375	
22,688	310,916	333,604	Fees, subscriptions and other receipts from members*	367,529	343,371	24,158	
6,568	-	6,568	NZSA Subsidy paid to Branches	-	7,096	7,096	
27,219	15,327	42,546	Receipts from providing goods or services*	65,344	43,881	21,463	
966	7,328	8,294	Interest, dividends and other investment receipts*	8,006	7,138	868	
-	238	238	Other Revenue	699	699	-	
58,441	332,978	391,419	Cash Income	446,659	391,699	54,960	
-	1,534	-	Net GST	-	7,851	-	
56,907	322,604	379,511		438,808	384,846	53,962	
Cash was applied to:							
47,648	238,941	286,589	Payments to suppliers and employees*	425,999	375,343	50,656	
-	-	-	Donations or grants paid*	-	-	-	
9,259	83,663	92,922	Net Cash Flows from Operating Activities*	12,809	9,503	3,306	
Cash flows from Investing and Financing Activities*							
Cash was received from:							
-	-	-	Receipts from the sale of property, plant and equipment*	-	-	-	
-	11,096	11,096	Receipts from the sale of investments*	89	89	-	
-	-	-	Proceeds from loans borrowed from other parties*	-	-	-	
-	-	-	Capital contributed from owners or members*	-	-	-	
Cash was applied to:							
1,527	14,766	16,293	Payments to acquire property, plant and equipment*	15,657	15,657	-	
-	-	-	Payments to purchase investments*	-	-	-	
-	-	-	Repayments of loans borrowed from other parties*	-	-	-	
-	-	-	Capital repaid to owners or members*	-	-	-	
- 1,527	- 3,670	- 5,197	Net Cash Flows from Investing and Financing Activities*	- 15,568	- 15,568	-	
7,732	79,993	87,725	Net Increase / (Decrease) in Cash*	- 2,759	- 6,065	3,306	
71,124	76,987	148,111	Opening Cash*	235,836	156,980	78,856	
78,856	156,980	235,836	Closing Cash*	233,077	150,915	82,162	
7,732	79,993	87,725		(2,759)	(6,065)	3,306	
This is represented by:							
78,856	156,980	235,836	Bank Accounts and Cash*	233,077	150,915	82,162	

NOTE; This page should be read in conjunction with all the Statements of Financial Performance and the Notes forming a part of them. These Statements have not been Audited however have been Reviewed in accordance with the requirements of the External Reporting Board Standards.

THE NEW ZEALAND SHAREHOLDERS' ASSN. INC.

Statement of Accounting Policies

For the Financial Year Ended

31 March 2018

Basis of Preparation*

The New Zealand Shareholders' Association Incorporated (NZSA) has elected to apply PBR SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the Basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All Transactions in the Performance Report are reported using the accrual basis of Accounting. The Performance Report is prepared under the assumption the NZSA will continue to operate in the foreseeable future.

Goods and Services Tax (GST)*

All amounts are recorded exclusive of GST, except for Debtors and Creditors which are stated inclusive of GST.

Income Tax

The New Zealand Shareholders' Association Incorporated is exempt from New Zealand Income Tax having fully complied with all statutory conditions for these exemptions. Where an activity is outside the Exempt Status the Tax is calculated and a provision is made in the Accounts for it.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Members Subscriptions Paid In advance

A provision has been made for Members Subscriptions (other than Corporate Members) which have been paid in advance and would need to be refunded in the event of the NZSA being wound up.

Investment (Share) Realisation

Shares in listed companies held by the New Zealand Shareholders' Association Incorporated are only for representation purposes and may not be realisable for the amounts stated in the accounts.

Property, Plant and Equipment

The Property, Plant and Equipment (PPE) mainly consist of software and there is a fundamental uncertainty over its realisable value.

The PPE is measured at Cost less accumulated Depreciation. Depreciation is charged at a rate of 30% DV.

Changes in Accounting Policies*

Solely for comparative purposes some of the year end 2017 figures have been consolidated or re-categorised to improve the readability of the Financial Statements.

NZSA Financial Accounts Annual Review costs

This role has been undertaken by M.A. O'Meara who was re-appointed at the 2017 Annual General Meeting. Members should note this is a Review and **not** an Audit. The Independent Review Report, concerning the Financial Performance for the 2017/18 year, are attached as part of the 2017/18 Annual Report.

THE NEW ZEALAND SHAREHOLDERS' ASSN. INC.

Notes to the Performance Report

For the Financial Year Ended
31 March 2018

Note 1 : Analysis of Revenue

1.1 Donations and other similar revenue

Actual Last Year*			NOTE	Revenue Item	Analysis	Actual this year*		
Branch	National	Group				Group	National	Branch
\$	\$	\$				\$	\$	\$
-	2000	2,000	1.1	Donations and other similar revenue	PhD Scholarship	-	-	-
1,000	3737	4,737			Donations	5,081	3,706	1,375
1,000	5,737	6,737		Total		5,081	3,706	1,375

1.2 Fees, subscriptions and other revenue from members

Actual Last Year*			NOTE	Revenue Item	Analysis	Actual this year*		
Branch	National	Group				Group	National	Branch
\$	\$	\$				\$	\$	\$
19,135	95,829	114,964	1.2	Fees, subscriptions and other revenue from members	Subscriptions	130,813	108,598	22,215
-	211,000	211,000			Corporate Membership	243,000	243,000	-
6,568	(6,568)	-			Branch Subsidy	-	(7,096)	7,096
25,703	300,261	325,964		Total		373,813	344,502	29,311

1.3 Revenue from providing Goods or Services

Actual Last Year*			NOTE	Revenue Item	Analysis	Actual this year*		
Branch	National	Group				Group	National	Branch
\$	\$	\$				\$	\$	\$
-	1,619	1,619	1.3	Revenue from providing Goods or Services	Awards	28,621	28,621	-
-	13,401	13,401			AGM/Conference Revenue	13,043	13,043	-
-	2,000	2,000			Education Revenue	2,217	2,217	-
24,594	-	24,594			Functions held by Branches	22,973	-	22,973
24,594	17,020	41,614		Total		66,854	43,881	22,973

1.4 Interest, dividends and other investment revenue

Actual Last Year*			NOTE	Revenue Item	Analysis	Actual this year*		
Branch	National	Group				Group	National	Branch
\$	\$	\$				\$	\$	\$
966	2,599	3,565	1.4	Interest, dividends and other investment revenue	Bank Interest	4,360	3,487	873
-	3,889	3,889			Dividend	3,651	3,651	-
-	-	-			IRD Interest	-	-	-
-	-	-			FX Gain/Loss	5	5	-
-	566	566			Profit/(Loss) on sale of Shares	89	89	-
966	7,054	8,020		Total		8,105	7,232	873

NOTE: This page should be read in conjunction with all the Statements of Financial Performance and the Notes forming a part of them. These Statements have not been Audited however have been Reviewed in accordance with the requirements of the External Reporting Board Standards.

THE NEW ZEALAND SHAREHOLDERS' ASSN. INC.

Notes to the Performance Report

For the Financial Year Ended
31 March 2018

Note 2 : Analysis of Expenses

2.1 Volunteer and employee related costs

Actual Last Year*			NOTE	Expense Item	Analysis	Actual this year*		
Branch	National	Group				Group	National	Branch
\$	\$	\$				\$	\$	\$
-	4,925	4,925	2.1	Volunteer and employee related costs	Board Meeting	6,972	6,972	-
-	41,284	41,284			Consulting & waged staff	46,181	46,181	-
-	37,500	37,500	7	Executive Chairman / Chairman	17,500	17,500	-	
-	27,500	27,500	7	Secretary / Treasurer	27,500	27,500	-	
-	9,250	9,250	7	Chief Executive Officer	111,200	111,200	-	
-	805	805		Other Costs	-	-	-	
-	121,264	121,264		Total	209,353	209,353	-	

2.2 Costs related to providing Goods or Services

Actual Last Year*			NOTE	Expense Item	Analysis	Actual this year*		
Branch	National	Group				Group	National	Branch
\$	\$	\$				\$	\$	\$
-	30,745	\$ 30,745	2.2	Costs related to providing Goods or Services	AGM/Conference	28,475	28,475	-
-	4,863	\$ 4,863			Education	1,825	1,825	-
45,818	-	\$ 45,818		Functions	50,593	-	50,593	
45,818	35,608	81,426		Total	80,893	30,300	50,593	

2.3 Other expenses (see also "Administration Expenses" below)

Actual Last Year*			NOTE	Expense Item	Analysis	Actual this year*		
Branch	National	Group				Group	National	Branch
\$	\$	\$				\$	\$	\$
1,211	17,279	18,490	2.3	Other expenses	Administration (See details below)	25,275	23,697	1,578
-	11,740	11,740			Advocacy	5,241	5,241	-
-	8,283	8,283			Awards and Presentations	23,445	23,445	-
-	16,190	16,190			Branch expenses	9,764	9,764	-
-	17,768	17,768			Insurance	18,168	18,168	-
-	2,635	2,635			Inter-Branch Conference	2,791	2,791	-
-	3,320	3,320			Credit Card fees	4,098	4,098	-
-	9,355	9,355			Newsletter and Member Communications	9,182	9,182	-
-	8,026	8,026			Review Costs	8,624	8,624	-
-	3,262	3,262			Repairs and Maintenance	6,676	6,676	-
-	7,915	7,915			Web	9,001	9,001	-
-	(123)	(123)			Other	229	229	-
1,211	105,650	106,861				Total	122,494	120,916

2.4 Administration (also see "Other Expenses" above)

Actual Last Year*			NOTE	Expense Item	Analysis	Actual this year*		
Branch	National	Group				Group	National	Branch
\$	\$	\$				\$	\$	\$
-	3,547	3,547	7	Administration (see "Other Expenses" above)	Accommodation	10,991	10,991	-
1,211	-	1,211			Branch Administration	1,578	-	1,578
-	9,840	9,840			Stationery, Printing, Parking and Office Costs	11,163	11,163	-
-	445	445			Subscriptions	475	475	-
-	3,465	3,465			Telephone	1,080	1,080	-
-	(18)	(18)			Other	(12)	(12)	-
1,211	17,279	18,490		Total	25,275	23,697	1,578	

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THE NEW ZEALAND SHAREHOLDERS' ASSN. INC.

Notes to the Performance Report

For the Financial Year Ended

31 March 2018

Note 3 : Investments in Shares

The Association has invested in a number of New Zealand Shares for two reasons;

- Advocacy. In these cases, the Association has found it prudent to establish a minimum parcel size holding in a Listed Company for advocacy purposes. Having a shareholding ensures that an Association representative is able to attend Shareholder Meetings as of right;
- Investment. The Association has invested in a number of NZX listed companies as a part of a diversified approach to managing the Associations Investments.

These Investments will assist the Association to manage any contingencies that may arise, such as a campaign requiring significant funds or a downturn in the Association income. The companies the Association holds in its investment portfolio are as scheduled below. The Association is not recommending these companies nor providing an endorsement of them. The details below are provided simply for transparency.

	This Year	Last Year
	# of shares	
Shares held for Advocacy	2,255	2,255
Shares held for Investment		
Auckland International Airport Limited	99	99
Arvida Group Limited	6,880	6,880
Contact Energy Limited	79	79
EBOS Group Limited	510	510
Green Cross Health Limited	4,228	4,228
Infratil Limited	2,157	2,157
Mercury NZ Limited	2,180	2,180
Michael Hill Limited	4,050	4,050
NZX Limited	982	982
PGG Wrightson Limited	11,900	11,900
Scott Technology Limited	3,520	3,520
Tourism Holdings Limited	150	150
	<u>\$ 65,139</u>	<u>\$ 65,095</u>

The Potential Realisable Value of these shares at Year End is

There is a fundamental uncertainty in respect of the Potential Realisable Value of these Investments due to the uncertain nature of the share market.

In YE2018 there were no shareholdings transferred from "Advocacy" to "Investment" (YE2017 = four)

Note 4 : Accumulated Members Funds

Actual Last Year*			Details	Actual this year*		
Branch	National	Group		Group	National	Branch
\$	\$	\$		\$	\$	\$
-	-	-	Capital contributed by members*	-	-	-
73,032	171,501	244,533	Accumulated surpluses or (deficits)*	310,970	233,259	77,711
4,679	53,439	58,118	Years Operating Surplus/Deficit	30,685	29,009	1,676
-	12,597	12,597	Less previous years Unrealised Share Investments	20,916	20,916	-
-	20,916	20,916	Plus Unrealised Potential Share Investments	20,960	20,960	-
-	-	-	Reserves*	-	-	-
77,711	233,259	310,970	Total Accumulated Members Funds*	341,699	262,312	79,387

NOTE; This page should be read in conjunction with all the Statements of Financial Performance and the Notes forming a part of them. These Statements have not been Audited however have been Reviewed in accordance with the requirements of the External Reporting Board Standards.

THE NEW ZEALAND SHAREHOLDERS' ASSN. INC.

Notes to the Performance Report

For the Financial Year Ended
31 March 2018

Note 5 : Property, Plant and Equipment

This Year					
Asset Class*	Opening Carrying Amount*	Purchases	Sales/Disposals	Current Year Depreciation and Impairment*	Closing Carrying Amount*
Land*	-	-	-	-	-
Buildings*	-	-	-	-	-
Motor Vehicles*	-	-	-	-	-
Furniture and fixtures*	-	-	-	-	-
Office equipment*	223	-	-	67	156
Computers (including software)*	2,174	-	-	652	1,522
Web software	21,665	15,657	-	8,984	28,338
Trade Mark (NZSA Logo)	2,446	-	-	734	1,712
Machinery*	-	-	-	-	-
Heritage Assets*	-	-	-	-	-
Total National Assets	26,508	15,657	-	10,437	31,728
Branch Equipment (Including software)	2,284	-	-	685	1,599
TOTAL ASSETS	28,792	15,657	-	11,122	33,327

Last Year					
Asset Class*	Opening Carrying Amount*	Purchases	Sales/Disposals	Previous Year Depreciation and Impairment*	Closing Carrying Amount*
Land*	-	-	-	-	-
Buildings*	-	-	-	-	-
Motor Vehicles*	-	-	-	-	-
Furniture and fixtures*	-	-	-	-	-
Office equipment*	318	-	-	95	223
Computers (including software)*	1,173	1,388	-	387	2,174
Web Software	14,312	13,379	-	6,026	21,665
Trade Mark (NZSA)	3,496	-	-	1,050	2,446
Machinery*	-	-	-	-	-
Heritage Assets*	-	-	-	-	-
Total National Assets	19,299	14,767	-	7,558	26,508
Branch Equipment (Including software)	1,353	1,528	-	597	2,284
TOTAL ASSETS	20,652	16,295	-	8,155	28,792

Significant Donated Assets Recorded - Source and Date of Valuation*

There are no Significant Donated Assets which are not recorded

Significant Donated Assets - Not Recorded*

There are no Significant Donated Assets which are not recorded

NOTE; This page should be read in conjunction with all the Statements of Financial Performance and the Notes forming a part of them. These Statements have not been Audited however have been Reviewed in accordance with the requirements of the External Reporting Board

THE NEW ZEALAND SHAREHOLDERS' ASSN. INC.

Notes to the Performance Report

For the Financial Year Ended
31 March 2018

Note 6 : Other

Goods and Services provided to the Association "In Kind"

0800 phone line provided by "Spark" who are also a Corporate Member. Value not quantified.

Note 7 : Related Party Transactions

	This year		Last Year	
	Value of Transactions*	Amount Outstanding*	Value of Transactions*	Amount Outstanding*
Chairman's Honorarium Chairman of the NZSA CEO contract lapsed 31st March 2017 Chairman's Honorarium commenced September 2017 Relationship = NZSA member	17,500	-	37,500	-
Secretary / Treasurer Secretarial, Treasurer, Web Management and miscellaneous other duties Relationship = NZSA member	27,500	-	27,500	-
Chief Executive Officer Under contract commencing 1st March 2017 "Last Year" represents one months expense Relationship = NZSA member	111,200	-	9,250	-
Office Premises and Services Rental Rental of an office and meeting Rooms for twelve months. Since 31 March 2017 this arrangement has stopped and alternative premises are rented. Relationship = NZSA Life member	-	-	2,500	-

Since Balance Date Grant Diggle, a long standing Member and National Board Member, has been engaged to assist the CEO since Balance Date. His budgeted fee for 2018/19 is \$45,000

Expenses were paid to National Directors either at the actual cost of attending meetings or, where actual expenses are not submitted, at a rate of \$30 per meeting.

Note 8 : Events after Balance Date

There have been no material changes to activities since Balance Date

Note 9 : Ability to continue trading

There are no events known to the National Board of the NZSA which would prevent the NZSA trading after the Balance Date.

Note 10 : Capital Commitments and Contingent Liabilities

There are no Capital Commitments at Balance Date. The only Contingent Liabilities relate to a serviced office rented on a Month-by-Month basis for the NZSA. This lease is with a third party on commercial terms and has a two month termination period at a total cost of \$1,600. (2017 \$1,600)

NOTE; This page should be read in conjunction with all the Statements of Financial Performance and the Notes forming a part of them. These Statements have not been Audited however have been Reviewed in accordance with the requirements of the External Reporting Board Standards.

DIRECTORS STANDING FOR ELECTION

Hawkins and Curlett are re-standing for the Board as a part of the Rotation of Directors and Underwood is standing for the Board as a new Board Member

=====

John Hawkins



John is a retired businessman. Qualifying with a Diploma in Optometry from Auckland University, he spent ten years in private practice. He then spent 23 years as MD of a start-up niche manufacturing business, growing this to the number two position in Australasia before selling in 2004.

He joined the NZSA in 2005, and was Auckland Branch Chair in 2009. After joining the National Board of the NZSA, he took the role of Strategic Liaison Director with a brief to build professional relationships between the NZSA, government and other groups involved in corporate governance and the capital markets arena.

In July 2010 he was elected National Chairman of the NZSA following the resignation of Bruce Sheppard.

John is a director of a private property company and has served on a number of other groups. When time and weather permits, he enjoys sailing the Hauraki Gulf.

Matthew Underwood



I am a Chartered Accountant in Public Practice in Wellington since 2002. Prior to that I have held a number of interesting roles over a number of years in the Treasury side of Banking, Retail Banking, Finance, Share broking, Project Management, Process Management and consulting, including IT consulting. This has included working in a diverse range of organizations in setting strategy, getting organised and achieves results.

I believe in contributing to the community in a wide range of voluntary organisations over the years. Being a founding member of the NZSA and the Wellington Branch I have seen the NZSA grow from a fledging Association to one that contributes to the Financial Stability of the individual and New Zealand as a whole.

Chris Curlett

Chris joined the NZSA in 2002 and has undertaken a number of roles, including Deputy Chairman, Secretary and Membership. Currently he is the National Secretary / Treasurer of the Association and has a specific responsibility for the membership records and the Web. Chris has a range of commercial interests both in New Zealand and offshore

PROXY FORM

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

OR fax to +64-9-3095260
OR scan and email to chris@curlett.co.nz

**NOTE TO BE A VALID PROXY IT MUST BE RECEIVED BY THE ASSOCIATION AT THE ABOVE ADDRESS
 NO LATER THAN 48 HOURS PRIOR TO THE MEETING (R20.11)**

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 18th of August 2018 and at any adjournment thereof. My Proxy Holder is instructed to vote as follows;

		For.	Against.	Proxy Holder discretion.	Abstain.
A	Adoption of the Annual Report Including Chairmans Report and Annual Accounts.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B	Re-appointment of John Hawkins as a Director of the NZSA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C	Appointment of Matthew Underwood as a Director of the NZSA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
D	Re-appointment of Chris Curlett as a Director of the NZSA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E	Re-appointment of M.A. O'Meara as Accounts Reviewer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Signed by the member of the Association _____

Please **PRINT** your name here _____

Member Number _____ (Failure to supply your member number may not render this Proxy invalid provided your membership can be validated at the time of counting Proxies)