

Resolution 1 – Appointment of Independent Director

Submitted by: The Board

Relevant rule(s): Constitution 12.2, 12.2.3(a) and (b)

Constitution clause 12.2 states that:

Other than during the Establishment Period, the Board shall consist of up to 4 Practitioner Directors, and up to 4 Independent Directors.

Constitution clause 12.2.3(a) states that:

Independent Directors shall be recommended by the Board in a manner determined in its discretion. In recommending the Independent Directors, the Board will seek to ensure the skillset of such directors is compatible with the achievement of the objectives of the Association. The recommended candidates shall be confirmed by resolution of the members at the next Annual General Meeting of the Association.

Background:

Financial Advice New Zealand's constitution provides for a Board consisting of up to 4 Practitioner Directors and up to 4 Independent Directors. However, since establishment, and recognising the resources and needs of the association as a new entity, the Board has consisted of three Practitioner Directors and only two Independent Directors.

One of the Independent Directors (Kate Morrison) was due to retire at this AGM in accordance with the rotation established at the last AGM, but retired slightly earlier in April because she took up full time employment with a financial institution. Sue Brown's term as Independent Director continues for another year.

The Board is currently finalising its recommendation of Independent Director[s] both to fill the vacancy created by Kate's retirement, and to ensure that the number and skillsets of the directors is compatible with the achievement of Financial Advice New Zealand's objectives.

The name of the Board recommended independent director or directors will be announced at least two weeks prior to the AGM*.

Resolution 1:

Move that the Board recommended Independent Director(s) be confirmed as appointed to the Financial Advice New Zealand Board.

*As announced on 25 September, the Board recommended Independent Directors are The Honourable Heather Roy and David Kneebone.

Read more about the Board's recommendation here - <https://financialadvice.nz/independent-directors/>

Resolution 2 – Directors’ Remuneration

Submitted by: The Board

Relevant rule(s): Constitution 12.4(a) & 12.2

Constitution clause 12.4(a) states that:

The aggregate amount of Directors’ remuneration will be approved by the Members at each Annual Meeting, after receiving advice from an independent person appointed by the Board as a person they consider qualified to advise on matters of director remuneration.

Background:

In 2018 the Board received advice from the Institute of Directors (IoD) in relation to directors’ fees for comparable organisations. In accordance with that advice, and relevant updates published by the IoD since then, the Board continues to consider a fee of \$26,000 per annum for each director, plus an additional allowance of \$10,000 for the Chair is appropriate. This is unchanged from the previous year.

The Constitution requires a Board of up eight directors; up to four Practitioner Directors and up to four Independent Directors. The Board plans for the coming year to continue to have three Practitioner and either two or three Independent Directors.*

The Board is currently finalising its recommendation of Independent Director[s] both to fill the vacancy created by Kate Morrison’s retirement, and to ensure that the number and skillsets of the directors is compatible with the achievement of Financial Advice New Zealand’s objectives.

The name of the Board recommended independent director or directors will be announced at least two weeks prior to the AGM.*

Accordingly, the Board considers it prudent to recommend the aggregate amount of Directors’ remuneration for the 2020/2021 financial year be set at \$166,000.

Resolution 2:

Move that the aggregate amount of Directors’ remuneration for the 2020/2021 financial year be set at no more than \$166,000.

*As announced on 25 September, the Board has recommended two new Independent Directors - The Honourable Heather Roy and David Kneebone.

Read more about the Board's recommendation here - <https://financialadvice.nz/independent-directors/>

Resolution 3 – Appointment of Accountant to review the Financial Statements

Submitted by: The Board

Relevant rule(s): Constitution 22.1, 22.2

Constitution clause 22.1 states that:

Subject to clause 23.2, at each AGM Members will appoint an accountant (Reviewer) to review the annual financial statements of the Association on terms approved by the meeting.

Constitution clause 22.2 states that:

The Board or Members may appoint an auditor (Auditor) in any Financial Year, on terms approved at the AGM, where additional assurance is deemed appropriate.

Background

The Board considers the current Reviewer provides appropriate assurance on the financial statements of the Association.

Resolution 3:

Move that Findex be re-appointed as the accountant (Reviewer) to review the 2020/2021 annual financial statements of the Association.
