

JOE AND EVE MAJOR TRUST

REPORT TO THE ANNUAL GENERAL MEETING: 26 JUNE 2016

FROM THE BOARD CHAIR

The elected Trust Board members for the past 12 months were:

Carol Green	Polly Schaverien
Phillip Green	David Young
Kelvin Ratnam	

The Board has continued with its conservative investment policy and firm commitment to annual CPI adjustment of our capital. As a result of this our funding of community membership tertiary education, has continued without falter and with our fund retaining its real dollar inception value but in 2016 terms. Our fund has continued to remain as secure as it possibly can be, while at the same time being able to have modest true capital growth after CPI adjustments through:

1. capital injection from past recipient donation (one thus far);
2. allocated funds not being uplifted (a rare event), and,
3. occasional return of income to capital, as a consequence of smoothing out funding allocations when only a few possible recipients have applied in a particular round.

The latter event is also rare and usually means that more funding is available for distribution in the following round when typically more applications will come in.

Our conservative approach, including standing firm against the seemingly attractive offers of too many so called blue chip companies, and which have gone under, has guaranteed our ability to fund tertiary education in the manner as planned by Joe and Eve Major. The world entire is today gripped by economic uncertainty following the "leave" result from the Brexit referendum. It was interesting to see that within hours of the result being known, and as the pound tumbled to a 30 year low, the market to suffer the largest initial drop was the Japan Nikkei index. The other major global economic threat comes from the American elections and the uncertainties around Donald Trump. It does appear that the Republicans will have no choice but to accept his nomination. There are strong far right xenophobic clouds gathering in the States redolent of Germany in the 1930s. How this plays out remains to be seen. This year promises to be a global economic rollercoaster. No one will be immune, least of all us in New Zealand who market so heavily into the EU and Britain in particular when it comes to lamb and beef as well as other agricultural products. Trade concessions

from the States are also to some extent at large as the fate of the Transatlantic Trade and Investment Partnership is fought out in the USA domestic Presidential election.

Whether we confront good times or bad, we need to continue with our conservative and buffered approach against market vagaries, domestic and global.

The original grant from Joe and Eve Major was \$250,000. Since inception and down to the end of 2015 we have made 245 grants totalling \$270,794.00 We have distributed more than the entire amount originally given to us by Joe and Eve Major, yet our capital over the same period has grown to an astounding \$444,708.90 as at 31 March 2016. Provided the Trustees continue to follow the same policies as set by the Founding Trustees, Temple Sinai members undertaking tertiary study should be able to benefit from the Joe and Eve Major Trust in perpetuity. Furthermore, as is our hope, if beneficiaries of the Trust start repaying the money given to them over the years of their study, the capital base will continue to grow well beyond the CPI adjustment so that the grants to individual students will continue to increase as the return on the growing capital also increases. The day may come when for our members, significant student loans may become a thing of the past, and even travel cost associated with the study may be able to be met. While we are quite some distance away from the dream, it is not unreasonable to expect that one day the dream will become reality.

I again record our gratitude to Frank Pearson of Pearson Investment Advisory Limited for giving us such clear and unequivocal financial advice and direction at the time of our inception and which advice, has been updated from time to time. I record that Frank has now retired and that Anthony Thyne, his partner, continues with their advisory practice.

With regard to funding applications, in the June 2015 funding round we received two applications and each applicant received \$1,250. In the November 2015 round we received ten applications and eight applicants received \$1,250. One application was declined and one withdrew as they made a late decision not to study in 2016.

For the June 2016 funding round, three applications have been received. The application closing date was at 4.00pm on 17 June 2016, and the Trust Board has yet to consider these applications. The Board will be convening its ordinary meeting immediately following the AGM so as to determine the outcome of these three applications.

The following lists the qualifications pursued by our members over the recent application rounds. Our small community can stand in awe of the talent and depth of talent within our community. This is a community which nurtures pursuit of learning of all kinds, and academic excellence. The Trust takes great pride in supporting such worthy endeavours. Were they here today, Joe and Eve Major would be delighted to

see their vision at work.

Subjects studied in 2015 include:

- BA
- Bachelor of Arts (History)/Bachelor of Law
- BCA
- Certificate in Dance Performance
- Liberal Arts and Applied Sciences
- Bachelor of Engineering
- Diploma of Adventure Tourism

I note that the full list of all subjects studied since inception of the Trust is also quite awe-inspiring. It has been published in previous years.

The Board largely operates as a well-oiled machine, with almost all decision making being managed through email communication. We are able to meet if more difficult issues require discussion and if they cannot await our annual around the table meeting following the AGM.

We continue to operate by consensus for all decision making, unless a trustee is excluded from decision making because of a conflict of interest. Consensus then operates with the remaining Trustee decision makers. That has been the way of this Trust since its inception.

I thank my colleague Trustees for another interesting year and particularly David Young in his role as Treasurer. Our collegial approach is the strength of the Trust, and I hope that approach is one that endures.

Finally I record my thanks to our Trust Secretary, Jan Page who continues to bring efficiency and reliability to our administrative management and at very little cost.

PHILLIP D. GREEN

Board Chair

26 June 2016