



Secretary/Treasurer: Adrienne Dodge
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From the Chair

We are now well into 2017. The only certainty in this world is change. 2016 delivered plenty. Brexit has the potential to change the face of Europe. The election in the USA has delivered a President who has set about making significant change to the direction of that country. It appears that we have reached the end of an economic cycle that delivered interest rates that were last seen when I was wearing school shorts and some of you were trying to teach me.

As a result, the indexing of our annuity will again become a very valuable component. Whilst our children have enjoyed benign interest rates, those of us who have put a little extra aside have seen a drastic reduction in the benefits of that thrift. The worm may be about to turn. Let us hope that it is not too drastic.

The sudden departure of the Prime Minister and our impending elections have again thrown the issue of superannuation provision into the melting pot. We must remember that our association represents pre-annuitants who are at greater risk of being impacted by change than existing annuitants.

Your association continues to offer exceptional value both locally and nationally by keeping a weather eye on this changing environment and the potential risks and opportunities it offers.

Mark Leys, Auckland Branch Chair

Newsletter

Auckland Branch
 April 2017
 P O Box 17086
 Greenlane
 Auckland 1546
<http://www.gsa.org.nz/branch-auckland.html>

Auckland Retired Railways Group/NZ Railways Superannuitants Association

Invite

All Members, Partners, Friends and GSA to

Mid Year Lunch, Thursday 15 June 2017

Manurewa Cosmopolitan Club, 6 Alfriston Road,
 Manurewa

Mix & Mingle 11.30a.m. Lunch 12.30p.m.

Cost \$10.00 per person

Bookings by Thursday 1 June 2016 to Murray McElwain (Ph. 266 9959)

Villa 136, Acacia Cove Village 131 Wattle Farm Road, Manurewa 2103

Make cheques payable to 'Auckland Branch GSA'

Please enter by Car Park door. If a member of RSA or Cosmopolitan Club, enter your name and membership number on sheet with Lynne.

(Liquor Law Requirement).

From our 80+ Coordinator Murray McElwain

When I was offered the chance to send out the 80's cards to our members turning 80 years of age and beyond, I volunteered to take this on. First it was to help in the running of the committee and to lessen the work load of Adrienne. It is very pleasing to read the thank you cards from the recipients of the birthday cards.

AGM – Please don't forget our all important AGM on Tuesday 6 June 2017. We are looking for new faces on our committee. If you think you might be interested please contact one of the current committee members.



Annual Financial Report

Auckland Branch

Financial performance
12 months to 31 March 2017

year to 31Mar16	year to 31Mar17	
\$		\$ Income
26,299.75	27,311.51	Subscriptions (deducted GSF)
1,554.89	2,149.31	Subscriptions (deducted NPF)
866.57	769.86	Subscriptions (paid direct)
1,130.00	3,786.00	Functions
2,130.50	1,980.20	Interest
-	50.00	Donations
31,981.71	36,046.88	income
		Expenditure
7,257.93	10,891.17	Functions
2,233.85	5,805.94	Communications
2,313.38	2,020.37	Organisation
12,570.36	12,632.00	Remuneration
-	-	Office function
-	-	Review
96.18	118.65	Income tax
2,191.18	-	General
26,662.88	31,468.13	expenditure
5,318.83	5,244.60	surplus (deficit) for year
		Capital expenditure
1,500.00	0.00	Suspensory loan
3,818.83	5,244.60	surplus (deficit)
31Mar16	42,825.00	Financial position as at 31 March 2017
\$	\$	
59,171.11	62,989.94	Accumulated funds 1 April 2016
3818.83	5,244.60	Surplus (deficit)
62,989.94	68,234.54	
		Represented by
		Assets
130.00	130.00	Petty Cash
5,626.35	7,766.75	Cash account
10,219.74	6,518.58	Savings account
47,013.85	53,819.21	Term deposits
62,989.94	68,234.54	total cash/bank
-	-	Accrued interest
		Accounts receivable
		less liabilities
-	-	Accounts payable
62,989.94	68,234.54	

Signed:

Secretary

Chairperson

I have reviewed the financial statements above for the year ended 31 March 2017.

A review is limited primarily to enquiries of branch personnel and an analytical review of compliance with policy and procedures as applied to the financial data. I have not performed an audit and accordingly I do not express an audit opinion.

On the basis of my review, nothing has come to my attention that causes me to believe that the above financial statements do not give a true and fair view.

Reviewer

2017

NB This report is subject to Review

TOP 15 RETIREMENT ISSUES NZ – 2016

1. The surging upward trend of New Zealanders over 65 in paid work continues, probably due to the fact that most cannot afford to retire. However it's the educated that benefit mostly from this trend, and the hurdles to find work past 60 years are considerable. Those most likely to need work later in life are the least likely to find it.
2. Longevity and aging of the population is a demographic reality. The topic requires careful analysis and cautious assumptions. Longevity is increasing but note that the last few years of life may bring impaired health, with the probability of critical illness (e.g. cancer, stroke, heart, prostate, Alzheimer's) affecting many. Different implications for different groups apply when longevity is discussed. Longevity for some groups is lower than others!
3. New Zealand Superannuation is the safety net for all retirement income planning. The model is very sound, efficient, effective, costs are reasonable, it is excellent for women and for keeping the elderly from poverty. The costs of New Zealand Superannuation over time are often exaggerated. The current model with its simplicity and universality is acknowledged as a world leader. Minor adjustments only are required, as and when they surface. The evidence clearly shows New Zealand has got it right. Consumers want consistency in retirement income issues, and the first Parliamentary party to accept this, will yield good will and ballot box support.
4. KiwiSaver supports New Zealand Superannuation, and is also a sound savings model. Consideration should be given to Government guaranteeing the scheme.
5. Fees and costs for KiwiSaver schemes have become more transparent. This trend must continue.
6. Passive and index funds generally produce similar returns to active funds. When lower fees for passive funds are factored in, schemes following this approach should be a favoured option. Predicting in advance the performance of active managers is impossible, and with their fee structure normally higher and effecting returns over time, the client beware principal applies.
7. Buying an annuity or similar product upon retirement or following receipt of KiwiSaver lump sums and drawing an income from it, is neither popular nor fully understood, but this approach makes sense.
8. Rental accommodation issues need review. Housing needs are changing and the standard length of time and the issue of short-term rentals is just an example of matters requiring attention. A national housing symposium or similar would be helpful.
9. Future projections for calculating pensions and health costs must recognize the inherent adjustment factor that occurs in society, and the error factor in long term assumptions is very high!
10. Failure to Launch - the trend of parents supporting adult children with financial assistance continues unabated, yet this is severely affecting retirement-years savings. Current trends show parents subsidising their children in various ways, including significant child-care for under 5's, housing loans and early inheritance gifting. Parents' homes are becoming a place of return by siblings 20 - 45 years following divorce or early-work experience. These costs are carried, in general, by the parents.
11. The topic of health requires both transparency and discussion. Chronic illness across all age groups, and end of life costs (last six months all age groups) dominate costs. Increasing health costs due to technology and supplier fees and products, elective surgery options, and increasing the take up of private insurance require public debate.
12. Senior year people need help in making better use of the wealth tied up in their homes, to support their living options. Conversations on retirement village issues, reverse mortgages/house equity issues and inheritance approaches need visibility and increasing discussion.
13. Pension eligibility and portability issues e.g. Section 70 of the Social Securities Act needs review and the Social Security agreements New Zealand has with a number of countries require transparency and monitoring. The spousal issue relating to overseas pension deductions and NZ Superannuation is unfair and needs urgent attention.
14. New Zealand is one of the few countries that neither insures nor guarantees bank deposits, instead adopting the moral hazard principle "make wise choices". This is poor policy and needs to be changed.
15. Media commentary on retirement income issues remains typically superficial with little historical or trend analysis – a few voices dominate the headlines. Awareness of Scandanavian approaches, and those adopted in countries like Canada, Chile and South Africa would be useful additions to the discussion. How does one increase the knowledge of Parliamentarians on retirement income issues?

Your Committee

Mark Leys (Chair)	Police	294 8927
Alec Waugh (Deputy Chair)	Police	489 9711
Adrienne Dodge (Secretary)		0800 888472
Rosemary Bell	Defence	838 5575
Eric Bowater	Education	482 0250
Ron Garnett	Post Office	298 7821
Taura Te Kapua	Post Office	376 4580
Murray McElwain	Railways	266 9959
Neil Carey	Railways	625 4058
Ian Ramsay	Companies Office	378 6629

Honorary Life Members

Mr Hugh Dickinson,

Mrs Ruth McLay

Branch Meetings, HORTICULTURAL HALL, 990 Great North Road, Western Springs 10.30am

6 June 2017 * AGM	5 December 2017
5 September 2017	6 March 2018

**Railways Sub-Group mid year function 15
June 2017** Please refer to Page 1 of this
newsletter for details.

Committee Meetings Horticultural Hall, 990 Great North Rd Western Springs (Last Tuesday 10-30)

30 May 2017	28 November 2017
27 June 2017	30 January 2018
25 July 2017	27 February 2018
29 August 2017	27 March 2018
26 September 2017	24 April 2018
31 October 2017	29 May 2018

North Shore Sub-Group Meetings Birkenhead RSA, Recreation Drive, Birkenhead (4th Fri – March, June and Nov 10-00)

24 March 2017	24 November 2017
23 June 2017 AGM	

Papakura Sub-Group Meetings RSA 40 Elliott St, Papakura (Mar, June, Sept 10.00)

23 March 2017	28 September 2017
22 June 2017	