

**MINUTES OF BOARD MEETING OF INVESTMENT ANALYSTS SOCIETY
HELD ON TUESDAY 18 FEBRUARY 2020 at 12h30 Room 5, JCC**

PRESENT CHRIS GILMOUR (CG)
 MIKE BROWN (MB)
 INGRID GOODSPEED (IG)
 EBEN MARE (EM)
 MARK INGHAM (MH)
 ARTHUR THOMPSON (ADT)
 NOMTHA NGUMBELA (NN)

APOLOGIES PETER DU TOIT (PDT)

1.1 WELCOME & MINUTES

MB assumed the role of Chairperson and welcomed those present in particular new board member Nomtha Ngumbela

The board noted and accepted the resignation of Phumzo Khonzeka last month and had offered their thanks and wished him well

The minutes of the previous meeting were confirmed.

2. FINANCIALS

MB and AMW had met with the auditors Ransome Russouw who had agreed to continue to provide the monthly schedules of the finances as well as a short report .

The draft budget was finalized with RR, MB and AMW and has been sent to board for discussion. The financials for January had been sent to all board members and Ransome Russouw (Ronelle Russouw) had prepared the following report

**INVESTMENT ANALYSTS SOCIETY OF SOUTH AFRICA NPC
MONTHLY FINANCIAL REPORT
JANUARY 2020**

STATEMENT OF COMPREHENSIVE INCOME

OVERALL RESULT

The reported surplus for January 2020 amounted to R771,286 versus a budgeted surplus of R475,933.

INCOME

Total income for the month amounted to R767,799 compared with the budgeted income of R650,289. Subscriptions renewals received for the year amounted to R682,269, vs. the budgeted amount of R573,913. The amount recorded includes the subscriptions received in advance in 2019. An average of 713 members renewed their subscription out of a budgeted total of 1 000 for the year.

Net presentation revenue for the month amounted to R75,850 vs. the budgeted revenue amount of R68,551. Investment income to date amounted to R12,412 compared to the budgeted amount of R13,050.

EXPENSES

Total administrative expenses for the month amounted to R119,977 vs. the budgeted expenditure for the month of R137,760. The variance is due to the staff employment cost budgeted over 12 months.

Operational income exceeded the budget mainly as a result of the journal revenue recorded in January.

STATEMENT OF FINANCIAL POSITION AND CASH FLOW

Cash at bank of R512,557 as at the end of January 2020 includes First National Bank Current account, money market investment and the 7-day notice accounts.

The investments comprise ETFSA investments for an amount of R3 702,445 (including the staff retirement investment of R353,507). The ratio of cash/money market investments to ETFSA equity investments stood at 87.8% to 12.2%.

GENERAL

The budget included in these accounts has not been approved.

14 February 2020
RONELLE RUSSOUW

The draft budget was discussed in detail and MB stated that we could expect a deficit in region of R200k but with R4-m in assets this was not a train smash. The board was happy with the proposed 2020 budget

MB discussed the EFTSA investment and stated that this was a balanced structure with a smart beta to reduce risks. The Satrix investment shown referred to the staff fund which would be shifted to a separate portfolio once board documentation completed. The monthly investment had been raised to R4400 and IG asked for confirmation this was ring fenced and this was confirmed.

IG referred to the cash aggregate fees shown on a daily basis and wondered if these were being reconciled. MB assured the board that this was the case.

The auditors should have the y/e financial available in draft by end March

2.2 MEMBERSHIP

There were 4 new applications this month and CG advised they were all suitable

IAS Subs 2020 – R1100 inc vat – resend invoices had been sent to all members 807 had paid and 224 were still outstanding

2.3 PRESENTATIONS

A List of presentations were circulated and introducers arranged which is reflected at the end of the minutes

2.4 COMPANY PRESENTATIONS – BLACK ONYX CPD

AMW provided details of her discussion with Black Onyx as to how the awarding of CPD credits would work regarding results presentations – this was outlined as follows:

Companies *providing a webcast* to be requested to provide the link to IAS Hub as well as 5 questions and answers. Those attending live could merely log in after the event and go direct to the questions. This would automatically upload with Black Onyx to award the credits

If viewing only via webcast they would view the full webcast and then proceed as above.

Companies not providing webcasts would not benefit from this offering – however most companies these days did make this offering.

BO would also have a record of all credits via IAS for each individual

In addition Awards Assessment links would appear for marking of each company

AMW mentioned that some companies such as Sanlam, Nedbank and Growthpoint – due to present in March and invites already sent – could possibly come on board. She would chat to them as a matter of urgency.

Discussion took place on having a scanner at live events to capture those attending. Issues were that companies would not want the ‘hassle’ and it would mean someone to handle this at each event in Johannesburg and Cape Town. With large attendee numbers it would be difficult and was agreed not to pursue

2.5 GENERAL

2.5.1 INCE- The meeting which had been arranged had been cancelled by INCE with no further meeting in place.

2.5.2 CFA INTERACTION

CG and IG had met with Nerina Visser of CFA SA – for discussions following the 2018 meeting. CG stated there was little overlap in the two memberships. Discussion related to two possible scenarios;

- 1) CFA Takeover of IAS
- 2) Formal interaction

CFA SA had requested a further meeting and it was agreed that ADT, MB and AMW would meet with CFA SA two board members as well as Linda Hawkins EO of CFA SA

Should Nerina wish to join from CFA SA side then IG would be invited to participate

AMW to arrange

2.5.3 MASTERCLASS – *Small Caps*

AMW is arranging this with JSE for May. A list of proposed companies was attached.

JSE had stated they would contact to see what companies were on board. MB suggested starting early afternoon – as has been done in the past – with each company presenting for 15 minutes. AMW would apply for CPD credits

Further Masterclass events suggestions were

Mining – Peter Major and Rene **Hochstater** ?–MB to contact

Energy

Banks

2.5.4 JOURNAL UPDATE

MI had provided the board with various emails and letters on the Journal including the resignation of Vikas Agarwal and the appointment of Dan Palmon to the editorial board..

MI felt we were very much on track and delighted with the new board He had successful meetings with Wits who were delighted to be part of the IAJ

He referred to the annual payment of R26k to CA and RV and had discussed with Christo who felt that Prof Doojin Ryu, South Korea, was handling a large portion of the work and was a potential successor to himself that perhaps some payment could be made. The board felt that with budget constraints this could not be done for this year and they may wish to share the 2 x R26k between three of them

T&F had provided the subvention of 2010 sterling and had provide us with a copy of the Royalty statement showing over 14 268.78 Sterling had been received. Once the threshold of 20k had been reached IAS would earn 5 per cent over the threshold increasing to 10 pc when reaching 40k threshold. This increase in royalty and thus those paying to access the journal - proved the success of the Journal

MI stated that around 60 reviewers had 3 or more reviews and many more had reviewed twice. MI had emailed all reviewers and mentioned that he was happy to see that Eben Mare (UP) member of our board was one of the reviewers.

20 articles were currently submitted for assessment – this was a record.

MI was thanked for the hard work and time he has put into the Journal and MB suggested a meeting with T&F when Eleanor returned from maternity leave later in the year.

2.5.5 BOARD PORTFOLIOS

Board Portfolios were discussed and agreed as follows and AMW agreed to interact with all as required:

FINANCE, INVESTMENT AND AUDIT COMMITTEE – PDT/MB/ADT

JOURNAL – MI/EM

EDUCATION - NN

MASTERCLASS CPD - MB

INTERACTION WITH COMPANJEIS – CG/PDT

FORGING RELATIONSHIPS WITH OTHER SOCIETIES – IG

MB suggested board members report back every second month

2.5.6 NEXT MEETING

The next board meeting would be held on 24 March– **dining room 5 JCC 12h30**

A monthly meeting list for first part of the year, is detailed below – the awards event could possibly be moved to a week earlier – AMW to liaise

DAY	TIME	DATE	ROOM BOOKED
Tuesday	12h30	24 th March 2020	PDR
Tuesday	12h30	21 st April 2020	PDR
Tuesday	12h00 13h00	19 th May 2020 AGM	PDR
Tuesday	17h00	IAS Awards event – 10 June 2019 TBC	JSE
Wednesday	12h00	10 th June 2020	PDR
Tuesday	12h30	21 st July 2019	PDR

19 02 20	BIDCORP	INTERIM	CT	11H00	
20 02 20	EMIRA	INTERIM	JHB	08h30	EM
20 02 20	EMIRA	INTERIM	CT	17h00	
20 02 20	DISCOVERY	INTERIM	JHB	10H00	CG
25 02 19	SUPERGROUP	OWN	JHB	12h00	
25 02 20	ADAPT IT	INTERIM	JHB	08h30	PDT
25 02 20	IMPERIAL	INTERIM	JHB	10h00	MB
25 02 20	JSE	ANNUAL	JHB	09H00	
26 02 20	ADAPT IT	INTERIM	CT	08h30	
26 02 20	MOTUS	INTERIM	JHB	09H00	

27 02 20	ADVANCED HEALTH		PTA	16H00	
27 02 20	SPUR		CT	11H30	
02 03 20	RCL FOODS conf call	INTERIM	JHB	11H00	
03 03 20	NEDBANK	ANNUAL	JHB	16H00	MB
03 03 20	SEA HARVEST		CT	10h00	
04 03 20	GRINDROD		JHB	09H00	PDT/MB
04 03 20	CASHBUILD	OWN	JHB	08H00	
04 03 20	AFROX	ANNUAL	JHB	10H30	NN
05 03 20	CASHBUILD	OWN	CT	07H30	
05 03 20	MURRAY & ROBERTS		JHB	12h00	
05 03 20	STANDARD BANK		JHB	10H00	
05 03 20	MOMENTUM METROPOLITAN		JHB	11H30	
09 03 20	AVI	OWN	JHB		
10 03 20	BRIMSTONE		CT	11H00	
11 03 20	ASCENDIS HEALTH		JHB	10h00	
12 03 20	SANLAM	ANNUAL	JHB	09h00	
12 03 20	GROWTHPOINT	INTERIM	JHB	11H00	MB
13 03 20	GROWTHPOINT	INTERIM	CT	09H30	
17 03 20	AFROCENTRIC		JHB	08h30	
18 03 20	LIBSTAR		JHB	10H00	
18 03 20	METAIR		JHB	14H00	MI?
19 03 20	AFRICAN RAINBOW	INTERIM	JHB	10H00	CG
19 03	SASFIN	INTERIM	JHB	10H30	MB?

NEW MEMBERS: FEBRUARY 2020

SURNAME	INITIAL	COMPANY DETAILS	CODE
KOLOBE	MRS L E K	AGILE CAPITAL	PE
MOKONE	MR K K	ALEXANDER FORBES INVESTMETNS	ANA
NAIDU	MISS K	DENKER CAPITAL	ANA
NEL	MR F	CAVEAT HEDGE PORTFOLIO MANAGEMENT	ANA
		TOTAL: 4	
	ACA	Academic	
	AM	Asset Management	
3	ANA	Analyst	
	ANO	Teaching/Audit	
	BNK	General Banking	
	CF	Corporate Finance	
	CRED	Credit Analyst	
	FD	Finance /Manager/Director	
	IR	Investor Relations	
	JOUR	Journalist	
	PC	Priv, Clients/Priv Banking	
1	PE	Private Equity	
	SB	Stock Broking	
	R	Retired	
	TAX	Tax	
	TR	Treasury	
		Reinstated	