

**MINUTES OF BOARD MEETING OF INVESTMENT ANALYSTS SOCIETY
HELD ON TUESDAY 23 FEBRUARY 2021 AT 12H30 VIA ZOOM**

PRESENT

MIKE BROWN (MB)
MARK INGHAM (MH)
ARTHUR THOMPSON (ADT)
PETER DU TOIT (PDT)
INGRID GOODSPEED (IG)
MARK HODGSON (MH)
KEITH McLACHLAN (KM)
EBEN MARE (EB)

APOLOGIES NOMTHA NGUMBELA (NN)

1 FINANCIALS

2020 Financials and 2021 Budget

MH felt that there were issues with regard to the accuracy of IAS Journal expenses as well as the allocation to the correct financial reporting period. 2020 results initially looked better than it was and the true picture was that the Journal net costs were over R200 000 compared with a small profit initially reflected in the management accounts. Accordingly, the 2020 financials should reflect a deficit of around R451 000 and this would need to be taken up with the accountants/auditors.

January 2021 accounts

January 2021 spreadsheet circulated and attached.

Income for January was down by 24% compared with January 2020.

Subscriptions received to date were R552 149 compared with R688 182 for January 2020.

Expenditure for the month was R148 006.

IAS net income of R434 870 was 43,5% lower than January 2020.

ADT stated that this was on a cash budget basis and ignored investments. MB noted the cash in the bank was R253 000 against R400 000 last year. He suggested leaving this for a month to see if presentation income and subs could pick up and then take a hard look at spending including cost reductions, if necessary. MH stated the staff element was two thirds and the Journal 12% of costs. AMW mentioned the Awards were another fixed cost..

IG asked if provision had been made for the potential Profile Media expenditure and MH advised this was not in the budget. MB stated that costs would have to come out of reserves.

MB suggested that the proposed budget be accepted but be reviewed in March 2021. He thanked MH, ADT and AMW for their input.

2 MEMBERSHIP

There were 2 new applications this month detailed at the end of these minutes.

660 members had paid their 2021 subscription with 246 outstanding. Subscription invoices would be resent by the end of next week.

A request had been made by a retired member Neville Watson, for concessionary membership fees. The meeting discussed this request and PDT felt strongly that this should not be granted and that our product offering was inexpensive. It was felt that retired professionals should be in a position to afford the R1100 annual fee as they were receiving full membership benefits.

3. PRESENTATIONS

A list of presentations detailed below for perusal. These were webcast events. The number was down from this time last year and AMW had contacted all 2020 companies. Mittal, Brimstone and MMI were 'saving costs' and not using the Society.

Company CPD participation was still an issue and AMW was continually contacting companies outlining the relatively simple procedure and the benefits to themselves as well as members. The board felt that ease of access was the priority and EM stated that although this should be made as simple as possible he recognized that the companies had to buy in to this initiative.

4. GENERAL

IAS Masterclass

KM had made contact with Lyne Bell of Absa regarding presenting on Structured Notes. AMW had provided the information that she had requested and KM had now heard from her stating they were keen and had funding but would only look at this later in the year.

MB felt it was important to proceed with Masterclass events as soon as possible to carry forward the inroads made prior to lockdown. KM mentioned that JSE were looking to publish new listing procedures and MB felt this had potential for a Masterclass.

AMW at MB's request had contacted the JSE with regarding to another Small Caps Showcase and awaited a reply.

CFA SAQA

A letter had been distributed requesting IAS support for CFA SAQA application and an example letter provided by CFA SA. The meeting agreed to lend their support but IG objected to some of the wording and undertook to edit and send to AMW to submit to CFA SA

SAMREC /IAS

Correspondence had been received from Bruce Williamson and Andy Clay where it became clear that in the hand over process BW had not been included in the IAS/SAMREC award process. BW felt that he did not have the time to participate in the panel but was important to have an IAS representative. AC had suggested Siobhan Joubert of EY who had an excellent background and felt she would be ideally suited to representing the Society. Although there were mixed feelings with regard to an unknown taking on the position it was agreed that Siobhan be asked to join the Society and that BW agree to mentor her and that we would put her name forward to SAMREC for panel membership. AMW to liaise with BW.

AWARDS

Regarding SAMREC/IAS award it was felt that this played a vital role and the financial element was minimal.

MH touched on the Excellence in Financial Reporting and Communications awards and asked whether the process was credible to which MB replied that this was a big issue as member participation in the voting was not what it should be. He stated that we would need to think seriously on this and asked it be added to March agenda.

PROFILE MEDIA

MB stated Profile were busy working on a proposal.

Profile were likely to have a proposal for discussion within the next month or so. MH raised his concerns on IAS involvement in research – quality of research and potential conflicts of interest – if the IAS was to pre-verify the type and quality of research to be carried on the investment portal. MB advised that this would not be the case. As currently the case with company presentations, the IAS would not approve any presentations or research reports in advance.

KM stated that IAS would be a neutral participant. Companies and analysts could use this platform and would continue to pay for using the services of the IAS for acting as a conduit to investment professionals, stakeholders and other interested parties. The portal would provide a virtual platform for such presentations, research and other corporate information. The objective was to increase the number of companies and analysts using the Profile/IAS portal platform for this purpose. This should, in time, increase the income stream for the Society and help bridge the current income shortfall.

IAS INVESTMENT ANALYSTS JOURNAL

A report from prof Christo Auret, the IAS Journal Editor, had been distributed to the board and MI stated that the Journal had received a further glowing impartial assessment from the Academy of Science of SA. MI stated they would include more international members in the editorial board in future.

MB felt the Journal had value in the income statement plus the balance sheet with global ratings rising and over 8000 articles being read in a year. We need to put a numerical value on the goodwill and intellectual capital arising from the IAS 100% ownership of the Journal.

MI mentioned a strategy session and future planning meeting he had attended with the Journal Editors, plus Taylor & Francis.

MB asked that MI and the Journal Editors put together a strategy document for approval by the IAS Board as the sole shareholder in the Journal.

BOARD APPOINTMENTS

MH had accepted the office of Treasurer but asked that committee members participate and report back on relevant issues/portfolios.

MB was asked to take over on the Chairman's office which he agreed to do but that a Deputy Chair should also be sought, for take over of the Chairperson's office in due course.

It was agreed that Investment Committee (MH MB KM) should arrange a meeting.

The Audit Committee (MB ADT MH) – should arrange a meeting with the auditors to consider the annual financial statements and to further review the 2021 budget.

BOARD MEETING

The next Board meeting would be held on **23 March 2021 at 12h30** by Zoom (full list at the bottom of this page)

2021 - IAS Board Meetings				
DAY	TIME	DATE	ROOM BOOKED	
Tuesday	12h30	26 th January 2021	Zoom Mtg	
Tuesday	12h30	23 rd February 2021	Zoom Mtg	
Tuesday	12h30	23 rd March 2021	Zoom	
Tuesday	12h30	20 th April 2021	Zoom	
Tuesday	12h30	25 th May 2021	Zoom	
Public Holidays:				
21 st March – Human Rights Day 22 nd March – Public Holiday 28 th March - 5 th April – Pesach 2 nd April – Good Friday 5 th April – Easter Monday (Family day) 13 th April - Ramadan 27 th April - Freedom day 1 st May - Workers Day		16 th June – Youth Day (Sunday) 9 th August – Women's Day 7 th – 8 th Sep – Rosh Hashanah 24 th September – Heritage Day 16 th September – Yom Kippur		

NEW MEMBERS: FEBRUARY 2021

SURNAME	INITIAL	COMPANY DETAILS	CODE
Ismail	Mr S	Primaresearch	ANA
Nathan	Mr S	10X Investments	FD
TOTAL: 2			
	ACA	Academic	
	AM	Asset Management	
	ANA	Analyst	
	ANO	Teaching/Audit	
	BNK	General Banking	
	CF	Corporate Finance	
	CRED	Credit Analyst	
	FD	Finance /Manager/Director	

CPD – where CPD stated – they have agreed to participate
 0 – company has decided against
 ? – still awaiting reply

18 02 21	EMIRA		WEBCAST	10H00	0
18 02 21	ONELOGIX		WEBCAST	11H00	CPD
18 02 21	GOLD FIELDS		WEBCAST	13H00	0
23 02 21	IMPERIAL		WEBCAST	10H00	0
23 02 21	BIDCORP		WEBCAST	09h00	0
23 02 21	SUPERGROUP	OWN not via IAS		11h00	
24 02 21	MOTUS	OWN not via IAS	WEBCAST	09H00	
25 02 21	DISCOVERY		WEBCAST	10h00	0
01 03 21	RCL		WEBCAST	11H00	0
02 03 21	ALVIVA		WEBCAST	10H00	0
02 03 21	SEA HARVEST		WEBCAST	12H00	CPD
02 03 21	CASHBUILD	OWN not via IAS	WEBCAST	09H00	
04 03 21	GRINDROD		WEBCAST	09h00	0
04 03 21	MURRAY & ROBERTS		WEBCAST	12H00	0
04 03 21	MMI	OWN not via IAS	WEBCAST	13H00	
05 03 21	MPACT	OWN not via IAS	WEBCAST	12H00	
10 03 21	AFROCENTRIC		WEBCAST	11h00	CPD
10 03 21	ADAPT IT		WEBCAST	10h00	CPD

11 03 21	GROWTHPOINT		WEBCAST	11h00	CPD
11 03 21	SANLAM		WEBCAST	09H00	CPD
11 03 21	SBG		WEBCAST	10H00	?
17 03 21	NEDBANK		WEBCAST	16H00	?
17 03 21	LIBSTAR		WEBCAST	10h00	CPD
18 03 21	METAIR		WEBCAST	14h00	?
18 03 21	ARM		WEBCAST	10H00	?
19 03 21	INVESTEC		WEBINAR	09/1030	0
31 03 21	ASCENDIS HEALTH		WEBCAST	10H00	?