

**MINUTES OF BOARD MEETING OF INVESTMENT ANALYSTS SOCIETY
HELD ON TUESDAY 23 JUNE 2020 AT 12H00 VIA ZOOM**

PRESENT

MIKE BROWN (MB)
INGRID GOODSPEED (IG)
NOMTHA NGUMBELA (NN)
MARK INGHAM (MH)
ARTHUR THOMPSON (ADT)
PETER DU TOIT (PDT)
EBEN MARE (EM)

1.1 WELCOME & MINUTES

The minutes of the previous meeting were confirmed

2. FINANCIALS

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

STATEMENT OF COMPREHENSIVE INCOME

OVERALL RESULT

The reported year to date surplus to May 2020 amounted to R582,877 versus a budgeted surplus of R370,973. The positive variance is the result of subscription income being collected in the first quarter of the financial year.

INCOME

Total income for year to date at end of May amounted to R1,154,994 compared with the budgeted income of R1,242,753. Subscription renewals received for the year to date amounted to R892,356, vs. the budgeted amount of R895,624.

Net presentation revenue for the year to date amounted to R205,426 vs. the budgeted revenue amount of R244,380.

Investment income to date amounted to R57,212 compared to the budgeted amount of R65,249.

EXPENSES

Total administrative expenses for the year to date amounted to R568,664 vs. the budgeted expenditure for the period of R688,799. 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 R231,352 as at the end of May 2020 comprises First National Bank Current account, money market investment and the 7-day notice accounts.

The investments comprise ETFSA investments for an amount of R3,798,310 (including the staff retirement investment of R330,629). The ratio of cash/money market investments to ETFSA equity investments stood at 94.3% to 5.7%. During May, a growth of R22,628 (excluding the monthly staff investment contribution of R4,300) was recorded.

GENERAL

The operating results (in particular presentation income) were adversely affected as a result of the lockdown due to the Covid-19 pandemic.

19 June 2020

MB suggested to the meeting that a portion of the money market account be switched to Government Bonds – where the yield was attractive. It was agreed – bearing in mind the upcoming budget – to transfer R400k but to take care on timing

2.1 MEMBERSHIP

There were no new applications this month

IAS Subs 2020 – R1100 inc vat – 961 members had paid after suspension notices had been sent

2.2 PRESENTATIONS

A list of presentations detailed below. These were webcast events.

2.3 GENERAL

2.4 CFA SA and IAS meeting 13 May 2020

The overlap of members totaled 234. The board awaited further input from CFA SA after consulting CFA Institute

2.5 EXCELLENCE IN FINANCIAL REPORTING AND COMMUNICATION AWARDS

ADT had provided a list of the 2020 winners and prepared a report for discussion including statistics. It was noted that member input had dropped substantially. The overall winner was confirmed as Growthpoint. The meeting discussed whether the Awards should continue and AMW felt that the lack of member input (30 members in total including Board) was an issue. PDT felt that taking into account the Society's

history and the value of the awards that this should continue. He suggested that due to Covid 19 this should not be a live event, but winners should be notified, listed on our website and squirrels couriered to them. This was agreed and AMW would commence the process.

MI referred to the Journal winner and had notified the Board. MI would liaise with the winners and well as the runners up in second and third place.

***Winning IAS Journal Article for 2019 : Karam Kim, Doojin Ryu & Heejin Yang:
"Investor sentiment, stock returns, and analyst recommendation changes: The KOSPI stock market".***

2.6 IAS APP

MB welcomed discussion as to whether we should explore website development options with Morningstar/ Profile Data as alternative options offering an IAS app.

MI suggested that INCE may have left the door a little open. IG stated that we would need to establish what was our end game and perhaps thoughts could be formulated for discussion at the Strategy meeting. MB would informally seek costings with Profile Data

2.7 CORPORATE GOVERNANCE

It was felt that it was important for Board members to complete a Declaration of Interests - for disclosure purposes. ADT agreed to handle future Corporate Governance requirements

2.8 JOURNAL

MI as mentioned provided the 2019 winners details with the 2nd and 3rd placed winners to follow. He felt it was important that these runners up be highlighted which was of benefit to them to include in their CV. He would be communicating with them shortly. In addition, he would provide a Communique to members providing Abstracts and details of the winning articles.

MB suggested that going forward a value for the IAS Journal could be put on the balance sheet as goodwill and asked MI to check with T&F on a valuation. MI mentioned the royalty threshold, which was not too far away at this time, which would also add value.

2.9 STRATEGY

This meeting would be scheduled for 14 July at the ETFSA offices where members could attend live or virtual if they preferred. AMW to liaise

2.10 NEXT MEETING

The next Board meeting would be held on **14 July at 12h00 (tbc)** by Zoom/live ETFSA office

2020 - IAS MEETINGS: (PROVISIONAL DATES)				
DAY	TIME	DATE	ROOM BOOKED	
Tuesday	12h00	14 th July 2020	Zoom/live	
Public Holidays:				
21 st March – Human Rights Day 10 th April – Good Friday 13 th April – Easter Monday (Family day) 9 th - 16 th April – Pesach 24 th April - Ramadan 27 th April - Freedom Day 1 st May - Workers Day		16 th June – Youth Day (Sunday) 10 th August – Women’s Day 19 th – 20 th Sep – Rosh Hashanah 24 th September – Heritage Day 28 th September – Yom Kippur		

PRESENTATIONS

			WEBCAST
26 06 20	HUDACO		
13 08 20	NEDBANK		
20 08 20	EMIRA		
20 08 20	EMIRA		
25 08 20	IMPERIAL		
26 08 20	MURRAY & ROBERTS		
31 08 20	RCL		