

**MINUTES OF THE 45<sup>TH</sup> ANNUAL GENERAL MEETING OF  
THE INVESTMENT ANALYSTS SOCIETY  
HELD ON MONDAY 20 MAY 2014 AT 13H00  
AT THE COUNTRY CLUB JOHANNESBURG, AUCKLAND PARK**

**ATTENDING:**

**MICHAEL BROWN (MB)  
CHRISTOPHER GILMOUR (CG)  
PETER DU TOIT (PDT)  
ARTHUR THOMPSON (ADT)  
COR VAN ZYL (CVZ)  
JACQUES THERON (JT)  
ANDY CLAY  
CLEM GOEMANS  
RUBY ROSENBERG  
MICHAEL BROWN  
JAN KRUGER  
NICHOLAS BRETT  
IAN CRUICKSHANKS**

**APOLOGIES**

**MARK HODGSON  
FRANK REUVERS  
MARK INGHAM**

**1. MINUTES**

The minutes of the previous AGM held on 24 June 2013 had been placed on IAS website.  
The meeting confirmed the minutes.

**2. CHAIRPERSON'S REPORT**

**CHAIRMAN'S REPORT – For Year Ended 31 December 2013**

**REPORT OF THE CHAIR – MIKE BROWN**

**INTRODUCTION**

This is the 45<sup>th</sup> Annual General Meeting of your Society and we are reporting on the activities of the Society for the year ended December 2013.

The IAS is an association that represents investment professionals in Southern Africa and was registered as a non-profit company under The Companies Act during the course of 2013. Its affairs are managed by a Board of Directors, which meets formally at least once a month and Board members serve on a voluntary basis and give freely of their time and energy in representing the Society.

The Society is extremely fortunate to be able to call on an office run by our Executive Officer, Ann Marie Wood, who is responsible for the day to day functioning of the Society.

## CORPORATE PRESENTATIONS

During calendar 2013 the Society hosted the following presentations by JSE listed companies to its members:

	2013	2012	2011	2010	2009	2008	2007
Johannesburg	133	129	126	92	118	120	114
Cape Town	90	88	89	76	81	75	78
Durban	5	7	5	5	4	4	4
Port Elizabeth	1	1	1	1	1	1	1
<b>Totals</b>	<b>229</b>	<b>225</b>	<b>221</b>	<b>174</b>	<b>204</b>	<b>200</b>	<b>197</b>

We have also actively encouraged publically listed companies to do presentations to the Society as soon as possible after release of their financial results and are pleased to say that this practice is becoming increasingly common and is looked at as a best practice by a number of companies that pride themselves in their corporate governance standards.

## EXCELLENCE IN FINANCIAL REPORTING AND COMMUNICATIONS – ANNUAL AWARDS

We place a premium on the quality of company reporting to the investment community in general, and specifically, on communication with our members. Our annual “Excellence in Financial Reporting and Investment Communications Awards” honours those companies that, in the considered opinion of our members, are most effective at this.

For the past number of years, the IAS has held an annual awards dinner for the “Excellence in Financial Reporting and Investor Communications”. On 11<sup>th</sup> June 2013, we held the 28<sup>th</sup> annual awards event in the form of a cocktail party at the JSE which was a great success, attended by business leaders and sector awards were handed out to 12 companies, MR PRICE GROUP LIMITED was the overall winner.

The survey for the 2014 Awards (covering the year to December 2013) was emailed to members and the results of this and the returns from members attending presentations was collated.

Our 2013/2014 event will take the form of a cocktail party this year at the JSE on 12 June 2014.

The winners of previous years of the current awards are all posted on our website ([www.iassa.co.za](http://www.iassa.co.za)).

## EDUCATIONAL SEMINARS

We strive to bring to our members presentations that cover topical and educational subjects, and during 2013, in conjunction with CFA South Africa in certain cases, the following seminars were held in Johannesburg and Cape Town.

Webcasts	Johannesburg	2
Webcasts	Rondebosch	2
Webcasts	Bellville	2
Annual CFA Conference	Johannesburg	1
Live Education Presentations	Johannesburg	7
Live Education Presentations	Cape Town	3

A series of Educational Seminars and Workshops on subjects of general interest to the members were held during the year, in Cape Town and Johannesburg. The Society intends continuing with such Educational Programmes in future.

Electronic access to the Journal of Investment Management (JOIM), a publication similar to our Investment Analysts Journal, is also made available to our members; IAS members may additionally access a printed subscription at preferential rates

## **INVESTMENT ANALYSTS JOURNAL**

Our journal remains the premier financial publication in South Africa for academic and practitioner papers. A significant portion of the credit for this must go to our hard working editorial team. Dr Heidi Raubenheimer, editor of the Journal, maintains a high standard for which we are grateful.

Recent issues are available on our website.

To promote rigorous academic research within South Africa we offer an award, presented at our Awards event for the best article published in the Journal in the past year. Your society assumed full sponsorship of the award in line with encouraging financial research and the Society will provide an annual R25, 000.00 financial incentive to encourage this research.

Last year, the best paper was produced was Dr Doojin Ryu, South Korea, the first time the award has been made to an international contributor. The current winner has still be to be advised.

## **ASSOCIATIONS**

The Investment Analysts Society maintains and initiates associations with organisations which have common interests and from which our members are anticipated to derive value. The more important of these are:

- **CFA Institute**  
CFA South Africa was established in November 2001 as a fully independent society. Our Society and CFA South Africa cooperate in matters that mutually benefit their memberships and the investment professional community in South Africa.
- **International Investment Societies**  
Notwithstanding our association with CFA South Africa, we maintain our direct relationship with the CFA Institute. The IAS is also a member of the International Council of Investment Associations (ICIA).

## **SAMREC**

The Society is represented on the SAMREC Committee and provides a joint award, with SAMREC, to a company making the best disclosure of Mineral Resources in its Financial Results. The award forms part of the Annual Awards Ceremony.

## **MEMBERSHIP FEES**

The annual membership fees were increased from R650.00 to R700.00 (including VAT) for the current year.

## **FINANCIAL POSITION**

The Society continued to have an operating surplus for the financial year ended 31 December 2013, which has been transferred to reserves. The total assets of the Society amounted to R3,16 million at the end of 2012.

## **MEMBERSHIP**

As at 31 December 2013 the membership totalled 1658

## **PORTFOLIOS**

The executive portfolios held at the end of the 2013 year are as follows:

<b>Chair</b>	M F Brown
<b>Deputy Chair</b>	M H Ingham
<b>Treasurer</b>	C J P G Van Zyl
<b>Committee Member</b>	P R Du Toit
<b>Committee Member</b>	P M M Hodgson

<b>Committee Member</b>	A D Thompson
<b>Committee Member</b>	C G Gilmour
<b>Committee Member</b>	J W Theron
<b>Executive Officer</b>	A M Wood
The following persons are acknowledged as having rendered valuable services to IAS:	
<b>Auditor</b>	Hennie Russouw
<b>SAMREC</b>	Andy Clay

In conclusion, the IAS remains a vibrant, relevant and financially sound Society. My thanks to the Board of the Society for their support. To Cor van Zyl, the current Treasurer my appreciation for his vigilant control of the Society's finances.

Finally, I express my sincere thanks to Ann Marie Wood, our Chief Executive and to her staff for their valuable contributions to the administration of the Society.

On that note I submit my Chair's Report for adoption.

PROPOSED: ARTHUR THOMPSON  
 SECONDED: COR VAN ZYL

### **3. FINANCIALS**

Discussion of the Audited Financial Statements at the AGM - 20 May 2014

The Audited and signed Financial statements were distributed to all members present at the AGM and the Treasurer highlighted certain aspects in the AFS.

After the completion of the audit by the Society's external Auditors the Audit Committee held a meeting with the Auditors to discuss the audit. There were no issues being reported by the Auditors to the Audit Committee. The Committee would like to thank Ann Marie and her team for doing an excellent job.

The Society was formally converted to a NPC on the 23rd January 2014.

The Investments on the Statement of Financial Position represents 36,38% of the total assets of R3 165 194 of the Society as at the end of December 2013.

Revenue increased by 7,28% and expenses increased by 12,56% against those of the year before. Administration and Management expenses represents 72,47% of total expenses against 76,0% the year before. Presentation Income's margin for the current year is at 58,42% compared to 59,2% the year before.

Net Operating Income sits at a break-even of R28 579 but the total Comprehensive Income for the year is at R303 028 compared to R395 144 the year before.

Overall the financial position of the Society at the end of December 2013 is sound.

The following questions were raised:

#### **Clem Goemans – Income statement**

Queried whether the financials were prior to NPC or after. CVZ Confirmed due to the date of confirmation from Registrar the financials were prior to NPC registration. He asked whether the Committee were now known as Directors and this was confirmed.

He also queried whether the allocation of funds should be relooked at to improve returns. MB stated that the investment committee reviewed the investment regularly and would look at the option of rebalancing but it had to be emphasised that the Society was not an investment house and were committed to a cautious approach.

It was stated that should members require a copy of 2013 Annual Financial Statements they are available from Ann Marie Wood.

PROPOSED: RUBY ROSENBERG  
SECONDED: CLEM GOEMANS

#### **4. CONFIRMING ELECTION OF AUDITORS**

The meeting was asked to confirm the appointment of Ransome Russouw as auditors  
The executive committee was given authority to approve the audit fee and expenses for 2014.

PROPOSED: ARTHUR THOMPSON  
CONFIRMED: ANDY CLAY

#### **5. THE ELECTION OF OFFICE BEARERS**

5.1 To elect four members of the Executive Committee in place of:

AD THOMPSON  
MN INGHAM  
C G GILMOUR  
CJPG VAN ZYL

The above retire by rotation but, are eligible and offer themselves for re-election.

The remaining members of the Executive Committee are –

PR DU TOIT  
MF BROWN  
MH HODGSON  
J W THERON

The Constitution allows the Committee to have 15 members – with the re-election this will bring the total to 8

PROPOSED: IAN CRUICKSHANKS

SECONDED: JAN KRUGER

#### **6. GENERAL**

Mike Brown mentioned the upcoming IAS Awards event on 12 June and encouraged all to attend.

There were no matters further to discuss and the meeting ended with thanks to those who had attended, to the Board, IAS Staff and the Chairman.