

**MINUTES OF BOARD MEETING OF INVESTMENT ANALYSTS SOCIETY
HELD ON TUESDAY 26 FEBRUARY 2019 at JCC 12.30: 15.30
FOLLOWED BY STRATEGY MEETING**

PRESENT

GARRETH ELSTON (GE)
CHRIS GILMOUR (CG)
PETER DU TOIT (PDT)
LUNGILE MALINGA (LM)
MIKE BROWN (MB)
MARK INGHAM (MI)
JACQUES THERON (JT)
PHUMZO KHONZEKA (PK)

1.1 WELCOME & MINUTES

CG welcomed those present. The minutes of the previous meeting were confirmed.

1.2 FINANCIALS -

**IASSA NPC
FINANCIAL REPORT
YTD to January 2019 (1 month)**

STATEMENT OF COMPREHENSIVE INCOME

OVERALL RESULT

The reported surplus for the 1st month ending January 2019 amounted to R 800 971 versus a budgeted amount of R721 429.

INCOME

Total income for the year amounted to R732 337 relative to the budgeted income of R885 130. Subscriptions renewals received for the year amounts to R642 946, relative to the budgeted amount of R806 250. A total of 618 members renewed their subscription out of a budgeted total of 775 for the year.

Net presentation revenue for the year amounts to R28 361 relative to the budgeted revenue amount of R55 550. Interest received to date amounts to R6 445 relative to the budgeted amount of R7 238.

EXPENSES

Total expenses for the year amounted to a surplus of R68 634 relative to the budgeted expenditure for the year of R163 701. The surplus is due to the recovery of journal expenses and the expenses will normalize going forward.

STATEMENT OF FINANCIAL POSITION AND CASH FLOW

Cash at bank of R1 480 545 as at the end of January 2019 includes the Investec and First National Bank Money market investment at R711 439 and R725 238.

Our Satrix 40 investment at the end of January amounts to R2 577 607 relative to R2 058 320 invested to date.

The ratio of cash/money market investments to Satrix equity investments stood at 34.1% to 65.9% of total assets.

GENERAL

Subscription renewal is an amount of R1 040.

The budgeted numbers are not yet approved and will be tables at the Strategy Session 26th February 2019.

Phumzo Khonzeka
February 2019.

25th

DRAFT BUDGET

PK, LM and AMW had met with auditors and draft budget attached to the minutes and would be finalized in the next couple of weeks

PK and AMW confirmed that they were working on 1000 paid up members taking into account 822 currently paid up and 354 outstanding. Total membership currently including unpaid was 1176. Therefore suggesting conservatively that 178 would still pay before suspension 1 April – the figure would be in region of 1000

2.0 PRESENTATIONS

A list provided below and introductions arranged.

MI mentioned that Norman Mannheimer had attended Bidcorp presentation although uninvited. NM was suspended from the IAS some years ago and was not on the rsvp list

Bidcorp were unhappy at his attendance but the meeting felt that it was their decision to allow him entrance. AMW, at the time, had advised all presenting companies as well as IR persons. Apart from the invite sent via IAS, Bidcorp also used Vault – it may be he was on their list. AMW would contact Linda Hardy at Bidcorp

2.1 MEMBERSHIP

LM advised that 12 new members were suitable and accepted. 6 were analysts, 3 asset manager, 1 general banking and 2 corporate financier

AMW advised that 822 members had paid their subscription – 354 were still unpaid. Reminder invoices had been sent

2.2 Dana Yerushalmy

As DY had been unable to attend any meetings last year she did not meet the constitution requirements. In discussion with DY, she advised that she could attend possibly 4 in 2019 but is happy to support the society without being on the board. As the proposed attendance was again in contravention of the Constitution it was agreed to thank DY but remove her from the board. AMW to liaise

2.3 CFA Conference May 2019

In line with the Travel Policy it was agreed that the Chair would attend the above

2.4 Award Assessments

LM would take on this task and Zia would liaise this week

2.5 Journal

MI had provided a Publishing report from Routledge Taylor & Francis which had been distributed to the board

2.6 List of Meetings

NEXT MEETING

List provided below – please update diaries

IAS AWARDS 11TH June – date changed due to JSE availability (was 20th and then 6th)

Also note **August** meeting changed from 20th to 13th – Renovations at JCC

2019 - IAS MEETINGS JHB COUNTRY CLUB

Tuesday	12h30	26 th March 2019	Billiard Room	
Tuesday	12h30	23 rd April 2019	Billiard Room	
Tuesday	12h00 13h00	28 th May 2019 AGM	Billiard Room	
Tuesday	17h00	11th June 2019 - IAS Awards	JSE	
Wednesday	12h00 13h00	12 th June 2019 – Executive Meeting Journal meeting & Lunch	Billiard Room Under The Oaks	
Tuesday	12h30	23 rd July 2019	Billiard Room	
Tuesday	12h30	13th August 2019	Billiard Room	JCC unavailable on 20th Aug
Tuesday	12h30	17 th September 2019	Billiard Room	
Tuesday	12h30	22 nd October 2019	Billiard Room	
Tuesday	12h00 13h00	26 th November 2019 Xmas Lunch	Billiard Room Under The Oaks	
Public Holidays:		21 st March – Human Rights Day 19 th April – Good Friday 20 th 27 th April – Pesach (8 days) 22 nd April – Easter Monday (Family day) 27 th April - Freedom day 1 st May - Workers Day		
		16 th June – Youth Day (Sunday) 17 th June – Public Holiday 9 th August – Women’s Day 30 th Sep- 1 Oct – Rosh Hashanah 9 th October – Yom Kippur 24 th September – Heritage Day		

NEW MEMBERS: FEBRUARY 2019

SURNAME	INITIAL	COMPANY DETAILS	CODE
DE KOCK	MR A P	PSG MULTI MANAGEMENT	ANA
DEAN	MR C V	MIBFA	AM
EICHHOFF	MR T M	NEDGROUP INVESTMENTS	AM
HEWITT	MR D G	MOMENTUM ASSET MANAGEMENT	ANA
KRUGER	MR B J	STANDARD BANK GROUP	BNK
MEKGWE	MR K M	MIBFA	ANA
OLDEWAGE	MR W H	NITROGEN FUND MANAGERS	ANA
PRINSLOO	MR W J		AM
RAMITHLAL	MS S	GRINDROD BANK	CF
SCHOTOLA	MR H H R	NOMURA INTERNATIONAL PLC	CF
SUSKIN	MS R	BENGUELA GLOBAL FUND MANAGERS	ANA
SIBANDA	MISS D S	MIBFA	ANA
TOTAL: 12			
	ACA	Academic	
3	AM	Asset Management	
6	ANA	Analyst	
	ANO	Teaching/Audit	
1	BNK	General Banking	
2	CF	Corporate Finance	
	CRED	Credit Analyst	
	FD	Finance /Manager/Director	
	IR	Investor Relations	
	JOUR	Journalist	
	PC	Priv, Clients/Priv Banking	
	PE	Private Equity	
	SB	Stock Broking	
	R	Retired	
	TAX	Tax	
	TR	Treasury	
		Reinstated	

SIGNED OFF BY: L Malinga

27 02 19	WBHO		JHB	10h00	MB
28 02 19	IMPERIAL	ANNUAL	JHB	10H00	PDT
28 02 19	SPUR	INTERIM	CT	11H30	
28 02 19	ADVANCED HEALTH		JHB	16H00	MI
01 03 18	JSE	ANNUAL	JHB	09H00	

04 03 19	RCL	WEBCAST	11H00		
05 03 19	CLOVER		JHB	14h00	
05 03 19	NEDBANK		JHB	16H00	
05 03 19	TEXTON		JHB	09H00	GE
06 03 19	TEXTON		CT	09H00	not req
06 03 19	GRINDROD		JHB	09H00	MB
06 03 19	AFROX		JHB	10h30	
07 03 19	GRINDROD		CT	09H00	
07 03 19	MURRAY & ROBERTS		JHB	12H00	
07 03 19	STANDARD BANK		JHB	10h00	
07 03 19	CLOVER		CT	10h00	
07 03 19	SANLAM		JHB	09H00	PK?
07 03 19	ALVIVA		JHB	10H00	
08 03 19	GRINDROD		DBN	09H00	
08 03 19	MMI		JHB	12H00	
12 03 19	SEA HARVEST		CT	10H00	
12 03 19	BRIMSTONE		CT	11H00	
13 03 19	LIBSTAR		JHB	10h00	CG
13 03 19	AFROCENTRIC		JHB	08H00	
14 03 19	GROWTHPOINT	INTERIM	JHB	11h00	
14 03 19	ARCI		JHB	10h00	CG
14 03 19	METAIR		JHB	14H00	
15 03 19	INVESTEC		JHB	11H00	
15 03 19	GROWTHPOINT	INTERIM	CT		GE
18 03 19	ASCENDIS HEALTH		JHB	10H00	not req
19 03 19	ASCENDIS HEALTH		CT	10H00	
19 03 19	SASFIN		JHB		CG
19 03 19	BELL EQUIPMENT		CT	09H30	
26 03 19	MASTER DRILLING		JHB	11h00	
26 03 19	IAS - MIKE SCHUSSLER		JHB	17H30	

STRATEGY MEETING;

It was agreed that CG kick off the strategy and based on his suggestions he brought up the Chief Executive succession . Discussion took place and AMW stated her issues with CG comments distributed to board. The board clarified that they were more than happy with the services of AMW and that they sincerely wished her to continue on the same current basis. AMW reiterated if and when she resigned, her notice period would be 6 months.

The meeting discussed the strategy going forward and as quoted by PDT – ***Structure follows Strategy.***

Demographic Representation

It was agreed that the Board membership be expanded to the 15 members, allowed by the IAS NPC Memorandum of Incorporation.

Most future Board directors should preferably be:

- Younger than the current Board directors;
- Persons of colour to more accurately reflect the demographics of the country; and
- Female, to more closely reflect the Society's membership.

As the Chair of the Society was the most visible member of the Board, both to IAS members as well as to corporate users of the Society's services, Lungile Malinga, the Deputy Chair was asked, and agreed, to be appointed as the Chair of the Society at the next AGM in May 2019.

Hosting of Website

The proposal by Ince was supported to develop and host the IAS website and to broaden the reach of the Society to a much wider local and global user base. This would include the development, hosting and maintenance of a bespoke App for the Society.

CG and MI were asked to present a management proposal from Ince for the next Board Meeting.

Continuous Professional Development (CPD)

It was agreed that the future growth and relevance of the IAS would be significantly enhanced by it playing a far greater role in the education, training and skill development of its members.

This would not involve the Society in providing professional qualifications for its members or prospective members, but in the continuous development of knowledge and skills after an individual qualified to be an IAS member.

AMW and MB had attended an introductory seminar at the South African Qualifications Authority (SAQA) in Pretoria. It appears that the IAS had the structure, history, records and infrastructure to register as a “professional body” and for the allocation of a professional designation for members of the Society. “Investment Analysts” for example.

The paperwork required for recognition by SAQA was an onerous task, although much if it was already available or could be developed from the existing IAS structures. However, the Act required an extensive database and record of members, which included race, gender, disability, ID numbers, membership numbers, etc. This data would be required before applying for registration with SAQA as a professional body.

It was agreed that registration with SAQA be pursued and that AMW and MB would carry this forward. An ultimate aim was for the IAS to issue CDP points in its own name to its members and other professionals.

As an interim measure, the Society had engaged with the Financial Planning Institute of Southern Africa (FPI) to become a corporate affiliate member of the FPI. Subject to the signature of a legal document, the FPI had accepted the IAS corporate affiliate membership. This would enable the IAS to issue CDP points for its educational events under the FPI professional body structure.

AMW was working with FPI to have the educational event, with Mike Schussler, as guest speaker, on 26th March, recognised for CPD points.

CDP Host

AMW and MB had held discussions with various CPD platform providers and Black Onyx, with its CPD hub, had emerged as the most professional provider of CPD services to a wide range of professionals and with a substantial base of CPD point providers.

It was believed that the CPD hub, offered by Black Onyx, provided the most usable, relevant and accessible CPD tool for the IAS to offer its members.

It was agreed that a proposal for the use of services be made by Black Onyx to the Board in the near future.

Education, Training and Skill Development Events

In order to provide relevant CPD points to its members, the Society should focus future educational events on:

- Improving research and analytical skills. Rated, experienced investment analysts should be invited to provide comprehensive lecture courses on such skill development. The IAS members consisted of a significant number of top analysts who could be asked to share their expertise with younger and less experienced members.
- Increasing knowledge of the operational environment for the financial industry.
- Encourage readership of IAS journal articles.

Black Onyx will develop tools to register, record, and test the knowledge of IAS members that use such events for CPD points and to issue certificates to successful participants.

IAS Newsletter “Communique”

In order to raise the profile of the Society, it was agreed to publish a regular communique, reporting on the activities, services and events offered by the IAS.

The communique should be professionally presented, with photographs, etc. and sent not only to IAS members, but also to all corporate and other users of the Society’s services. External platforms, such as Ince, Black Onyx, could be used to distribute the communique to a wider audience.

The communique will also be sent to print and other media.

CG was appointed Editor of the communique and empowered to approach any Board or other IAS members for material.

Marketing Professional

It was agreed that JSE listed companies, and other corporates, should be made aware of the IAS services available to them, including: live presentations, internet access to stakeholders, webcasts, podcasts, apps, etc. This required the services of an experienced person with marketing, public relations and communication skills, which current staff and board members did not possess or have the time available.

A suitable person, with the required skillset and experience, should be hired for this specific role. They would report through AMW to the Board.

Corporate Governance

The Society should have the following documents filed and available at a central source:

- Corporate Registration & Memorandum of Incorporation documents.
- Financial Statements
- Minutes of Board, AGM and Sub-committee meetings.
- Agreements with service providers.
- Legal agreements.
- Staff contracts.
- Internal policy documents and guidelines.

PK would work with AMW to set this comprehensive governance structure in place.