

**MINUTES OF BOARD MEETING OF INVESTMENT ANALYSTS SOCIETY
HELD ON TUESDAY 24 APRIL at JCC 12.30**

PRESENT JACQUES THERON (JT)
 PETER DU TOIT (PDT)
 MIKE BROWN (MB)
 MARK INGHAM (MI)

APOLOGIES LUNGILE MALINGA (LM)
 CHRIS GILMOUR (CG)
 PHUMZO KHONZEKA (PK)

1.1 WELCOME & MINUTES

In the absence of the Chair and Deputy Chair, MB chaired the meeting. MB welcomed those present. The minutes of the previous meeting were confirmed.

2.1 FINANCIALS

**IASSA NPC
FINANCIAL REPORT
YTD to March 2019 (3 month)**

STATEMENT OF COMPREHENSIVE INCOME

OVERALL RESULTS

The reported surplus for the 3rd month ending March 2019 amounted to R818 355 versus a budgeted amount of R605 536.

INCOME

Total income for the year to date amounted to R1 142 237 relative to the budgeted income of R1 096 640. Subscriptions renewals received for the year amounted to R924 379, relative to the budgeted amount of R884 562. A total of 1 029 members renewed their subscription out of a budgeted total of 1 000 for the year.

Net presentation revenue for the year amounts to R180 840 relative to the budgeted revenue amount of R166 650. Interest received to date amounts to R20 969 relative to the budgeted amount of R21 713.

EXPENSES

Total expenses for the year amounted to R323 882 relative to the budgeted expenditure for the year of R491 104. This is due to the recovery of journal expenses and also the CFA conference costs for 2019.

STATEMENT OF FINANCIAL POSITION AND CASH FLOW

Cash at bank of R1 452 251 as at the end of March 2019 includes the Investec and First National Bank Money market investment at R718 700 and R689 053.

Our Satrix 40 investment at the end of March amounts to R2 733 581 relative to R2 058 320 invested to date.

The ratio of cash/money market investments to Satrix equity investments stood at 32.4% to 67.6% of total assets.

GENERAL

Subscription renewal is an amount of R1 040.

Phumzo Khonzeka

23rd April 2019.

The budget to be updated to include Educational expenses

At the previous meeting it was suggested looking into switching some of the funds from Satrix to the money market, as the banks were paying good interest rates. Discussion took place and it was decided in take a prudent view and cash in some of the Satrix Investment profits. etfSA.co.za was offering about 8 per cent per annum on daily call and could be switched between equities and cash at any time. It was agreed to proceed with the transfer of the Satrix investments to etfSA.co.za and to reduce the Satrix 40 investment by R1,5 million and switch this to a money market fund available through etfSA.co.za.

FICA and account opening documents to be completed and a resolution passed by the Board appointing AMW as the Responsible Person for this account who would act only on instructions from the Board.

AMW suggested the board also look at the Staff Incentive Scheme investment in view of the above decision to switch 50 per cent of the Society funds out of equities. MB advised that the Investment Committee (MI/PK) should look at this.

The draft Financial Statements for the year ended 31 December 2018 were considered, and with the exception of page 7 – members of Investment committee to be updated to MI/PK – they were approved. AMW would liaise with auditors and have signed copies available prior to AGM meeting

The AGM notice for the meeting on 28rd May would be sent out to all members this week.

2.2 CORPORATE GOVERNANCE

AMW is updating the website regularly and MI would provide further Journal documents for uploading

The following carried forward:

Travel Policy (PK) c/f

Gratification policy – check with auditors (PK) c/f

2.4 MEMBERSHIP

JT advised that 4 new members were suitable and accepted. 1 asset manager, 1 corporate finance, 1 private clients and 1 Investor Relations. Current membership was 1029 paid up, 145 outstanding and non-paying members would be suspended shortly. It was hoped the membership could reach 1100

2.5 PRESENTATIONS

A list provided below - introductions arranged

2.6 IAS AWARDS ASSESSMENTS

LM was off ill and it was decided to arrange a separate meeting to assess the award winners.

2.7 LIST OF MEETINGS

Again AMW drew attention to some changes to the Meeting dates and is detailed at the end of these minutes.

2.8 STRATEGIC OBJECTIVES

a) Demographic Board Representative

It was decided NOT to include a call for new Board Directors in the AGM notice to members. Instead MB would prepare a communique to members who, if interested, were to submit their CV's and the board would review and accept/decline in due course. MB mentioned Bruce Williamson as a possible candidate and when the communique was sent out – he would contact him. It was important to include new young members bearing in mind the demographics of the Society and to be representative

b) INCE Proposal

MI reported that further meetings had taken place and an Action Plan was being established. Discussion on the App, video/audio offerings, newsletters were included. INCE had suggested establishing different membership categories but it was felt this was not prudent at this time but could be reviewed at a later stage. MI was impressed with INCE personnel who could enhance the Society's offerings. MI would provide a draft proposal for Board approval.

MB suggested that once the app was available, it undergo a 4 week test prior to going live. MI also confirmed that the optics would only be IAS and INCE would not appear anywhere.

Mention was made referring to previous proposals that a joint IAS/INCE bank account could be established. It was emphasized that this be submitted monthly to the auditors (i.e. spreadsheet, bank statements) – as is done with the IAS banking and that a member of IAS board would be the designated representative – possibly PK

Regarding the website – once a new site established – this would run shadowing the current website for a few weeks to tweak any issues. AMW to be advised at least a month in advance to give notice to current webmaster.

MB stated that the final proposal would need to be signed off by all Board members.

c) Continuous Professional Development (CPD)

CPD Certificates following the Schussler event had been sent to all attendees via Black Onyx.

The Journal had been submitted to FPI together with supporting documentation including questions and answers on each article. FPI to advise within a week if Journal articles would qualify for CPD points.

d) Educational and Training Skills development

Masterclass events for accreditation were in the pipeline. CG and Syd Vianello to speak on Analysis of the Retail Sector. WITS could be made available as a free venue during non-term time and AMW to liaise with CG to hold the event end June/early July.

The previous meeting had discussed Masterclasses with the intention to engage Industry experts to pass on their knowledge to members. It was felt that masterclass presenters should not view this as a platform to promote themselves. Any masterclass presentations should be carefully selected and approved by the Board.

e) IAS Communique

MI would prepare above on the Journal for early May distribution reflecting on upcoming issue 48 . Currently the communiques had been sent out on the following topics

- JOURNAL
- CPD
- AGM

CG as Editor to manage future content with suggestions as below:

- IAS awards and encouraging attendance
- New Board Directors
- INCE partnership
- CPD

A communique should ideally be sent each month

f) Market Professional

AMW had no joy with suggestions from Amelia Soares and it was agreed that a job spec should be established but we should hold fire until INCE is in place to review what the Society requires from a marketing professional.

NEXT MEETING – to be held on **28TH MAY at 12h00 followed by AGM at 13h00 in PRIVATE DINING ROOM 5 at JCC**

| 2019 - IAS MEETINGS JHB COUNTRY CLUB | | | | |
|---|----------------|---|--|--|
| | | | Venue/room: | |
| Tuesday | 12h00 13h00 | 28 th May 2019 AGM | Private dining room 5 | |
| Tuesday | 17h00 | 11th June 2019 - IAS Awards | JSE | |
| Wednesday | | CANCEL 12th June 2019 – Board Meeting Journal meeting & Lunch | CANCELLED | |
| Tuesday | 12h30 | 23 rd July 2019 | tbc | |
| Tuesday | 12h30 | 13th August 2019 | tbc | <i>New Date updated from 20 Aug</i> |
| 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 | |

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|----------|----------------------|---------|---------|-------|-------------------------------|
| 06 05 19 | REDEFINE / Webcast | INTERIM | JHB | 13H00 | |
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| 13 05 19 | ASTRAL FOODS | OWN | JHB | 08H00 | |
| | | | | | |
| 14 05 19 | ASTRAL FOODS | OWN | CT | 08H00 | |
| 15 05 19 | LONG4LIFE | ANNUAL | JHB | 10H00 | not req MI/MB attending |
| | | | | | |
| 16 05 19 | STEFANUTTI STOCKS | OWN | webcast | | |
| 16 05 19 | SANTOVA | ANNUAL | JHB | 12h00 | |
| 16 05 19 | INVESTEC | ANNUAL | JHB | 10H00 | |
| | | | | | |
| 17 05 19 | STEFANUTTI STOCKS | OWN | webcast | | |
| 17 05 19 | SANTOVA | ANNUAL | CT | 12h00 | |
| | | | | | |
| 20 05 19 | ADCORP | OWN | JHB | 07H30 | |
| | | | | | |
| 23 05 19 | AFRIMAT | | JHB | 12H00 | PDT |
| 23 05 19 | TFG | | CT | 17h00 | |
| | | | | | |
| 27 05 19 | AFRIMAT | | CT | 12H00 | |
| | | | | | |
| 04 06 19 | CAPITAL APPRECIATION | | JHB | | MI |
| | | | | | |

| SURNAME | | INITIAL | COMPANY DETAILS | CODE |
|-----------|------|----------------------------|----------------------|------|
| Mhlanga | | Mr K B | Afrifocus Securities | AM |
| Naidoo | | Miss M | Nodus Capital | CF |
| NG | | Mr K | FLT Holdings | PE |
| Wilkinson | | Miss S J W | Ince Pty Ltd | IR |
| | | | TOTAL: 4 | |
| | ACA | Academic | | |
| 1 | AM | Asset Management | | |
| | ANA | Analyst | | |
| | ANO | Teaching/Audit | | |
| | BNK | General Banking | | |
| 1 | CF | Corporate Finance | | |
| | CRED | Credit Analyst | | |
| | FD | Finance /Manager/Director | | |
| 1 | IR | Investor Relations | | |
| | JOUR | Journalist | | |
| | PC | Priv, Clients/Priv Banking | | |
| 1 | PE | Private Equity | | |
| | SB | Stock Broking | | |
| | R | Retired | | |
| | TAX | Tax | | |
| | TR | Treasury | | |
| | | Reinstated | | |