MINUTES OF BOARD MEETING OF INVESTMENT ANALYSTS SOCIETY HELD ON TUESDAY 28 AUGUST 2018 at JCC 12.30

PRESENT

✓ARTHUR THOMPSON (ADT
✓GARRETH ELSTON (GE)
✓CHRIS GILMOUR (CG)
✓MIKE BROWN (MB)

APOLOGIES

✓PHUMZO KHONZEKA (PK)
✓JACQUES THERON (JT)
✓LUNGILE MALINGA (LM)
✓PETER DU TOIT (PDT)
✓MARK INGHAM (MI)
✓DANA YERUSHALMY (DY)

1 PREAMBLE

1.1 WELCOME & MINUTES

CG welcomed those present - MB checked the Constitution and we had a quorum
The minutes of the previous meeting were agreed and signed

1.2 **FINANCIALS** - PK was unable to attend but had provided report which was accepted by the board

IASSA NPC
FINANCIAL REPORT
YTD to July 2018 (7 months)

STATEMENT OF COMPREHENSIVE INCOME

OVERALL RESULT
The reported surplus for the 7th month ending 30 July 2018 amounted to R435 618 versus a budgeted amount of R569 146.

INCOME
Total income for the year amounted to R1 584 549 relative to the budgeted income of R1 589 334. Subscriptions renewals received for the year amounts to R1 086 192, relative to the budgeted amount of R1 115 477. A total of 1 159 members renewed their subscription out of a budgeted total of 1 251 for the year.

Net presentation revenue for the year amounts to R371 372 relative to the budgeted revenue amount of R349 081. Interest received to date amounts to R52 683 relative to the budgeted amount of R63 000.

EXPENSES

Total expenses for the year amounted to R1 148 931 relative to the budgeted expenditure for the year of R1 020 189 which is mainly due to staff employment costs.

The Journal's net income amounted to R12 996 at the end of July relative to budgeted income revenue of R10 763.

STATEMENT OF FINANCIAL POSITION AND CASH FLOW

Cash at bank of R1 235 148 as at the end of July 2018 includes the Investec and First National Bank Money market investment at R883 204 and R215 164.

Our Satrix 40 investment at the end of July amounts to R2 752 470 relative to R2 058 320 invested to date.

The ratio of cash/money market investments to Satrix equity investments stood at 28.9% to 71.1% of total assets.

GENERAL

The **Subscription renewal fee for 2018 was** fixed at R980 (incl VAT) which represents an 8,9% increase. The net amount excluding VAT amounts to R860 for 2018 versus R790 for 2017.

The **subscription** renewal fee will increase due to the recent increase in **Vat effective as at 1st of April 2018 from 14% to 15%.**

Overall the IASSA NPC's financial position is still sound.

Phumzo Khonzeka
22nd August 2018.

AMW advised the board that it might become necessary to sell some of the SATRIX investment towards October as the 90 day funds of R400 k would become available in November and had already withdrawn R136000 from Sanlam. Currently just under R200 000 was available at FNB with some presentation billings to be received.She would keep the board up to date on this

AMW to discussion with auditors about possible CGT ramifications regarding selling a portion of the Satrix investment

2.0 PRESENTATIONS

A list provided below and introductions arranged

2.1 – MEMBERSHIP

GE advised 9 new members were accepted and were suitable

2.2 **ANNUAL SUBS**

After discussion it was agreed that 2018 subs would be increased to R1040.00 which was an inflation increase – the joining fee would be increased to R560.00

2.2 GENERAL

Further to LM/AMW contacting Trudi Makhaya who is Cyril Ramaphosa's economic adviser regarding presenting to IAS , no reply had been received and LM to follow up c/f

Frans Cronje – it was discussed whether to ask him to present this year. MB mentioned that he was that his current presentation titled'2030' and was suggested we carry this forward to the new year

IOD – CG had no joy and this would be taken off the agenda

CG suggested contacting Daniel Silke as a potential speaker
MB noted the Rand Business Club forecast dinner would be around mid February 2019

ABSA CONFERENCE

CG had proposed he attend as per invitation received. He noted that he would be writing for Business Day and the article could be make available on IAS site. In this regard he requested clarification as to whether travel and accommodation expenses could be utilized from the board travel policy allowance of R10k.

Discussion took place and the relevant Travel Policy extract is below. It was felt that the ABSA conference did not meet the requirements and thus was not approved. The meeting was also concerned about how the members of the IAS will benefit from CG's attendance.

1.3 For local conferences the IAS will pay up to a maximum of R10 000 per board member, per year, for attending a conference where the board agrees that attendance at the conference will be of benefit to the Society by improving the board member's skills.

CPD CREDITS: FSCA and SAQA

ADT had contacted SAQA by email and telephonically and was awaiting a reply. ADT determined from the FSCA that guidelines regarding FSCA-accredited CPD still had to be compiled.

The "CPD Committee" (CG, MB and ADT) that was formed to interact with SAQA received permission from the Board to also interact with the FSCA regarding CPD.

M B committed to preparing the necessary documentation for submission to the FSCA and discussing this with the "CPD Committee".

The meeting felt that it is imperative that the IAS educational functions and presentations become accredited for CPD. This would also provide a major motivation for being a member of the IAS. ADT mentioned that CPD-accreditation will assist both IAS and CFA Society members and made a closer linkage even more compelling.

It was agreed that MB/CG/ADT arrange to meet with SAQA and FSCA to see what procedures and documentation would be involved.

Membership numbers: It was agreed that CPD requirement will most likely require each IAS member to have a unique membership number. A 4-digit number was suggested, and this will be included with the next round of invoices for membership subs.

STRATEGIC DIRECTION

ADT had prepared a draft strategic review document for the Board to consider. The meeting agreed that this was valuable, and it was unnecessary at this juncture to belabor the details. The Meeting requested that ADT develop these ideas more completely into a short/compact Business Plan and that this be submitted to the Board for consideration. The meeting stressed the urgency of the task.

MEDIA FIX

The proposal had been received and sent to the Board. ADT had provided the costings as he understood them. The meeting felt this is a good opportunity for presenting companies at a reasonable cost. The companies could choose whichever option suited them or could decline providing webcasts if they preferred. However, their presentation would still be linked on our site if they are using the IAS. The meeting was agreeable to taking this forward and AMW to confirm the costing schedule with Media Fix and report back at the next meeting.

All felt this had value and beneficial in that we were not tied into any firm contract.

INCE

CG had forwarded a draft Agreement from INCE. After discussion the meeting felt that as a non-profit society we would be now aligning ourselves with a for-profit organization. A JV would link the IAS into providing our major product, presentations, through a for-profit vehicle. A 3-year contract also concerned the meeting as well as the equal contribution of funds to the JV – after initial set-up. Reservations were also expressed about the cash reserves of the IAS if such a venture was contemplated.

MB stated that as we did not have a strategy in place this was not the time to become involved this type of venture.

BOARD

MB noted that the Constitution and MOI required that board members attend at least 50% of the meetings in a calendar year. AMW to prepare a spreadsheet of the board attendance for the past 3 years for the next meeting

Next meeting scheduled for 25 SEPTEMBER 2018 at 12h30 JCC
- please diarise

Tuesday	12h30	28th August 2018	Billiard Room
Tuesday	12h30	25th September 2018	Billiard Room
Tuesday	17h00	9 October 2018	Sandton Sun
Tuesday	12h30	30th October 2018	Billiard Room
Tuesday	12h00 13h00	27th November 2018 Xmas Lunch	Billiard Room Under The Oaks

30 08 18	GROWTHPOINT	JHB	12h00	MB
30 08 18	ONELOGIX	JHB	12H00	
30 08 18	MURRAY AND ROBERTS	JHB	12h00	ADT
30 08 18	ADVANCED HEALTH	JHB	15H00	
31 08 18	GRINDROD	JHB	09H00	
31 08 18	ONELOGIX	CT	12H00	
31 08 18	GROWTHPOINT	CT	09H30	GE

03 09 18	BELL EQUIPMENT	CT	10H00	
04 09 18	FAIRVEST	JHB	11H00	
05 09 18	BELL EQUIPMENT (SITE VISIT)	richards bay	08H00	
05 09 18	FAIRVEST	CT	11H00	
05 09 18	DISCOVERY	JHB	10h00	**MB**
05 09 18	MMI HOLDINGS	JHB	12H00	
06 09 18	SANLAM	JHB	09H00	**MI**
06 09 18	SPUR	CT	11H30	**not re**
06 09 18	ALVIVA	JHB	10h00	
10 09 18	AFROX	JHB	10H30	
11 09 18	ASCENDIS HEALTH	JHB	09h00	
11 09 18	ALARIS	JHB	14H30	
12 09 18	ASCENDIS HEALTH	CT	09h00	
12 09 18	CLOVER	JHB	10H00	
13 09 18	CLOVER	CT	10H00	
13 09 18	ASPEN	JHB	08H30	
13 09 18	ARC	JHB	10H00	CG/MI if req
14 09 18	INVESTEC	JHB	10H00	
17 09 18	SASFIN	JHB	11H00	**CG**
17 09 18	AFROCENTRIC INVESTOR DAY	JHB	08H30	CG if req

Confirmed.................................**date**25/9/2018.