

**MINUTES OF BOARD MEETING OF INVESTMENT ANALYSTS SOCIETY  
HELD ON TUESDAY 9 July 2019 at 12h30 Room 5, JCC, followed by Journal meeting**

**PRESENT**

CHRIS GILMOUR (CG)  
MIKE BROWN (MB)  
MARK INGHAM (MI)  
PETER DU TOIT (PDT)  
PHUMZO KHONZEKA (PK)

**APOLOGIES**                    LUNGILE MALINGA (LM)

**1.1 WELCOME & MINUTES**

MB took the Chair, in the absence of LM, and welcomed those present. The minutes of the previous meeting were confirmed.

**2 FINANCIALS**

PK submitted May and June reports;

**IASSA NPC  
FINANCIAL REPORT  
YTD to May 2019 (5 month)**

**STATEMENT OF COMPREHENSIVE INCOME**

**OVERALL RESULT**

The reported surplus for the 5th month ending May 2019 amounted to R687 918 versus a budgeted amount of R650 894.

**INCOME**

Total income for the year amounted to R1 320 907 relative to the budgeted income of R1 469 400. Subscriptions renewals received for the year amounts to R994 331, relative to the budgeted amount of R1 115 937. An average of 1 090 members renewed their subscription out of a budgeted total of 1 000 for the year.

Net presentation revenue for the year amounts to R259 894 relative to the budgeted revenue amount of R277 750. Interest received to date amounts to R35 417 relative to the budgeted amount of R36 188.

## **EXPENSES**

Total expenses for the year amounted to R632 989 relative to the budgeted expenditure for the year of R818 506. This is mainly due to the recovery of journal expenses.

## **STATEMENT OF FINANCIAL POSITION AND CASH FLOW**

Cash at bank of R1 236 349 as at the end of May 2019 includes the Investec and First National Bank Money market investment at R726 293 and R449 690.

Our Satrix 40 investment at the end of May amounts to R2 693 643 relative to R2 058 320 invested to date.

The ratio of cash/money market investments to Satrix equity investments stood at 29% to 71% of total assets.

Phumzo Khonzeka  
2019.

7<sup>th</sup> July

**IASSA NPC**  
**FINANCIAL REPORT**  
YTD to June 2019 (6 month)

## **STATEMENT OF COMPREHENSIVE INCOME**

### **OVERALL RESULT**

The reported surplus for the 6th month ending June 2019 amounted to R517 022 versus a budgeted amount of R566 073.

### **INCOME**

Total income for the year amounted to R1 351 809 relative to the budgeted income of R1 548 280. Subscriptions renewals received for the year amounts to R999 687, relative to the budgeted amount of R1 124 125. An average of 1 107 members renewed their subscription out of a budgeted total of 1 000 for the year.

Net presentation revenue for the year amounts to R279 152 relative to the budgeted revenue amount of R333 300. Interest received to date amounts to R41 705 relative to the budgeted amount of R43 426.

### **EXPENSES**

Total expenses for the year amounted to R834 787 relative to the budgeted expenditure for the year of R982 207. This is mainly due to the IAS awards costs and recovery of journal expenses.

## STATEMENT OF FINANCIAL POSITION AND CASH FLOW

Cash at bank of R974 429 as at the end of June 2019 includes the Investec and First National Bank Money market investment at R730 058 and R244 243.

Phumzo Khonzeka  
2019.

9<sup>th</sup> July

### Highlights from the financials:

A total of 1 107 members renewed their subscription versus a budgeted total of 1 000 for the year.

The SATRIX 40 investment was moved to the ETFSA for an amount of R 2 918 518 per the Investment Committee decision.

The ratio of cash/money market investments to ETFSA equity investments stood at 23.2% to 76.8% of total assets.

### **2. 1 ETFSA switch from Sanlam** had taken place in June as highlighted in financials

MB mentioned that R1,1 was on daily call at 8 per cent– this was a floating rate and the remainder of the funds were invested in Satrix 40 ETF . Discussion was to follow in due course with regard to placing part of the daily call funds on fixed deposit for 6 months at 8.6 per cent, bearing in mind upcoming expenses to year end. There would be a possibility of also moving the 90 day call at Investec to Etsa. *The investment committee to discuss further*

**Staff Remuneration:** The Committee (PK Pdt LM) advised of a 6 per cent increase – AMW thanked the board and would inform staff

### **2.2 MEMBERSHIP**

CG advised that 4 new members were suitable and accepted. One of the 4 was from China and it was felt he was joining to access the Journal. Membership currently totalled 1084

### **2.3 PRESENTATIONS**

A list provided below – introducers arranged

Prof Jan Kruger had accepted the letter from the board with regard to his relative accompanying presentations and this would not happen going forward

Member Andre van Wyk had asked whether his colleague/friend – who was his driver – could accompany him and meeting agreed due to his ill health and as long as he rsvp'd for this individual as a guest

## **2.4 IAS AWARDS**

AMW provided a reconciliation of the Awards costings for the past year –amounting to R204548.89

In addition she provided a schedule of assessments submitted and number of attendees Discussion took place as to how to save costs and it was felt that potentially the BD advert and supplement could be cancelled as it was viewed as of little value. AMW to check with Adele Rhodes of BD on viewership of the Live broadcast. CG suggested obtaining sponsorship. MB put forward INCE and MI agreed to touch base with them on this. AMW suggested IoD

The APP could also prove to be cost saving and useful to members regarding assessments

### **2.4.1 Tongaat**

With regard to the twitters circulating and the fact that IAS had awarded Tongaat eleven times it was felt a communique should be sent to members outlining the process of awarding winners.

## **2.5 IAS BOARD MEMBER NOMINATIONS**

The meeting agreed to accept Ingrid Goodspeed and AMW would communicate

LM had the two potential new members applications, discussed at previous meeting, and had agreed to contact them for informal chat –AMW to follow up with LM

## **2.6 EDUCATION**

Masterclass to be held on 9<sup>th</sup> July with panelists Chris Gilmour and Syd Vianello – mediated by Mike Brown.

50 attendees had been confirmed with a waiting list of around 10. Sanlam provided the venue at no charge (via head office) but were strict on capacity. CG would record the sessions as a possible podcast for members.

MB felt this could be a useful tool going forward and could be carried on the Black Onyx platform for CPD

Derivatives Master Class – Grant Nader, CIO Effectus and IAS member, had offered his services. The meeting agreed to take this further and seek another panelist. Garth McKenzie was a suggestion but it would appear he was leaving the country. AMW to chat to Grant for suggestions.

## **2.7 INCE HOSTING OF WEBSITE**

MI advised INCE were finalizing the costing of the project and further meetings would be arranged.

IAS Journal 47 had been approved- per article - for CPD. Black Onyx needed time to put this in place and to look at costings

Issue 48 has been published and Prof Robert Viviers is preparing relevant questions. Once finalized AMW would submit to FPI for each article’s accreditation. Until the process for Journal 47 is in place – there was no hurry for 48. MB and AMW to meet with Black Onyx during August

It was felt the APP would prove useful to members to access the Journal

## 2.8 JOURNAL COMMUNIQUE

Journal 48 Communique - MI to prepare including mention of the impact factor

## 2.9 Strategic objectives

Nothing further to report – these items to be carried forward on monthly agenda.

**NEXT MEETING – to be held on 13 August 2019 at 12h30 JCC)**

AMW requested a change of date for October meeting from 22<sup>nd</sup> to 15<sup>th</sup> October and board to confirm

Tuesday	12h30	13 <sup>th</sup> August 2019	Billiard Room	<i>New Date updated from 20 Aug</i>
Tuesday	12h30	17 <sup>th</sup> September 2019	Billiard Room	
Tuesday	12h30	22 <sup>nd</sup> October 2019 (poss change to 15)	Billiard Room	
Tuesday	12h00 13h00	26 <sup>th</sup> November 2019 Xmas Lunch	Billiard Room Under The Oaks	
<b>Public Holidays:</b>		16 <sup>th</sup> June – Youth Day (Sunday) 17 <sup>th</sup> June – Public Holiday 9 <sup>th</sup> August – Women’s Day 30 <sup>th</sup> Sep- 1 Oct – Rosh Hashanah 9 <sup>th</sup> October – Yom Kippur 24 <sup>th</sup> September – Heritage Day		
21 <sup>st</sup> March – Human Rights Day				
19 <sup>th</sup> April – Good Friday				
20 <sup>th</sup> 27 <sup>th</sup> April – Pesach (8 days)				
22 <sup>nd</sup> April – Easter Monday (Family day)				
27 <sup>th</sup> April - Freedom Day				
1 <sup>st</sup> May - Workers Day				

## NEW MEMBERS: JUNE & JULY 2019

SURNAME		INITIAL	COMPANY DETAILS			CODE
Christodoulou		Mr A	Investec Bank Limited			CRED
Manjezi		Mr P	Naboo Holdings			AMA
Salomon		Mr A C	Capital Appreciation Limited			FD
Wei		Dr S	Anyang Normal University			ACA
			<b>TOTAL: 4</b>			
1	ACA	Academic				
	AM	Asset Management				
1	ANA	Analyst				
	ANO	Teaching/Audit				
	BNK	General Banking				
	CF	Corporate Finance				
1	CRED	Credit Analyst				
1	FD	Finance /Manager/Director				
01 08 19	ARCELORMITTAL	JHB	09h30	<b>PDT</b>		
07 08 19	NEDBANK	JHB	16H00	<b>MB</b>		
15 08 19	EMIRA	JHB	08h30			
15 08 19	EMIRA	CT	17h00			
19 08 19	ARB	JHB	tbc			
20 08 19	ARB	CT	tbc			
22 08 19	WORKFORCE	JHB	tbc			
23 08 19	GRINDROD	JHB	09H00	MB		
27 08 19	ADAPT IT	JHB	08H30	PDT		
27 08 19	IMPERIAL	JHB	10H00	LM MB?		
28 08 19	MOTUS	JHB	09H00	<b>PDT</b>		
28 08 19	ADAPT IT	CT	08H30			
29 08 19	ADAPT IT	DBN	08H30			
29 08 19	MURRAY AND ROBERTS	JHB	12H00	LM?		

## **JOURNAL MEETING**

Prof Christo Auret, Prof Robert Taylor and Liezel du Plooy presented a report (attached) to the meeting and included the impact factor which was exciting. This meeting was informative and interesting. The board thanked the Journal editorial committee for their hard work and preparation of the in depth report by Liezel du Plooy. It was felt the Journal had improved by leaps and bounds thanks to the editorial team as well as Taylor and Francis.