MINUTES OF
THE INSTITUTE OF RISK MANAGEMENT SOUTH AFRICA’s
ELEVENTH ANNUAL GENERAL MEETING
HELD AT THE JOHANNESBURG COUNTRY CLUB, WOODMEAD
ON THURSDAY 19 JUNE 2014, AT 07:30

PRESENT - per responses received:

Individual Members:

P Achary  P Le Godi  C Mohlamonyane
N Bembe  P Le Roux  M Moambo
L Bennett  C Lee  T Mokgatle
J Bhala  M Lekgoathi  M Moleya
L Carlo  W Lourens  S Mongala
B Chibba  S Mabena  T Moyo
T Chikwiri  F Madungandaba  B Mtonga
B Dalby  K Mafogo  E Mugazhinge
F Docrat  R Maiwase  F Murashiki
Z Dotwana  R Makhubela  A Mushunje
G Edworthy  M Malatsi  C Mwale
R Fourie  K Maphutha  K Ndiweni
D Harpur  C Marais  W Nthathe
M Hendrikse  A Marishane  S Nyoka
S James  P Masegare  D Padayachee
G Joubert  S Mastilo  A Patel
S Kouadio  M Mtsindle  C Pillay
M Kuipers  T Mkhungo  F Rahlapani
D Kuwana  R Mogatle  C Raman
M Ramatsekisa  A Reed  S Ruiters
T Seleka  N Sibisi  A Simango
S Swanepoel  A Swart  F Tshikhudo
J Van Der Colff  Y Zhang

Members (By Proxy):

K Bailey  R Johnson  C Sounes
L Beukes  M Komane  R Swart
P Bradbury  V Makaleni  C Taylor
W Chan  F Malange  E Theron
T Chirengwa  K Maleka  A Vandeyar
Minutes of Annual General Meeting 19/6/14 – K. O.

K Darbourn    I Muchenge    D Vernon
B Ganga       P Pettersen    V Vishnu
N Gerritsen    B Robertson
B Gutshwa     M Sauzier
A Jirivengwa  S Smith

Corporate Representatives:

I Delport  Eqstra Holdings Ltd
W Ehrlich  Retlaw Fox Associates
T Hungwe   S A Maritime Safety Authority
O Laloux   Mondial Consultants
C Palm     Eskom Holdings SOC Limited
M Robins   AngloGold Ashanti
D Rohde    PricewaterhouseCoopers
A Rosekilly Mutual & Federal
P Tillman  CQS

Apologies:

K Bailey    H Le Roux    S Smith
L Beukes    I Macrae     C Sounes
P Bradbury  V Makaleni   R Swart
W Chan      F Malange    W Tanyanyiwa
T Chirenga  K Maleka     C Taylor
K Darbourn  B Misrole    E Theron
B Ganga     I Muchenge   A Van Deventer
N Gerritsen V Napo       A Vandeyard
B Gutshwa   T Ord       D Vernon
A Jirivengwa P Pettersen V Vishnu
R Johnson   B Robertson
M Komane    M Sauzier

Guests:

W Asher  BarnOwlEqstra Fleet Management
D Boughey  Nedbank
R Brine   IQ Business Group
C Brits   Marsh
P De Kock
A Ditta  BarnOwl
S Dlamini Department of Public Works
M Dreyer  IQ Business Group
C Du Toit Eqstra Holdings Ltd
N Eekhout
E Abdurrahman Mutual & Federal
D Govender Eqstra Holdings Ltd
J Heyns   PricewaterhouseCoopers
M Hlatshwayo Department of Science & Technology
N Lamb   Alexander Forbes
K Letebele Ikage Group
N Loubser Marsh
In Attendance:

S Bain
B Blyth
K De Wet
G le Cordeur
Z Nyembe
K Osterloh
IRMSA Administration
IRMSA Administration
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IRMSA Administration

1. OPENING

The Institute of Risk Management South Africa’s (IRMSA) Chief Executive Officer (CEO), Ms G le Cordeur, opened the Eleventh Annual General Meeting (AGM) and welcomed all the members and guests.

2. APOLOGIES

Apologies from Mr C Ackroyd, Ms M Awogu, Mr K Bailey, Mr A Bhervia, Mr G Carstensen, Mr A De Wet, Ms G Edworthy, Mr J Fiser, Ms D Goodenough, Mr T Hungwe, Mr A Jirivengwa, Mr C Lee, Mr L Mahumapelo, Ms M Makgalemela, Mr N Marais, Mr E Mkhize, Mr J Mudakuvaka, Mr K Ntihane, Ms A Rughubar, Mr G Scott, Mr M Seroka, Mr C Sounes, Mr R Swart, Mr E Vroom and Dr Z Xaba had been received and were noted.

3. AGENDA

The format of the meeting was noted as follows:

- Welcome
- Approval of Minutes
- Introduction of Executive Committee Nominees
- IRMSA Financials
- Adopt Financial Statements
- Appointment of Auditors for 2014/15
- President’s Report
- CEO’s Feedback: The Year to Come
- Election of Executive Committee Members
- Presentation: Natalie Eekhout
- Announcement of Executive Committee Members
- Closing

4. WELCOME

Individual members, representatives of Corporate Members, President, Vice Presidents, Executive Committee (Exco), management and administration, members, observers, guests and the event sponsor IsoMetrix were welcomed and thanked for their attendance at The Institute of Risk Management South Africa’s (IRMSA) AGM.

There being a quorum, the CEO declared the meeting duly constituted.

Notice of the AGM was sent out and was received by members. All the meeting documents had been available on the Institute’s website for the past month and attendees were able to access them during the meeting on the IRMSA website.

Attendees were advised they could follow the AGM on Twitter and were encouraged to provide their views and comments.

5. APPROVAL OF MINUTES

The minutes of the tenth AGM held 25 June 2013 had been distributed and been available for perusal on the website. The Exco has reviewed and confirmed them to be an accurate reflection of the proceedings. No comments or amendments have been received from members prior to the meeting. Ms Beauty Mtonga noted it should be recorded she was an adjudicator. Mr F Docrat proposed these minutes be approved. Mr L Carlo seconded this proposal. These minutes are therefore taken as having been approved. There were no Matters Arising and no queries were raised at the meeting.

6. INTRODUCTION OF EXECUTIVE COMMITTEE NOMINEES

There were 16 Nominations received for the vacancies on the Executive Committee. The members who would be voting were requested to review the projects planned for the next year in order to identify the candidates whose skillsets would be most suitable for the initiatives to be undertaken. The candidates who were present introduced themselves and provided an overview of their qualifications and experience. An abridged Curriculum Vitae (CV) for each nominee was provided together with the Agenda on registration.

7. IRMSA FINANCIALS

7.1 Financial
The Financial Comparison for the past four years, the graph depicting Revenue, Operating Expenses and Operating Surplus, major projects planned for the coming year, Organisation Structure, Staff Costs, Revenue Comparison and Membership Fees Benchmarking were presented.

A key financial consideration is the cash position and sustainability with the objective of membership income covering operating costs. The surplus has increased but at the same time, so have expenses. As a Non-Profit Organisation, the aim is not to make money. However, ideally there should be a reserve of 18 months’ worth of operating expenses retained to ensure the Institute’s existence but this has not been achieved as yet. Cash reserves are being maintained for the large upcoming projects such as updating the Code of Practice and the Board Examination Development. It is necessary to invest in people and projects in order to facilitate expansion. Staff costs have remained a consistent percentage of income but the percentage relating to operating expenses has decreased. Membership and Training revenue is increasing whilst Breakfast and Event revenue is decreasing. This is partly attributable to offering free Breakfast Registrations to members as a benefit and to provide value for subscriptions. Compared to other associations, the Individual Membership Fees are still the cheapest amongst those benchmarked. The new premises have resulted in a significant rise in fixed costs. Overall, the Institute is in a good financial position.

7.2 Adopt Financial Statements

The audited financial statements for the year ending 28 February 2014 have been available on the website and had been distributed to members. No queries had been received prior to the meeting.

A member at the meeting queried the basis for the Qualified Audit Opinion. The CEO replied that this qualification has always been included and is the normal practice for organisations like the Institute that are NPO’s (Non-Profit Organisation). This is a result of Membership Fees not being an enforceable debt and the fact that income is reported on a cash basis i.e. on receipt of the funds and not when invoiced. Due to the rise in income, the Auditor has recommended a change in reporting which will create Bad Debts for Members whose fees are outstanding. This is because the South African Revenue Service (SARS) will scrutinise the figures more closely now that the Institute is a medium size organisation and this will eliminate the Qualification. If revenue remains static, the reporting change will not be required. The Qualified Audit Opinion has not been ignored, no alternatives were previously suitable. It was further questioned as to which Accounting Standard e.g. GAAP (Generally Accepted Accounting Practice) is used in preparing the Audited Financial Statements. The Auditor will be requested to provide the relevant details.

A show of hands was requested for all in favour of adopting the financial statements. Mr S Mongala proposed this adoption. Mr M Kuipers seconded the adoption.

8. APPOINTMENT OF AUDITORS

At the last AGM, A Fell CA (SA) had been appointed as the auditors to perform the Institute’s 2013/14 audit. It is now necessary to appoint the auditors for the
2014/15 financial year. The Executive Committee recommended they be re-appointed.

A member queried how many years A Fell has been utilised to prepare the Audited Financial Statements. The CEO responded that the Institute is governed by the NPO Act and not the Companies Act and there is no limit to the number of consecutive terms an External Auditor may be appointed. New auditors will be appointed from a good governance perspective however it is the general consensus of the Finance Committee that this should not be done at the moment. Due to the changes proposed, it will be preferable if the Auditor remains unchanged in order to assist with implementing the recommendations.

Ms G Edworthy proposed A Fell be appointed as the auditors and Mr S Mongala seconded the decision.

9. PRESIDENT’S REPORT

The President provided a brief overview of the Institute’s performance over the last year. The current Exco members and Administrative Staff were introduced and thanked for their contribution. A brief synopsis of the new office space and facilities was provided.

9.1 Education and Technical

There are many exciting developments for the Education and Technical Committee. A Sub-Committee for the Board Examination Development has been created whose sole function is preparation of Board Exam. The services of a Consultant (who assisted the Compliance Institute in this respect) have been engaged. The committee represents many skill sets and industries. It is very exciting and members wish to partake in the professionalisation process. The IRMSA Standard for Risk Management is being compiled and this document is eagerly awaited. There is a huge demand for training and sessions are oversubscribed. Event budgets are tight so training income helps to alleviate some pressure. Membership aids contingency and so training supplements this revenue. The Continuous Professional Development Programme (CPD) for Associate and Fellow Members has been implemented. CPD Points are available to other organisations for training and conferences that incorporate Risk Management.

9.2 Membership

The Membership Committee is one of the larger working sub-committees. The breakdown of the membership categories and current members in each was noted. The graphs depict the demographics more clearly. It is pleasing to see the equity and how transformation is apparent. There is good gender balance with membership being dominated by men but the female component is not far behind. The age range of members illustrates an interest in younger generations which is encouraging. It is important to commence promoting Risk Management at school level so that scholars consider it as a profession. Banking and Finance dominate the industry sectors represented by members. The sector analysis indicates where growth is required. This is also reflected in the nominations for the Risk Management Awards. The majority of members are located in Gauteng. There are seven members in Upington and 141 based abroad. The International component includes countries such as Canada,
Australia and Dubai and is a sign of how far the Institute’s reach extends. There has been a steady growth in the number of active members since 2008. A membership survey was conducted earlier in the year and there were many participants who were thanked for their input. Overall members are happy with the Institute and are excited about Professionalisation. Increased communication is required to create awareness and provide further details regarding the Qualifications. There is great support for the training which is attributable to the huge value it provides.

9.3 Events

A major development has been the introduction of free Breakfast registrations for members and this has increased attendance. The aim of events is to provide value for money and topics are given careful thought. Members are urged to attend functions and to forward the details to colleagues in other regions. Nominations for the Risk Management Awards have opened and are a means to acknowledge significant achievements in the fraternity. Supporting this initiative is encouraged as the awards are highly sought after and the finalist’s certificates are displayed in offices with pride. The Risk Laboratory has become a seasoned annual in the events calendar. This event was also held in Cape Town for the first time. The programme is designed around what is relevant at that point in time. Suggestions for suitable topics and speakers are welcomed. There was much interest in the Public Sector Breakfast and it is hoped the enthusiasm will morph into growth so that it can be served as well as other sectors.

9.4 Legal, Risk and Compliance

The Legal, Risk and Compliance Sub-Committee were acknowledged for their help for which there is much gratitude. These skills are currently not available in house with the present full time staff compliment. The function is to provide on-going assistance in the vetting of all legal documents and contracts in which the Institute is a party. Ensuring there is compliance to current legislation is also managed. Legal matters are dealt with as they arise.

9.5 Risk Intelligence Committee

The Risk Intelligence Committee is the latest addition to the Sub-Committee’s. They are producing amazing work and this entails great thought input with exciting output. Excellent information is provided on current topical issues.

9.6 Cruywagen IRMSA Risk Foundation

The Cruywagen IRMSA Risk Foundation is the mechanism to ‘Give Back’. This is an exciting initiative whereby two students are selected from the University of Johannesburg to attend a two week intern programme at the University of Illinois. During this time they are exposed to American Corporate Environments. Currently only two South African students can be accommodated per internship. There are plans to increase participation in the future. The revenue raised from the Risk Laboratory funds this student support.

10. CEO FEEDBACK: THE YEAR TO COME
There are many exciting projects being undertaken by the Education and Technical, Events, Membership and Risk Intelligence Sub-Committee’s. If members are interested in any of the initiatives, they are welcome to become involved.

10.1 The Year to Come: Education and Technical

Board Exam Development preparations are underway and the working group is very busy in this respect and meet weekly to ensure the project timeline is adhered to. This committee is passionate and enthusiastic in their endeavours to host the Pilot Board Exam in November. The Institute has partnered with Marsh to produce the IRMSA Standard. The aim of the document is to provide guidance as opposed to a Standard such as ISO (International Standards Organisation). The Assessment Quality Partner (AQP) operational functions will be outsourced and is aligned to the Board Exam. Gazetting the Qualifications has been completed and the Institute is awaiting final communication from the QCTO (Quality Council for Trades and Occupations) in this respect. The CPD policy has been enhanced and is applicable to Associate and Fellow members. Maintaining a CPD record is important for SAQA (South African Qualifications Authority) and in order to maintain membership accreditation. Individuals in the regions may experience difficulties in attending events. The document has therefore been amended to incorporate mentorship, designing policies etc. and the updated details will be released shortly. Training has been organised in Cape Town and a pilot session will be arranged for KwaZulu-Natal. Facilitators for In-House training at organisations for their staff and departments can be provided. The IRMSA training is now held at the Institute’s premises.

10.2 The Year to Come: Membership

The Membership Committee are continuously strategising. Student Membership will be pursued as it is important to focus on the youth. It is envisioned that eventually Risk Management will be a principal career choice as opposed to one that derives from Audit. Creating awareness amongst school leavers and showing how interesting Risk Management is, will be the starting point of this initiative. An IRMSA representative will present to students from the University of Johannesburg in August. Resources are necessary to assist with visiting schools and being Mentors for students. The Cruywagen IRMSA Risk Foundation projects correlate to students and youth development. The goal is to increase membership whilst at the same time retaining existing membership. Risk Management work experience is required to be eligible to write the Board Exam. There is growing interest from the regions and neighbouring countries. Strategies to enhance their membership benefits are being devised. It may not be necessary to have offices in other locations. Technology such as ‘e-learning’ will assist in this respect.

10.3 The Year to Come: Risk Intelligence

The Risk Chats are a new addition to the membership offering. There is difficulty deciding the next topic as there are so many exciting occurrences at the moment. An Inaugural IRMSA Risk Report will be compiled consisting of member’s points of view and not that of the committee. The process has commenced with a survey and the responses are being collated. The report of the top 50 risks will be issued in January to coincide with the World Economic
The results will be analysed at the Risk Laboratory where feedback and input can be provided. A workshop will be held to brainstorm and a working group will be formed. A Technical Library will be assimilated and available to members on the website. The initial content will comprise current documents and standards. Contributions are most welcome. This will be a useful facility especially for members in the regions.

10.4 The Year to Come: Events

A complete programme of events for the year is planned by the Events Steering Committee. The submissions for the Risk Management Awards received so far are of a high calibre. Recognising Risk Managers is of paramount importance. Every second year, the Institute partners with the Institute of Internal Auditors (IIA), Institute of Directors (IoD) and the South African Institute of Chartered Accountants (SAICA) to co-host a joint Governance Conference. The event will take place on 27 October this year. A Corporate Member Forum will be arranged for the latter half of the year. Such events will now be hosted at the IRMSA Offices.

The CEO invited attendees to contact her if they have any queries or if they would like to participate in projects.

11. ELECTION OF EXECUTIVE COMMITTEE MEMBER

The Second Vice President, Mr Mark Robins, was responsible for overseeing the election process. In terms of the Constitution, half of Exco retire by rotation annually. There are four existing members who are not available for re-election and are now retiring namely Mr Nico Bianco, Ms Berenice Francis, Ms Alicia Swart and Mr Hennie Thessner. One existing member, namely Mr Philip Tillman is standing down to complete the 50% but is available for re-election. Fifteen additional nominations have been received and there are five vacancies on the committee. The nominees were as follows (in alphabetical order):

- Faizal Docrat (Mazars)
- Gillian Edworthy (Chlor-Akali)
- Gideon Joubert (ETNA Risk Advisories)
- Mark Kuipers (National Treasury)
- Oliver Laloux (Mondial Consultants)
- Maisela Lekgoathi (Group Five)
- Peter Masegare (Boikano Accountants)
- Boitumelo Mokgatle (South African Revenue Service)
- Mandisa Mondi (Transnet)
- Andy Mothibi (Medscheme)
- Lebele Motswenyane (Government Employees Medical Aid Fund)
- Christopher Palm (Eskom)
- Nazreen Pandor (Mazars)
- Stefan Swanepoel (Directrix Risk Services)
- Fulufhelo Tshikhudo (Airports Company)

A brief description was provided of the nominee’s:
- Company, designation and responsibilities
- Experience in Risk Management
- Expertise and value they would bring to the Executive Committee
There are five vacancies and sixteen nominees.

Exco comprises a maximum of 10 members and there are 21 people available to fill these positions.

There were no nominations from the floor.

Voting slips had been handed to members on arrival together with the proxies (where applicable). Only members whose membership subscriptions had been paid were permitted to vote. Individual members are permitted one vote each and the designated primary representative has one vote. Members were asked to vote for a maximum of five people.

Subsequent to the voting process, the following were voted in as members of the Executive Committee:

- Mark Kuipers
- Andy Mothibi
- Christopher Palm
- Nazreen Pandor
- Philip Tillman

The new committee members were welcomed.

13. OTHER BUSINESS

The members retiring from Exco, Mr N Bianco, Ms B Francis, Ms A Swart and Mr H Thessner, were thanked for their contribution and support as Exco members over the past year. The continuing Exco members were thanked for serving another term as their knowledge is essential for business continuity. As the new Exco members, Mr Kuipers, Mr Mothibi, Mr Palm, Ms Pandor and Mr Tillman, were welcomed to the team and thanked in advance for the work going forward. The administration team were thanked for their good work. Attendees were thanked for being present at the proceedings.

The winner of the survey Lucky Draw was announced as Mr Ignatius Muchenge.

There was a question from the floor regarding the fact that at the last conference, members were invited to participate but the AGM has only included the CEO and Presidents report. No provision was made at the meeting for members feedback. It was responded that this will be taken into consideration and was not done so due to time constraints.

No other matters were discussed.

14. CLOSING

The CEO thanked everyone for their attendance and declared the meeting closed at 10:00.
SIGNED AS A CORRECT RECORD

PRESIDENT: ___________________  DATE: ______________