



**MINUTES OF THE FORTY – THIRD
ANNUAL GENERAL MEETING
OF THE
CORROSION INSTITUTE OF SOUTHERN AFRICA
HELD AT THE CORē, MIDRAND**

THURSDAY, 12 OCTOBER 2017 AT 18:00

1. WELCOME AND OPENING REMARKS

Mr Donovan Slade opened the 43rd AGM by welcoming everyone present and apologised for the postponement of the AGM.

2. APOLOGIES

Neil Webb

Colin Alvey

John McEwan

Don Edward

3. CORRECTIONS AND ADOPTION OF MINUTES OF THE 42ND AGM HELD ON 22 SEPTEMBER 2016

Correction of 42nd AGM, Point 8, Ensure or insure?? Should be “To ensure the voting was correct.”

Adoption of minutes were proposed and seconded for acceptance by Vanessa Sealy-Fisher, Vernon Kok and Thabang Mofokeng.

4. PRESIDENTS ANNUAL REPORT - E LIVESEY

The Institute's President Mr. Edward Livesey presented his report, a copy is attached, on activities and updates of the Institute over the past year.

Mr Donovan Slade presented Mr Edward Livesey with his Presidential plaque.

5. Graham Duk – Treasurer of the Institute

The Institute's Treasurer, Mr Graham Duk, presented the treasurer's report for 2016/2017, a copy is attached to these minutes.

Revenue has dropped by 14% but at R7 odd million still considerable. Cost of sales dropped by 22 %. GP for last year was 37.5% and this year it's 43.4%. Therefore, our GP percentage increased by close to 6%.

The big difference between last year and this year is the 58% increase in operating costs, from R2.4 million to R3.8 million resulting in a surplus of R800 thousand from last year changing to R424 000 this year.

This year R480 000 was paid to Petra for the accreditation of the 38 SETA Unit Standards. Alongside that we've got the Executive Project – Mr Ivor Blumenthal, last year nothing and this year R184 000. These two big expenses are leading us towards being a Professional Body and ultimately generating future profits. The 14% dip in sales is because of the drop in the number of students taking courses and it's going to continue, therefore we need to look at something else to generate income for the Corrosion Institute.

Other big numbers to note are change in salaries. It went from 1.44% last year to 1.7% this year, due to temporary staff hiring, additional appointments and inflation increases, which was actually below the previous year's increase. This will change quite considerably next year due to the restructuring and lower salaries.

Other numbers to note are repairs and maintenance. Unfortunately, this is something we cannot control. We had two burglaries and a lightning strike which resulted in the replacement and repairing of equipment.

We also had extended fluctuations. Last year we had a loss in foreign exchange. This year it's R277 000 and last year we actually had a surplus of R72 000.

Detailed income statement shows advertising has come down from R231 000 to R144 000. We didn't have the Annual Awards Dinner this year. Printing of stationery had decreased. Telephone and cellular has decreased and consulting fees.

Balance sheet shows consistency from last year to this year. Trade over receivable's is over 41% and that's because of the very old debts being written off. Cash equivalents has come down 21%. Trade and other payables came down 12%. Current ratio last year 1.27% and this year 1.09%.

It has been a tough year, but the process of turning into a Professional Body is ongoing and the accreditation process will ultimately be something that will result in the long term sustainability of the Corrosion Institute with the annuity type income resulting from information of this Professional Body.

The R600 odd thousand that we spent as an expense for Petra and Executive Project – Ivor, is an investment in the future. Although seen as an expense this year will be a payback in the future. Greg Combrink confirmed that is the case. Graham Duk agreed with him.

Louis Pretorius commented that the loss that the Institute made is equal to the amount that was spent on accreditation. So, in terms of the presentation of the annual financial statements, he asked that the auditors list that as an extra ordinary expense. Graham said that it was something that CorriSA could chat to their auditors about (asked Liz to make a note). Graham reminded everyone that there were still three months till the end of the financial year and we are currently sitting at a surplus of R343 000.

Rob White commented to note salaries at the next AGM and if not reported as extra ordinary then we need to look at it.

6. **APPOINTMENT OF AUDITORS FOR THE ENSUING YEAR**

Our current auditors are “D’Arcy Herman” and they are new. Previous auditors were R55 000 and now it is R50 000. Edward Livesey requested that with point number 5 amendments be adopted in the minutes.

Louis Pretorius proposed adopting the financials providing adding the comments about the extraordinary expenses. Johnathan Du Plessis seconded.

7. **HANDING OVER OF PRESIDENCY OF THE INSTITUTE**

The outgoing president Mr Edward Livesey called Mr Donovan Slade up and handed over the chain. Mr Donovan Slade mentioned that he is very humbled by the position, something that he didn’t really expect.

8. **CONFIRMATION OF APPOINTMENT OF COUNCIL OFFICE BARRIERS**

The president Mr Slade announced his Exec team for the next two years.

Vice President One	-	Greg Combrink
Vice President Two	-	Armin Schwab
Treasurer	-	Graham Duk
Honorary Secretary	-	Donovan Edward

By invitation Donovan Slade invited Mboneni Muravha onto Exec. He won’t have a voting right as Exec but he will as Council.

Edward Livesey mentioned that there were more than six people wanting to sit on council and stressed that a non-member could not vote. Liz mentioned that they would check so names had to be put on the back of the voting ballot form. All were asked to hand in the proxies they received.

9. CONFIRMATION OF ELECTION OF COUNCIL MEMBERS

Donovan mentioned ballots were being counted. After the counting of votes the following persons additional to the office bearers were elected to serve on the council:

Aaron Raath
Mark Terblanche
Nomagugu Mthimunye
Mboneni Muravha
Tebogo Bhulose
Dustine Botha

10. PLANS FOR 2018

Mr Slade informed the members that for his presidency he wants to consolidate with regards to expenses of the day to day running of the Corē. He would also like to drive the initiative of the past president Mr Edward Livesey, fortunately he's been tasked to do this which is a project that takes place over years. Also, during his time in the presidency he would like to become better friends with people like Robin Clarke of Hot Dip Galvanizing Association of SA as well as SAPMA and OCCA and bring them into the fold of the Corrosion Institute. With what's happening in the industry, he feels all need to stick together.

NACE might be looking at putting together a Galvanizing course and we will be working with Hot Dip Galvanizing on this initiative. Very exciting but need to discuss further and come to an agreement and know that with the experience of Hot Dip Galvanizing it would be a success.

He also mentioned their upcoming meeting with Gasem and Tommy from NACE so as to form a stronger partnership as they have very good courses and out of Africa NACE is more recognised. We are still going to be independent and push our courses and get them SAQA approved and we are going to become the dominant party in the African market working closely with past presidents to assist in the Institutes growth and success in the coming years.

Donovan Slade asked if anyone wanted to raise any other business or ask questions.

- Vanessa Sealy – Fisher raised a point of audit, "Changing the Corrosion Institute to a Professional Body". Question was: "Has the membership mandated Council to do that formally and if not, I think that we need to see a form of business plan. But if not, I would like us to perhaps be presented with a form of a business plan and the membership to have the opportunity to say YES or NO going forward. The actual changing of the Institute is a fundamental change in direction".

Donovan Slade wanted to vote now but Vanessa said no as a business plan is needed.

Edward Livesey asked to be enlightened on it, he agreed that one of the concerns was a business plan. Therefore, a need for a Special General Meeting. It was not going to be ready within the 21 days to vote on and also agreed that Vanessa was 100% right.

Rob White mentioned that it was a huge implication in terms of the constitution and that it was very complex.

Edward emphasised that a large amount had been spent, yes, the SAQA had to go ahead. Been struggling a long time with it. Having a roadshow to get feedback from the members, had to spend money on that as well. With that information we could put together a proper plan, costing and everything and present it. And then as the members, we need to vote on it. All have equal rights as members to make the decision. Edward expressed that he was not running away and would do it together with Donovan.

Louis Pretorius agreed with Vanessa Sealy – Fisher and Rob White and felt that one of the things that needed to be recorded at the AGM is that we will have a Special General Meeting that will address, informalize a new Professional Body and two make an adjustment to the constitution, accordingly provided the majority of members wish to move towards a Professional Body. And that is if the bulk of the income of the Institute, in future years, is going to come out of training then our constitution also has to address a potential conflict of interest between our various lecturers giving the training, so that they don't give the training in their personal capacity as a means for gain, but such training is directed through the Institute.

Edward agreed with Louis's comments and mentioned that the accountability would tie up with what he had said, and it could not be handled at the AGM.

Louis asked that he propose that Rob White be co-opted onto the various committees and Edward mentioned that what he had forgotten to announce, was that Rob White represented CorriSA on the ICC and Greg Combrink as well.

Everyone was asked to sign the register.

Donovan brought the meeting to a close.

Sign: _____

Date: _____