



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

THURSDAY, 12TH SEPTEMBER 2019 AT 18:00

1. WELCOME AND OPENING REMARKS

Edward Livesey (EL), Immediate Past President (IPP), opened the AGM and mentioned that the Financials were still being printed and would be handed out during the meeting. He noted that there was a draft on the website.

2. ATTENDANCE/APOLOGIES

An attendance register was available for completion and apologies were tabled.

Attendee Names:

Vernon Kok	Collaborit Engineering Services
Brenda Maree	CorriSA
Thabang Mofokeng	Transnet Pipeline
Johnathan Du Plessis	Corrocoat
Stanley Hlatswayo	Randwater
Nico Morato	SASOL
Donovan Slade	NUI
Vanessa Sealy Fisher	Isinyithi
Anoesjka Gründel	BAMR

Attendee Names Continue

Godfrey Mofokeng	Randwater
Dave Raath	Cathtect
Jozef Kolarovic	DWS
Neil Webb	Isinyithi
Armin Schwab	Arteon
Lebo Motaung	Randwater
Garreth Raath	Cathtect
Graham Duk	BAMR
Edward Livesey	Johannesburg Water
Kevin Richardson	Jotun
Ambrose Diale	QuickLab
Nomagugu Mthimunye	QuickLab
Sasa Methola	Cathtect
Bruce Trembling	BT Paint
Liesl Kiley	CorriSA
Jaccoline Sekoakoa	CorriSA
Laetitia Ngalula Tshimanga	Total Contamination Control SA
Greg Combrink	Total Contamination Control SA
Graham Duk	BAMR
Dave Raath	Cathtect
Ross Mahaffey	C2D
Johnathan du Plessis	Corrocoat
Sasa Methola	Cathtect

Apologies Names:

Rob White	Honorary Life Member
Tebogo Bhulose	Eskom
Pieter van Riet	Corrocoat
John McEwan	Honorary Life Member
Stefan Herbacht	Individual Member
Brian Statham	Fellow Member
Adam Wintel	Weirtech
Louis Pretorius	Corrocoat
Marco Ashburner	ASP Rope Access
Terry Smith	Honorary Life Member
Alan Kockott	Umgeni Water
Evert Swanepoel	Copper Development Association Africa

3. CORRECTIONS AND ADOPTION OF MINUTES OF THE 44TH AGM HELD ON 13 SEPTEMBER 2018

Edward Livesey (EL) asked that it be noted that pages are numbered in future.

No corrections were noted and point 5, which Johnathan du Plessis (JdP) had brought up, would be addressed under matters arising.

EL asked for an adoption of the minutes which was proposed by Neil Webb (NW) and seconded by Johnathan du Plessis (JdP).

4. PRESIDENT'S ANNUAL REPORT

EL handed the meeting over to the current president Mr Donovan Slade (DS).

DS opened by thanking EL and welcomed everyone.

DS mentioned how times go by fast and went on to mention the mammoth tasks he had taken on from EL's presidency:

- SAQA Accrediting Courses
 - PM had been presenting all CorriSA's approved courses to the different SETA's. There was going to be one final evaluation and then all the courses would finally be accredited. In January we submitted our courses for review, and they have been accepted, however not all modules sit with one SETA and therefore an extension of scope had to be applied for with CHIETA, TETA, CETA and EWSETA to get them accredited. Corrosion Management is currently accredited with merSETA with +-30 other unit standards.
- Trade Association
 - Finally, active.
- Professional Body
 - Finally, active.

Special Annual General Meeting:

This was held two years ago due to a retrenchment process that the Institute had to facilitate with the guidance from HHA.

The General Manager/Director position was filled by Hendrick Rasebopye and the bookkeeper Liz Rathgens (LR) was replaced by Liesl Kiley.

Financials

- We owed NACE over a million rand with just over a million rand in our bank account. Things however have changed dramatically over the past couple of years.

The immigration of executive and council members

- Armin Schwab (AS) from EXEC immigrated to the States. Dustine Botha (DB) from Council to New Zealand. Both parties had added a lot of value to EXEC and council.

Fatal passing of Mboneni Muravha

- He was our Honorary Secretary and potentially going to be our 2nd Vice President and therefore a huge loss.

DS ended with thanking the following people, LR (she was not present) as she and him were a great team. Linda Hinrichsen (LH) as acting manager for handling the day-to-day tasks at the Institute. Council members, for their time including the Executive Council Members, especially his righthand man Greg Combrink (GC), thanking him for all his hard work and advised that he will be there to support him in his presidency.

DS handed over the meeting to the incoming president GC. He handed over the president's chain and wished him good luck.

5. **DIRECTORS FEEDBACK**

GC thanked everyone once again for attending and their support.

GC mentioned to all present that CorriSA is a non-profit organisation, and the members make up the Exec/Council, and therefore their voices need to be heard by giving direction to the Exec/Council. He reiterated that the aim is to grow the system into a greater, larger, and more successful entity. With the immigration of members, we now have contact with locals and will rely on their input.

GC mentioned his report that was sent out.

Courses

- Corrosion Engineering has not been recognised as a profession on its own. However, with the advent of our professional body, we are recognised by ECSA (the Engineering Council of South Africa) as a voluntary body at this stage. They are happy with the way that we are going. The SACNASP (the SA Council for Natural Scientific Professionals) has also recognised us as a voluntary body. The mandate that the Institute gave DS and the Executive Director at the time, seriously helped us to achieve the goal set out to achieve.

Unfortunately, Hendrik received a grant to buy into his own company and that is where he is today. Hendrik sent well wishes for this event. Unfortunately, we do not have his report. We would take his set-ups further.

DTI

- CorriSA has been recognised with a registered Trade Association with the DTI. This allows us to tap into government funding and there are initiatives where we are going to fight for grants and those types of grants are there to help us to develop as an organisation which is representative of the corrosion industry. With that we will have access to exporting our courses. The government, if we get the grants and we are successful enough, they will allow us and pay for some of the courses that we are exporting into other countries as well. This will be a big step for us.

Professional Body

- As the incoming president it is my goal to further push this professional body to grow into a more stable representation to professionals out there and the different levels of service providers.

Courses into Africa

- It is my intention to build an initiative into Africa and we have the start of a relationship with a newly developed Corrosion Institute of Ghana. I had the privilege of being present at their launch of what they called their Corrosion map of Ghana. They took a further step and what was presented was a Corrosion map of Africa. Their handling of the journalist which was quite impressive resulted in their making the front page of several newspapers just by announcing the corrosion maps and the relationship between CorriSA and the Corrosion Institute of Ghana. Several academics available were really interested in building relationships with us and not just taking our courses and presenting them there but also research initiatives as well. Found this really exciting.

GC thanked DS for the good standing he had taken on over the past two years. Especially on the financial side which has helped CorriSA in a good standing position and therefore was looking to making it more successful in the future. We would not just have a steering committee, but everyone will have a say in the matter. We do have an open-door approach. GC asked that anyone with ideas to talk to the council.

Academics

- GC mentioned that he would like to engage with the academics as well. He explains how the Institute started off years ago as an Academic institution. However, we see fewer and fewer getting involved today. The academics are producing people that CorriSA want to see as part of the future.
- GC himself was looking at engaging with Prof. Herman Potgieter from Wits and a meeting will be set up some time after the AGM.
- GC will also be meeting Prof. Roelf Mostert of the University of Pretoria, at the materials Science building to discuss how they could engage with CorriSA. They have decided that they are going to get involved and this is just some inside information. GC said the University of Pretoria (material science division) have decided to make Corrosion their foremost aim, strategy and goal. It goes without saying that they should be participating and be active members of CorriSA.

Regions

- Looking to engage with our regions and get them more active. Want to have sub-committees formed. Even looking to get members in regions such as Namibia, Botswana and Mozambique.

Future of CorriSA

- We have asked people to apply for the Executive Director position and we have 9 applicants for the position and at the same time we have had over the past two months sorting out replacing positions in EXEC. We have approached certain people and they have gracefully accepted. To be announced later.
- We have grown from a relatively small organisation to an Institute with a revenue of up to 10 million. We need to become more professional in our approach to everyone here and one of the first thing as the new president, would like to have a strategic planning session with the EXEC and one or two other people to join us as well so that we can set up a plan of action to see where we want to go in a two-year and a five-year plan. We need a strategic plan of action of where we want to go in the future, especially if we want to grow our revenues two or three times as much as it is right now. We need to plan this properly and follow the strategic plan and once set up, will be open for comment to everyone as well.

GC handed back to EL. EL thanked both the past president and incoming president for their reports.

6. MATTERS ARISING

EL noted that the Agenda does not mention “Matters Arising” and asked if any matters needed to be noted from the minutes.

- JdP’s earlier question was addressed, namely the request for a breakdown of payments made to both Dr Ivor Blumethal (IB) and Petra Mitchell (PM). EL asked Donovan Slade (DS) if he would mention it but DS said that it was available and as members everyone had access to the information. JdP said that it was asked for but was never sent out. EL asked if they could meet afterwards. JdP asked if everyone interested could write their names on a piece of paper and be sent to them. Linda Hinrichsen (LH) was asked to collect the information and pass it on to JdP.
- NW asked about the last point before Item 8, “Mr. Louis Pretorius commented that last year (previous year) he requested a business plan be drawn up” and asked if this business plan had since been submitted. DS mentioned that he covers what money CorriSA has and what was spent in his report and asked if he could answer his question at a later stage. NW agreed.
- JdP asked if there were minutes for the Special General Meeting (SGM) held last year. DS said that there was a set of minutes and they had been sent out. JdP asked if they would be covered at this AGM. DS mentioned that GC, the then secretary, took the SGM minutes and it was then noted that it was held in 2017 and not 2018. DS said that the minutes of the SGM can be forwarded to JdP.

7. GRAHAM DUK - TREASURERS REPORT FOR THE YEAR ENDED 30 JUNE 2019

EL, called on Graham Duk (GD) to give his Treasurers Report.

GD introduced himself as the Honorary Treasurer and asked everyone to take out the report they had been given and proceeded with highlights:

Turnover is up by 35.4% now sitting at R7.1 million which is like our turnover in 2017.

Gross Profit is up by 39.6%

GP margin is 46.9% up from last year 45.5%

- 2015 was 35.7%
- 2016 was 37.5%
- 2017 was 43.5%
- 2018 was 45.5%

Current ratio (a healthy side of the numbers)

- 2014 was 0.7%
- 2015 was 1%
- 2016 was 1.3%
- 2017 was 1.1%
- 2018 was 1.8%
- 2019 is 1.8%, same as last year.

Our bank account is quite healthy. Refer to page 8 of the report, cash is R2.1 million.

Refer to the last page of the report, expenditure, one can see what was happening last year and this year.

Advertising is up – mainly due to an AfriCORR conference and the Corrosion Awareness Day.

Auditor's remuneration – apparently last year they did not charge us.

Discount allowed – Sasol sent 16 of their employees on our NACE course and we gave them 7.5% discount.

Donations – we donated proceeds of a Golf Day to a Hospice in KZN.

Entertainment – There was a council dinner as well as HR was entertaining NACE, DTI and there were a couple of extra expenses.

Equipment rental – we bought a printer and now do all the printing in-house instead of sending off to printers.

Theft that had taken place meant replacing equipment and a massive loss on the insurance company.

Storage rental – decided to counter potential losses from burglary and now storing instrumentation and equipment off-site.

Repairs and maintenance – drive-way tarring, sundry repairs, and a lot due to the break-ins and theft.

Travel – a lot is related to HR time, travelling the country, visiting the DTI, flights, and petrol claims.

There are more detailed notes per item.

In conclusion, despite the negative of resignations and a qualified audit there are many positive factors that out way them. Turnovers up, GDP% was better than ever, surplus of increase, memberships are up, we are now a Professional Body, current ratio and the bank balance is healthy, and we have a new qualified accountant.

Although the economic situation is tough, we feel that we are in a good position to make the most of potential future interest in courses that we provide through our accreditation.

He thanked the rest of EXEC and council for their ongoing support. LK, our new accountant has been instrumental in providing the details of this report. He congratulated DS on his successful stint as president and his leadership in guiding the Corrosion Institute into the professional body direction.

Question time:

Vanessa Sealy-Fisher (VSF) felt that her understanding of financials is that it is not common to depreciate a building, they are deemed non depreciable assets and she finds that peculiar.

DS responded that our auditors advised it was right and that they depreciated it by 2.5%. GC mentioned that he clarified it with the auditors. The land is not depreciated but the buildings are. GD mentioned that the 3.7% was due to no depreciation being noted over the years. DS mentioned that the auditors were very thorough in their forensic and went back a year.

VSF also mentioned that the auditors for this year was not the same auditors accrued for last year and was there a reason for this?

DS mentioned that the last auditor that came from the year before did not give us an opinion. Not sure why this was the case. GD mentioned that the current auditor went through our constitution and noted that we needed a review and as a small company, NGO, a review was all that was required.

NW, two comments rather than questions, expenses for off-site storage of equipment for courses in terms of security due to break-ins. He found it ironic that we did not lose any equipment in the break-ins. So why did we move it?

The second point is you make a fair amount of emphasis on that “things are looking good” from a financial point of view, we are supposedly a non-profit organisation and profit should not be our primary focus. Yet you certainly subscribe to the fact that we have to have funds to cover development and course development and expansion and strategic planning session which is hopefully going to spend some of that money, but it has been an ongoing thing from way back in 1999 that we need to be careful in making too much money. As we are a non-profit organisation.

DS responded that we also must look at our bank account. We need a cash flow to run the institute, so it is not pure profit. The reason why we moved the equipment was despite an alarmed system the perpetrators managed to get in and we saw it as a huge risk. The equipment cost of replacement would be unaffordable and the decision was made by EXEC to put it under lock and key.

GD responded to the question about the surplus. Part of GC's five-year plan, canvassing members and doing a survey and seeing where we would be spending these surpluses.

Sasa Motola (SM) questioned the years that had not been audited and if the auditors could audit those years so that we could see the differences.

DS answered that our auditors did go back another year. Prepaid incomes. If you look at our management accounts, our accountable bookkeeper at the time was taking that if someone were paying for a course that would take place in 6 months-time, was therefore taking that income for that month. So, it was a liability.

Nico Moratho (NM) of Sasol asked about the Asset Owners membership fees, what happens to the money collected. DS mentioned that only one payment had so far been received from ESKOM.

EL explained that SAECC (South African Electrolytic Corrosion Committee) was established with regards to stray currents given off by asset owners. In the past Transnet provided services and managed all the accounts. NW requested taking that role away and eventually got to where we were in financial constraint and we realised we could not sustain it. It was then agreed that the Asset owners would contribute more as a CorriSA member to pay for services. Asset Owners pay a higher membership rate. Looking at having SAECC become self-sustainable like SAQCC has become.

Nico Morothe (NM) queried about the way forward for the SAECC.

EL mentioned that SAECC had their own constitution and that there would need to be a change to put SAECC under CorriSA's umbrella. He asked about the funds for putting out a tender, would it come from the Asset Owners membership.

EL said that it was a proposal and was never agreed to but yes it would come out of the Asset Owners membership. Main thing would be to keep a control and document control of SAECC funds. He suggested that all get around the table and discuss the Asset Owners memberships.

EL mentioned that JHB Water has paid their SAECC fees for last year and this year.

NM mentioned that there had been a request for a secretary and flight to KZN and believed there were funds, but it was denied.

EL mentioned that if there was no money in the kitty then there is not money to take out. Felt that there was a need for a discussion to take place between SAECC and CorriSA. EL suggested that it be discussed outside of the AGN and at the SAECC/CorriSA meeting.

VSF asked if secretarial services have been provided to SAECC why are they not being shown separately showing that there are associated costs for travel.

EL explained that they were looking at having a budget. Felt that it was a particularly good point.

Discussed how SAQCC worked and a need to look at running SAECC the same.

DS asked if the SAECC constitution would need to be rewritten? Asset Owners membership was to appoint a consultant and there was no one to take on this task.

AS said there is a fair amount income in SAQCC. Maybe SAQCC can share what mechanism they using to SAECC. GC explained how SAQCC worked and a need to look at running SAECC the same.

Bruce Trembling (BT) – printing of manuals in-house. Is that why the Computer expenses gone up.

GD mentioned having to replace computers due to break-ins.

DS explained that we had so many break-ins that insurers no longer wanted to insure us any longer.

EL requested the Financials to be approve.

The proposal for accepting the previous AGM minutes was accepted and seconded and the motion was carried unanimously.

GD thanked everyone for their participation.

8. APPOINTMENT OF AUDITORS FOR THE ENSURING YEAR

Change in auditors – agreed we will remain with the current auditors

9. CONFIRMATION OF ELECTION OF COUNCIL MEMBERS

EL called on, GC who then went on to announce the EXEC and Council members.

Council for 2020

Greg Combrink	President
Graham Duk	1st Vice President
Tebogo Bhulose	2nd Vice President
Dave Raath	Honorary Treasurer
Ross Mahaffey	Honorary Secretary
Nomagugu Mthimunye	Council Member
Johnathan du Plessis	Council Member
Pieter van Riet	Council Member
Laetitia Tshimanga Ngalula	Council Member
Sasa Methola	Council Member

GC ended by asking for input for the Strategic planning which was open to everyone else and not just the EXEC/council.

DS ended by making it known that anyone may have access to the CorrISA Financials etc.

10. PLANS FOR 2020

Financials

- Felt we have had a solid performance. Where we were a year ago to where we are now and to where we were a decade ago to where we are now, we should be proud. We have a clean set of books. We have been audited in the interest of international rules of accounting and I find myself quite proud of where CorrISA is right now.

Courses

- We trained 240 individuals. We are finding courses extremely difficult to fill.
- The SAQA accredited courses and allowing businesses to spend on SAQA accredited courses is imperative and the survival of this Institute.

Membership

- 84 Company members also consisting of Asset Owners and Reciprocal members with another 26 additional members to invoice.
- 528 Individual members of which are also Student, Honorary, Fellow and Retired members. 162 individual members to invoice or receive payments from.
- Received a report showing that some members have immigrated. In sending out a newsletter a 52% response comes from SA and 21% response comes from USA.

CorrISA will have to adapt and change our focus as NACE courses are not cheap and are dependent on the dollar/rand exchange rate.

11. ANY OTHER BUSINESS

GC looked at the funding of Technical Evenings and asked the members to vote on whether to pay R5000 for product marketing or if felt CorriSA should use the surplus to cover the costs?

DS explained the current setup. If you wanted to market your product at a Technical Evening in the different regions, you would pay R5000 to cover costs. If you are a subject matter professional, then the Corrosion Institute would sponsor R5000. The debate is that the Cape region and even the Gauteng region are finding it difficult to get people to speak. Therefore, need to look at filling up every single Technical Evening – should we give a reduced fee, maybe not the R5000 but R2500 or maybe pool the R5000 were CorriSA sponsors. We are now asking to bring it to our members.

EL asked if there should be a separate meeting or if a vote can be taken now due to the fact that there are enough members, but DS advised that the Cape and KZN also needs to vote and that they were not present. GD felt that the Technical Evenings were about training, corrosion awareness and network. Faced a huge challenge to get companies to present. Feel that regions should be given a budget, say R40 000, and control the funds for the year. Feels that the subject matter professionals could be given an opportunity to say how much they can sponsor for the evening.

NW asked if he could put a motion – there should be an underlying budget for the Institute to cover the cost for the evening, whatever the number being for the regions and if a company wants to sponsor then that just offsets some of those costs. This will allow people to network, fellowship, and a bit of education but it is primarily for networking and fellowship.

JdP brought up the competing company factor and felt that there will always be a marketing aspect of a presentation and agreed that there be a budget and companies could sponsor if they so wished. Ross Mahaffey (RM) brought up the CPD points factor. EL mentioned that this was in place in past years and presentations were reviewed beforehand and CPD points were arranged beforehand.

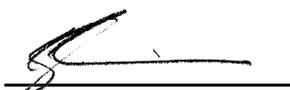
DS brought it to everyone's attention that this would come at a cost of approx. R80 000 and while there were funds it might not be the case in future if CorriSA does not have a great year. GC stated that should it be marketing presentation; we want more sponsorship.

VSF commented on the financial aspect in that in the past every single presenter was asked if they would like to sponsor. ICP would sponsor even though academic but it was an opportunity to give back and she felt that anything is better than nothing.

EL decided that there would be an electronic vote put to the members for a decision with regards to the Technical Evenings being sponsored by CorriSA.

NW asked if all courses were SAQA accredited or just in-house. DS said that NACE courses were not SAQA accredited and had approached NACE but were not interested.

GC again thanked all for attending and their input, he invited all to join for a and a drink. On that note GC brought the meeting to a close.



Signature

30th March 2021

Date