

**THE SOUTH AFRICAN ASSOCIATION FOR FOOD
SCIENCE & TECHNOLOGY
(NPO number: 013-075)**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

The South African Association for Food Science & Technology

(Registration number: 013-075)

Financial Statements for the year ended 31 December 2017

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Food Science and Technology Promotions
Council: Elected	Gunnar Sigge Ingrid Woodrow Catherine Chisindi Jessica Kemp Melanie Naidoo Thapelo Mashego Madelein Jansen Gerda Botha
Concil: Ex-Officio	Tricia Fitchet Irene Burke Anza Bester Lucia Anelich
Registered office	Turners Conferences and Conventions 38 Johnsson Lane Durban 4001
Auditors	BDO South Africa Incorporated Registered Auditors
Treasurer	James Mclean
NPO Number	013 - 075

The South African Association for Food Science & Technology

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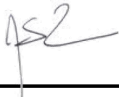
Financial Statements for the year ended 31 December 2017

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The reports and statements set out below comprise the financial statements presented to the shareholder:

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The financial statements set out on page 3, which have been prepared on the going concern basis, were approved by the board on 04 November 2019 and were signed on its behalf by:



James Mclean

To the member of The South African Association for Food Science & Technology

We have audited the financial statements of The South African Association for Food Science & Technology set out on pages 4 to 9, which comprise the statement of financial position as at 31 December 2017, and the statement of income and retained earnings, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of The South African Association for Food Science & Technology as at 31 December 2017, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

Basis for opinion

I conducted my audit in accordance with International Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of my report. I am independent of the company in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. I have fulfilled my other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

BDO South Africa Incorporated
Bryan Galliver
Partner
Chartered Accountant (SA)
Registered Auditor
Member firm

04 November 2019
La Lucia

The South African Association for Food Science & Technology

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Statement of Financial Position as at 31 December 2017

	Note(s)	2017 R	2016 R
Assets			
Non-Current Assets			
Property, plant and equipment (CSIR Office)	2	11,087	19,608
Other financial assets	3	3,559,565	3,374,990
		3,570,652	3,394,598
Current Assets			
Trade and other receivables	4	1,646,735	59,175
Cash and cash equivalents	5	1,689,732	1,705,313
		3,336,467	1,764,488
Total Assets		6,907,119	5,159,086
Equity and Liabilities			
Equity			
Accumulated funds		6,906,602	5,031,933
Liabilities			
Current Liabilities			
Trade and other payables	6	517	127,153
Total Equity and Liabilities		6,907,119	5,159,086

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Statement of Profit or Loss and Other Comprehensive Income

	Note(s)	2017 R	2016 R
Membership fees	7	1,605,956	1,221,638
Other income	8	2,072,109	1,052,274
Operating expenses		(2,058,531)	(2,699,332)
Operating profit (loss)		1,619,534	(425,420)
Investment revenue	9	70,364	161,730
Fair value adjustments		184,771	64,346
Profit (loss) for the year		1,874,669	(199,344)
Opening balance		5,031,934	5,231,277
Accumulated funds at the end of the year		6,906,603	5,031,933

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Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on historic cost basis, except for certain financial instruments which are carried at fair value, and incorporate the principle accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment (CSIR Office)

Property, plant and equipment (CSIR Office) are tangible assets which the association holds for its own use or for rental to others and which are expected to be used for more than one period.

Property, plant and equipment (CSIR Office) is initially measured at cost.

Depreciation is charged to write off the cost of the asset over its expected useful life. The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

The useful lives of items of property, plant and equipment (csir office) have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	5 years
IT equipment	Straight line	3 years

1.2 Financial instruments

Initial recognition

The Association classifies financial instruments, or the component parts, on initial recognition as a financial asset, a financial liability or equity instrument in accordance with the substance of the contractual arrangement.

Financial assets and financial liabilities are recognised on the Association's balance sheet when the Association becomes party to the contractual provisions of the instrument.

Fair value determination

The fair values of quoted investments are based on current bid prices.

Trade and other receivables

Trade receivables are measured at cost. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss where there is objective evidence that the asset is impaired.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement with operating expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in the income statement.

Trade and other payables

Trade payables are measured at cost.

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Financial Statements for the year ended 31 December 2017

Accounting Policies

1.2 Financial instruments (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand. These are initially and subsequently recorded at fair value.

Financial assets at fair value through profit or loss

Investments are measured initially and subsequently at fair value, gains and losses arising from changes in fair value are included in profit or loss for the period.

1.3 Revenue

Membership fees and workshop fees are measured at the fair value of the consideration received or receivable and represents the amount receivable for services provided in the normal course of business, net of value added tax.

Interest is recognised, in profit or loss, using the effective interest rate method.

Revenue from management fees is recognised and accounted for as such in the year of receipt.

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Financial Statements for the year ended 31 December 2017

Notes to the Financial Statements

	2017 R	2016 R
2. Property, plant and equipment (CSIR Office)		
Reconciliation of property, plant and equipment (csir office) - 2017		
	Opening balance	Depreciation
IT equipment	19,608	(8,521)
		Closing balance
		11,087
Reconciliation of property, plant and equipment (csir office) - 2016		
	Opening balance	Additions
IT equipment	7,566	16,630
		Depreciation
		(4,588)
		Closing balance
		19,608
3. Other financial assets		
At fair value		
Stanlib Property Income Fund		214,046
Investec opportunity fund		592,658
Old Mutual Money Market Fund B1 Class		357,994
Coronation SA Capital Plus Fund		594,334
Old Mutual Money Market Fund A Class		770,200
Nedgroup Investments		1,028,603
		3,557,835
		196,380
		558,228
		301,227
		559,514
		714,960
		1,042,755
		3,373,064
At amortised cost		
Other loans and receivables		1,730
		1,926
Total other financial assets		3,559,565
		3,374,990
The fair value of listed or quoted investments are based on the quoted market price. Fair values are determined annually at balance sheet date.		
Non-current assets		
At fair value		3,557,835
At amortised cost		1,730
		3,373,064
		1,926
		3,559,565
		3,374,990
The fair value of listed or quoted investments are based on the quoted market price. Fair values are determined annually at balance sheet date.		
4. Trade and other receivables		
Trade receivables	-	70,093
SAAFoST Congress 2016	-	(10,918)
Value added tax	27,061	-
SAAFoST Congress 2017	1,619,674	-
	1,646,735	59,175

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Financial Statements for the year ended 31 December 2017

Notes to the Financial Statements

	2017 R	2016 R
5. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	1,689,732	1,705,313
6. Trade and other payables		
Trade payables	517	121,144
Value added tax	-	6,009
	517	127,153
7. Revenue		
Membership fees	1,605,956	1,221,638
8. Other income		
Net surplus from SAAFoST Congress 2017	1,630,593	-
Workshop Income	325,745	160,288
Other Income - Branches	53,371	125,853
Food, Science and Technology magazine income	62,400	766,133
	2,072,109	1,052,274
9. Investment revenue		
Dividend revenue		
Other financial assets - Local	-	49,262
Interest revenue		
Bank	70,364	112,468
	70,364	161,730

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Financial Statements for the year ended 31 December 2017

Detailed Income Statement

	Note(s)	2017 R	2016 R
Revenue			
Membership revenue		1,605,956	1,221,638
Other income			
Congress net income		1,630,593	-
Fees earned		325,745	160,288
Royalties received		53,371	125,853
Food, Science and Technology magazine income		62,400	766,133
Dividends received	9	-	49,262
Interest received	9	70,364	112,468
Fair value adjustments		184,771	64,346
		2,327,244	1,278,350
Expenses (Refer to page 11)		(2,058,531)	(2,699,332)
Profit (loss) for the year		1,874,669	(199,344)

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	Note(s)	2017 R	2016 R
Operating expenses			
Accounting fees		(3,850)	(22,187)
Administration and management fees		(979,816)	(1,041,441)
Advertising		(83,291)	(14,802)
Bad debts		(70,413)	-
Bank charges		(10,059)	(9,658)
Computer expenses		(5,945)	(9,830)
Depreciation, amortisation and impairments		(8,521)	(4,588)
Sundry Expenses		(131,615)	(109,394)
Custodian Breakfast		(21,002)	(17,352)
SAAFoST / IUFoST Food Fraud Workshop		(103,736)	-
General Expenses		(102,504)	(293,731)
Awards		(27,000)	(24,000)
Rent paid		(42,823)	(38,930)
Entertainment		(1,339)	(1,195)
Magazines, books and periodicals		(188,518)	(734,062)
Postage		(55,217)	(73,876)
Printing and stationery		(56,685)	(166,090)
Staff welfare		(951)	-
Telephone and fax		(27,835)	(24,885)
Travel - local		(137,411)	(113,311)
		(2,058,531)	(2,699,332)

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Congress Income Statement

	Note(s)	2017 R	2016 R
Revenue			
Sponsorship Income		1,205,279	-
Registration Income		2,409,427	-
Exhibition Income		790,000	-
Product Theatre		76,000	-
Additional Exhibitor - SAAFoSt 2017		26,316	-
		4,507,022	-
Gross profit			
		4,507,022	-
Operating expenses			
AV/IT		(171,415)	-
Bank Charges		(7,177)	-
Bags		(74,503)	-
Courier Costs		(1,645)	-
Merchant Fees		(23,940)	-
Entertainment		(418)	-
Exhibition Costs		(77,691)	-
General Expenses		(30,284)	-
Hiring Costs - Decor		(1,665)	-
Insurance		(4,561)	-
Speaker Costs		(199,987)	-
Abstracts		(8,696)	-
Photographic Costs		(10,000)	-
PCO		(565,521)	-
Printing		(27,330)	-
Programme & Prospectus Costs		(4,620)	-
Marketing & Promotions		(47,144)	-
Social Events		(185,028)	-
Signiture		(2,590)	-
Travel - Land		(5,917)	-
Travel - Air		(104,542)	-
Venue Costs		(1,321,754)	-
		(2,876,428)	-
Operating profit			
		1,630,594	-
Surplus for the year			
		1,630,594	-