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South Africa

Independent Auditors' Report

To the members of The South African Association for Food Science & Technology (SAAFoST)

We have audited the financial statements of South African Association for Food Sciences and Technology, as set out on pages 4 to 10, which comprise the balance sheet as at 31 December 2014, and the income statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Council's Responsibility for the Annual Financial Statements

The SAAFoST council members are responsible for the preparation of the financial statements in accordance with the basis of accounting described in note 1, for determining that the basis of preparation is acceptable in the circumstances and for such internal control as the council members determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of The South African Association for Food Science & Technology (SAAFoST) for the year ended 31 December 2014 are prepared, in all material respects, in accordance with the basis of accounting described in note 1 to the financial statements.

Basis of Accounting

Without modifying our opinion, we draw attention to note 1 to the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the company's own accounting policies to satisfy the financial information needs of the Association's members. As a result, the financial statements may not be suitable for another purpose.

BDO South Africa Inc.

BDO South Africa Incorporated
Bryan Galliver
Director
Registered Auditor

25 June 2015
La Lucia Ridge

BDO South Africa Incorporated
Registration number: 1995/002310/21
Practice number: 905526E
VAT number: 4910148685

National Executive: S Dansie BJ de Wet HCS Lopes B Lovell FD Schneider SD Shaw ME Stewart (Chief Executive) A van der Hoek
Office Managing Director: B Lovell

The company's principal place of business is at 22 Wellington Road, Parktown, Johannesburg where a list of directors' names is available for inspection. BDO South Africa Incorporated, a South African personal liability company, is a member of BDO Southern African Co-ordination (Pty) Ltd, a South African company, which in turn is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

The South African Association for Food Science & Technology (SAAFoST)

Annual Financial Statements for the year ended 31 December 2014

Balance Sheet

Figures in Rand	Note(s)	2014	2013
Assets			
Non-Current Assets			
Property, plant and equipment (CSIR Office)	2	12,404	3,229
Other financial assets	3	2,193,429	1,940,653
		<u>2,205,833</u>	<u>1,943,882</u>
Current Assets			
Other financial assets	3	-	2,463
Trade and other receivables	4	164,420	1,561,523
Cash and cash equivalents	5	1,835,800	2,931,541
		<u>2,000,220</u>	<u>4,495,527</u>
Total Assets		<u>4,206,053</u>	<u>6,439,409</u>
Equity and Liabilities			
Equity			
Accumulated Funds		<u>4,085,332</u>	<u>4,401,638</u>
Liabilities			
Current Liabilities			
Trade and other payables	6	120,721	2,037,771
Total Equity and Liabilities		<u>4,206,053</u>	<u>6,439,409</u>

The South African Association for Food Science & Technology (SAAFoST)

Annual Financial Statements for the year ended 31 December 2014

Income Statement

Figures in Rand	Note(s)	2014	2013
Revenue			
Membership fees		1,162,714	1,144,842
Other income			
Congress		8,772	8,503
Consultant subscriptions		5,200	5,700
Dividend revenue		8,852	-
FST advertising income		919,327	880,354
Fairbairn investment adjustments		255,496	445,095
Food and beverage SETA		75,529	-
Interest received		81,534	164,702
SAAFoST NB & CB		-	33,250
Sundry income CB		78,196	10,031
Sundry income KZN		27,193	1,982
Sundry income NB		30,012	14,395
Surplus on SAAFoST congress		-	1,546,690
Workshops (UP,3M,US)		268,096	-
		<u>1,740,503</u>	<u>3,110,702</u>
Expenses (Refer to page 6)		<u>(3,219,523)</u>	<u>(5,867,170)</u>
Deficit for the year		<u>(316,306)</u>	<u>(1,611,626)</u>
Add : Opening retained Income		4,401,635	6,013,263
Closing Retained Income		<u>4,085,332</u>	<u>4,401,635</u>

The South African Association for Food Science & Technology (SAAFoST)

Annual Financial Statements for the year ended 31 December 2014

Income Statement

Figures in Rand	Note	2014	2013
Operating expenses			
Accommodation and travel		239,359	100,242
Advertising (Graphic Mail)		9,366	3,916
Archives		44	-
Association management fees		256,336	257,245
Auditors remuneration		21,962	12,000
Bank charges		9,874	7,764
Career roadshow		8,725	-
Computer expenses		3,748	731
Congress		17,182	5,954
Custodian membership PR		9,360	1,316
Depreciation, amortisation and impairments		3,206	2,518
Dreosti/Ginsberg award		-	10,000
Employee costs		681,578	568,602
Entertainment		1,699	3,418
FACS expenses		41,854	28,080
FST expenses		913,880	656,246
Foundation: MacCallum bursary		-	26,000
IT expenses (internet connection)		3,632	4,387
Journalism Meritorius award		7,000	7,000
Membership safaris		21,981	-
Postage		1,505	124
Printing and stationery (business cards and certificates)		12,001	29,567
Rent		29,680	29,249
SAAFoST Foundation		502,700	4,025,800
Strategic planning meetings		11,107	-
Sundry expenses		1,283	4,432
Sundry expenses CB		95,984	18,412
Sundry expenses KZN		19,817	8,993
Sundry expenses NB		33,923	31,461
Telephone and fax		25,697	23,713
Workshop- labelling & regulation consultant		18,970	-
Workshops		216,070	-
		3,219,523	5,867,170