

Society of Cosmetic Chemists South Africa

(Registration number: 042-400-NPO)

Annual Financial Statements

for the year ended 31 December 2016

Society of Cosmetic Chemists South Africa

Financial statements

for the year ended 31 December 2016

GENERAL INFORMATION

Country of incorporation:	South Africa
Nature of business and principle activities:	Education of cosmetic scientists and to offer an annual scientific conference, frequent seminars, lectures and social functions.
Registered office address:	25 The Lifestyle Riverfront Office Park 21 Bosbok Road Randpark Ridge Extension 75
Bankers:	Nedbank
Accounting officers:	Ettiene Retief, Professional Accountant (SA) SAIPA Membership Number: 11325
Legal form:	Non-Profit Organisation
Registration no:	042-400-NPO
Vat No:	4190207284
PAYE No:	7280750367
Income Tax No:	9010091172 (PBO)

Society of Cosmetic Chemists South Africa

Financial statements

for the year ended 31 December 2016

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

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The following supplementary schedule does not form part of the financial statements, and is unaudited.

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Executive Committee Members 2016

Lyndsay Calenborne	President - Chair of Social/ Membership Committee
Kirsten Scott	Vice President - Chair of PR Committee
Conny Oberrauter	Immediate Past President
Roy Gardiner	Honorary Treasurer
Wayne van Wyk	Honorary Secretary - Chair of Scientific Committee

Administration

Bridget MacDonald	General Secretary
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Council Members 2016

Alison Barty	Member of PR Committee
Gillian Gardiner	Chair of Education Committee/Education Officer
Gillian Kuhn	Member of Scientific Committee
Kim MacCullum	Chair Lecture Evening Committee/Member of Social Committee
Ronald Makola	Member of PR Committee
Roshelle Serpaul	Member of Social Committee
Janine Wilson	Chair of Seminar Committee
Ivor Zwane	Member of Education Committee

Chapter Representatives

Erica de Kock	Natal Representative
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Report of the accounting officer to

Society of Cosmetic Chemists South Africa

for the year ended 31 December 2016

I have prepared the annual financial statements, set out herein, for the year ended 31 December 2016, from the books and records of the business and from information supplied to us by the Society. We have not verified the assets and liabilities, nor have we performed an audit and accordingly we do not express an opinion on these annual financial statements. I believe that the accounting policies used by the Society are appropriate.

Ettiene Retief, Professional Accountant (SA)
Accounting Officer

9 February 2017

Society of Cosmetic Chemists South Africa
Society of Cosmetic Chemists South Africa
Members report

for the year ended 31 December 2016

The council present their report for the year ended 31 December 2016.

This report forms part of the financial statements.

1 Business and operations

The Society's business and operations and the results thereof are clearly reflected in the attached financial statements. No material fact or circumstance has occurred between the accounting date and the date of this report.

2 Statement and responsibility

The council are responsible for the maintenance of adequate accounting records, the preparation and the integrity of the financial statements and related information.

The accounting officer is responsible to determine that the financial statements are in agreement with the accounting records.

The council are also responsible for the society's system of internal financial control. These are designed to provide reasonable but not absolute, assurance as to the reliability of the financial statements, and to adequate safeguard, verify and maintain accountability of assets, to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The financial statements are prepared on the ongoing basis, since the council have every reason to believe that the Society has adequate resources in place to continue in operation for the foreseeable future.

Approval and statement of responsibility

The financial statements set out were approved by the council.

President

Honorary Treasurer

General Secretary

Randpark Ridge

9 February 2017

Society of Cosmetic Chemists South Africa

Statement of financial position

for the year ended 31 December 2016

	Note	2016 R	2015 R
Assets			
Non Current Assets		5,424,362	4,702,004
Property Plant and Equipment	2	2,725,936	2,604,161
Investments	3	2,698,426	2,097,843
Current Assets		372,955	449,174
Prepayments	4	-	-
Trade and Other Receivables	4	59,306	184,886
Cash and Cash Equivalents	5	313,649	264,289
Total Assets		5,797,317	5,151,179
Equity & Liabilities			
Capital & Reserves		5,114,253	4,494,316
Capital reserve	7	28,612	28,612
Accumulated funds	6	5,085,641	4,465,704
Current Liabilities		683,065	656,863
Trade and Other Payables	8	99,714	43,343
Prepaid - debtors	9	583,351	613,520
Total Members Funds / Equity & Liabilities		5,797,317	5,151,179

Society of Cosmetic Chemists South Africa

Statement of comprehensive income

for the year ended 31 December 2016

	Note	2016 R	2015 R
Revenue	10	<u>2,121,098</u>	<u>1,694,039</u>
Revenue		2,121,098	1,694,039
Direct Costs	12	<u>727,818</u>	<u>622,381</u>
Direct costs		727,818	622,381
Gross Surplus		<u>1,393,280</u>	<u>1,071,658</u>
Other Income	11	<u>216,512</u>	<u>147,812</u>
		216,512	147,812
Total Income		<u>1,609,792</u>	<u>1,219,470</u>
Operating / Overhead Expenses		<u>989,855</u>	<u>939,523</u>
Surplus from operations	6	<u>619,937</u>	<u>279,947</u>
Accumulated funds for the year		<u>619,937</u>	<u>279,947</u>
Accumulated funds prior year/s	6	<u>4,465,704</u>	<u>4,185,757</u>
Net accumulated funds from ordinary activities		<u>5,085,641</u>	<u>4,465,704</u>

Society of Cosmetic Chemists South Africa

Notes to the annual financial statements for the year ended 31 December 2016

1. Accounting policies

The following are the principal accounting policies used in preparation of the financial statements:

Basis of preparation

The annual financial statements are prepared on the historical cost basis and are consistent with those of previous years, except where otherwise indicated.

1.1 Fixed Assets - Property, plant and equipment

Property consists of land and buildings. Land is carried at cost while buildings are carried at cost less depreciation.

Plant and equipment consist of plant & equipment, computer equipment, office equipment, furniture & fittings and capitalised motor vehicles. Plant and equipment are measured at cost less depreciation.

Depreciation is calculated on a straight line basis over the expected useful lives of the assets by taking into account their residual values. The expected useful lives are:

Capitalised motor vehicles	5	years	20.0%
Computer Equipment	3	years	33.3%
Office Equipment	6	years	16.6%
Furniture & Fittings	6	years	16.6%
Other fixed assets	6	years	16.6%

Any asset with a cost of purchase less than R5000 is fully depreciated in the year that the asset is first brought into use.

1.2 Trade & other receivables

Trade and other receivables originated by the society are classified as at fair value through profit and loss.

1.3 Trade and other payables

Trade and other payables are measured amortised cost using the effective interest method.

1.4 Turnover

Turnover comprises of Subscriptions/Membership fees and some sales or services rendered to customers. Turnover is stated at the invoice amount and is exclusive of value added taxation.

Society of Cosmetic Chemists South Africa

Notes to the annual financial statements for the year ended 31 December 2016

2. Property, Plant and Equipment	Cost/ Valuation	2016	Carrying Value	Cost/ Valuation	2015	Carrying Value
		Accumulated Depreciation			Accumulated Depreciation	
Land & Buildings	2,573,731	16,995	2,556,736	2,538,995	8,392	2,530,603
Furniture and fittings	89,433	43,368	46,064	80,670	32,650	48,020
Laboratory Equipment	90,510	14,883	75,627	-	-	-
Computer equipment	70,208	54,169	16,039	53,710	50,522	3,190
Computer software	-	-	-	-	-	-
Office Equipment	55,821	38,925	16,896	40,755	37,506	3,249
Office Security	8,051	2,951	5,100	8,051	1,341	6,710
Plant & machinery	14,575	5,101	9,474	14,575	2,186	12,389
Total non current / fixed assets	2,902,330	176,392	2,725,936	2,736,756	132,597	2,604,161

Carrying value of fixed assets can be reconciled as follows:

	Carrying value at beginning of year	Additions/ Improvements	Disposals	Depreciation	Carrying value at end of year
Land & Buildings	2,530,603	34,736	-	8,603	2,556,736
Furniture and fittings	48,020	8,763	-	10,720	46,064
Laboratory Equipment	90,510	-	-	14,883	75,627
Computer equipment	3,190	16,498	-	3,649	16,039
Computer software	-	-	-	-	-
Office Equipment	3,249	15,066	-	1,418	16,896
Office Security	6,710	-	-	1,610	5,100
Plant & machinery	12,389	-	-	2,915	9,474
	2,694,671	75,063	-	43,798	2,725,936

Other non current / fixed asset related information:

	2016	2015
2.1 Details of land and buildings		
Land and buildings consist of an office block situated at 25 The Lifestyle Riverfront Office Park, 21 Bosbok Road, Randpark Ridge Extension 75		
Land	1,490,000	1,490,000
Buildings	475,932	475,932
Improvements	599,407	573,063
Amortisation	(8,603)	(8,392)
	2,556,736	2,530,603

	2016	2015
3. Investments		
Listed Investments		
Market Value		
Old Mutual Unit Trust	216,518	204,203
Stanlib Unit Trust	621,104	629,727
Unrealised income	(450,439)	(469,819)
	387,184	364,111
Unlisted Investments		
Nedbank Money Trade	1,949,524	1,392,209
FNB Fixed Deposit	361,719	341,524
	2,311,243	1,733,733
	2,698,428	2,097,844

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Notes to the annual financial statements for the year ended 31 December 2016

4. Trade and other receivables	2016	2015
Customer control	58,606	184,186
Prepaid expenses	-	-
	<u>58,606</u>	<u>184,186</u>
Deposit - Telkom	700	700
	<u>59,306</u>	<u>184,886</u>

5. Cash and cash equivalents	2016	2015
Cash and cash equivalents consists of cash on hand and balances with banks Cash and cash equivalents comprise of the following statement of financial position amounts:		
Bank	319,106	269,188
Credit Card	(5,457)	(4,899)
	<u>313,649</u>	<u>264,289</u>

6. Surplus	2016	2015
The Organisation will set aside the surplus funds for relevant future educational programs and towards the sustainability of the Society.		
Accumulated funds prior year/s	4,465,704	4,185,757
Accumulated funds for the year	619,937	279,947
Balance at year end	<u>5,085,641</u>	<u>4,465,704</u>

7. Capital Reserve		
Capital reserve remains unchanged from last year.		

8. Trade and other payables	2016	2015
Provision - Accounting fees	14,885	13,200
J Miller	400	-
Pnenomenon Auc	7,175	-
Savannah	39,720	-
Dannika Engelbrecht	1,000	-
Patrick Sebokwane	2,720	-
G Kuhn	450	-
Provision - Toni Martin	4,509	4,509
Vat control	28,855	25,635
	<u>99,714</u>	<u>43,344</u>

9. Payments received in advance	2016	2015
Income received towards following Years' course fees	583,351	613,520
	<u>583,351</u>	<u>613,520</u>

Society of Cosmetic Chemists South Africa

Notes to the annual financial statements for the year ended 31 December 2016

10. Sales / Revenue income	2016	2015
Educational Courses	647,472	520,526
Conferences	572,836	430,441
Functions	65,991	60,720
Gala Dinner	110,973	103,459
Golf day	90,833	75,615
Ladies Morning	110,350	70,592
Lecture Evenings	11,105	1,439
Seminars	73,399	43,728
Subscriptions	438,137	387,519
	<u>2,121,098</u>	<u>1,694,039</u>
11. Other Income	2016	2015
Interest earnings from Bank	161,001	104,136
Dividends from Investments received (after tax)	10,178	14,951
Advertising Income	45,333	26,896
	<u>216,512</u>	<u>145,982</u>
12. Direct expenses	2016	2015
Educational Courses	195,939	160,082
Conferences	175,433	175,114
Functions	80,303	48,536
Gala Dinner	145,230	116,196
Golf day	50,432	38,985
Ladies Morning	65,353	63,604
Lecture Evenings	6,927	7,833
Seminars	8,202	12,030
	<u>727,818</u>	<u>622,380</u>

Society of Cosmetic Chemists South Africa

Detailed statement of comprehensive income

for the year ended 31 December 2016

	2016 R	2015 R
Sales Revenue	2,121,098	1,694,039
Sales and Services Revenue - General	2,121,098	1,694,039
Direct Expenses	727,818	622,381
Other Income	216,512	147,812
Advertising	45,333	28,726
Net Dividends received	10,178	14,951
Interest	161,001	104,136
Gross Surplus	1,609,792	1,219,470
Total Surplus	1,609,792	1,219,470
Operating / Overhead Expenses	989,855	939,523
Accounting Fees	34,500	29,364
Administration fees	646,126	625,557
AGM	7,946	13,908
Bank Charges	8,359	6,593
Depreciation	43,798	25,115
Minor assets	7,062	2,742
Insurance	9,854	6,595
Interest paid	-	-
Levies	92,500	98,650
Motor vehicle expenses	6,549	8,601
Postage, printing and stationery	16,886	18,022
Rent	-	-
Repairs and Maintenance	3,596	4,659
Subscriptions	52,685	45,894
Sundry Expenses	41,993	33,709
Telephone and cellular expenses	15,290	16,924
Website	2,710	3,192
Surplus/ (Deficit)	619,937	279,947
Net Surplus/ (Deficit) for this period	619,937	279,947