

Society of Cosmetic Chemists South Africa
(Registration number: 042-400-NPO)

Annual Financial Statements

for the year ended 31 December 2017

Society of Cosmetic Chemists South Africa

Financial statements

for the year ended 31 December 2017

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
Compiler:	Heleen Theron
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 2017

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

Index	Page
Report of the Accounting Officer.....	4
Statement of financial position.....	6
Statement of comprehensive income.....	7
Notes to the financial statements.....	8
The following supplementary schedule does not form part of the financial statements, and is unaudited.	
Detailed statement of comprehensive income.....	12

Executive Committee Members 2017

Kirsten Scott	President Chair of Membership Committee
Ivor Zwane	Vice President
Lyndsay Calenborne	Immediate Past President Chair of Social Committee
Roy Gardiner	Honorary Treasurer IFSCC Representative/ IFSCC Honorary Auditor
Wayne van Wyk	Honorary Secretary Chair of Scientific Committee

Administration

Bridget MacDonald	General Secretary
-------------------	-------------------

Council Members 2017

Amanda Dahl	Member of Education Committee
Charmaine du Preez	Member of Seminar Committee
Gillian Gardiner	Chair of Education Committee/ Education Officer
Patricia Kruger	Member of PR Committee
Ronald Makola	Chair of PR Committee
Percy Sibanda	Member of Education Committee

Report of the accounting officer to
Society of Cosmetic Chemists South Africa
for the year ended 31 December 2017

I have prepared the annual financial statements, set out herein, for the year ended 31 December 2017, 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) 11325
Accounting Officer

8 February 2018

Society of Cosmetic Chemists South Africa
Society of Cosmetic Chemists South Africa
Council report

for the year ended 31 December 2017

The council present their report for the year ended 31 December 2017.

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

8 February 2018

Society of Cosmetic Chemists South Africa

Statement of financial position

for the year ended 31 December 2017

	Note	2017 R	2016 R
Assets			
Non Current Assets		5,501,151	5,424,362
Property Plant and Equipment	2	2,700,452	2,725,936
Investments	3	2,800,699	2,698,426
Current Assets		345,837	372,955
Trade and Other Receivables	4	700	59,306
Cash and Cash Equivalents	5	345,137	313,649
Total Assets		5,846,988	5,797,317
Equity & Liabilities			
Capital & Reserves		5,275,956	5,114,253
Capital reserve	7	28,612	28,612
Accumulated funds	6	5,247,345	5,085,641
Current Liabilities		571,032	683,065
Trade and Other Payables	8	17,507	99,714
Prepaid - debtors	9	553,525	583,351
Total Members Funds / Equity & Liabilities		5,846,988	5,797,317

Society of Cosmetic Chemists South Africa

Statement of comprehensive income

for the year ended 31 December 2017

	Note	2017 R	2016 R
Revenue	10	<u>1,963,265</u>	<u>2,121,098</u>
Revenue		1,963,265	2,121,098
Direct Costs	12	<u>830,579</u>	<u>727,818</u>
Direct costs		830,579	727,818
Gross Surplus		<u>1,132,686</u>	<u>1,393,280</u>
Other Income	11	<u>213,646</u>	<u>216,512</u>
		213,646	216,512
Total Income		<u>1,346,332</u>	<u>1,609,792</u>
Operating / Overhead Expenses		<u>1,184,626</u>	<u>989,855</u>
Surplus from operations	6	<u>161,705</u>	<u>619,937</u>
Accumulated funds for the year		<u>161,705</u>	<u>619,937</u>
Accumulated funds prior year/s	6	<u>5,085,640</u>	<u>4,465,704</u>
Net accumulated funds from ordinary activities		<u>5,247,345</u>	<u>5,085,640</u>

Society of Cosmetic Chemists South Africa

Notes to the annual financial statements for the year ended 31 December 2017

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 R7000 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 2017

2. Property, Plant and Equipment	2017			2016		
	Cost/ Valuation	Accumulated Depreciation	Carrying Value	Cost/ Valuation	Accumulated Depreciation	Carrying Value
Land & Buildings	2,588,020	25,643	2,562,377	2,565,339	8,603	2,556,736
Furniture and fittings	107,483	57,937	49,545	56,784	10,720	46,064
Laboratory Equipment	90,510	32,985	57,525	90,510	14,883	75,627
Computer equipment	70,208	60,126	10,082	19,688	3,649	16,039
Office Equipment	55,821	44,946	10,875	18,314	1,418	16,896
Office Security	8,051	4,562	3,489	8,051	2,952	5,099
Plant & machinery	14,575	8,016	6,559	12,389	2,915	9,474
Total non current / fixed assets	2,934,668	234,215	2,700,452	2,771,075	45,140	2,725,935

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	2,556,736	14,289	-	8,648	2,562,377
Furniture and fittings	46,065	18,050	-	14,569	49,545
Laboratory Equipment	75,627	-	-	18,102	57,525
Computer equipment	16,039	-	-	5,956	10,083
Office Equipment	16,896	-	-	6,022	10,874
Office Security	5,099	-	-	1,610	3,489
Plant & machinery	9,474	-	-	2,915	6,559
	2,725,935	32,339	-	57,822	2,700,452

Other non current / fixed asset related information:

	2017	2016
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	622,088	607,799
Amortisation	(25,643)	(16,995)
	2,562,377	2,556,736
3. Investments	2017	2016
Listed Investments		
Market Value		
Old Mutual Unit Trust	243,365	216,518
Stanlib Unit Trust	694,413	621,104
Unrealised income	(537,641)	(450,439)
	400,136	387,184
Unlisted Investments		
Nedbank Money Trade	2,014,821	1,949,524
FNB Fixed Deposit	385,742	361,719
	2,400,562	2,311,243
	2,800,699	2,698,426

Society of Cosmetic Chemists South Africa

Notes to the annual financial statements for the year ended 31 December 2017

4. Trade and other receivables	2017	2016
Customer control	-	58,606
Prepaid expenses	-	-
	-	58,606
Deposit - Telkom	700	700
	<u>700</u>	<u>59,306</u>

5. Cash and cash equivalents	2017	2016
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	352,979	319,106
Credit Card	(7,842)	(5,457)
	<u>345,137</u>	<u>313,649</u>

6. Surplus	2017	2016
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	5,085,641	4,465,704
Accumulated funds for the year	161,706	619,937
Balance at year end	<u>5,247,347</u>	<u>5,085,641</u>

7. Capital Reserve	2017	2016
Capital reserve remains unchanged from last year.	<u>28,612</u>	<u>28,612</u>

8. Trade and other payables	2017	2016
Provision - Accounting fees	15,926	14,885
J Miller	400	400
Pnomenon Auc	-	7,175
Savannah	-	39,720
Dannika Engelbrecht	-	1,000
Patrick Sebokwane	-	2,720
G Kuhn	-	450
Provision - Toni Martin (2015)	4,509	4,509
Montecasino Deposit Gala Dinner	(10,531)	-
Trade and Other Receivables	1,797	-
Vat control	5,407	28,855
	<u>17,507</u>	<u>99,714</u>

9. Payments received in advance	2017	2016
Income received towards following years' course fees	553,525	583,351
	<u>553,525</u>	<u>583,351</u>

Society of Cosmetic Chemists South Africa

Notes to the annual financial statements for the year ended 31 December 2017

10. Sales / Revenue income	2017	2016
Educational Courses	638,220	647,472
Conferences	462,852	572,836
Functions	66,888	65,991
Gala Dinner	117,102	110,973
Golf day	77,368	90,833
Ladies Morning	97,820	110,350
Lecture Evenings	5,763	11,105
Seminars	37,136	73,399
Subscriptions	460,117	438,137
	<u>1,963,265</u>	<u>2,121,098</u>
11. Other Income	2017	2016
Interest earnings from Bank	172,121	161,001
Dividends from Investments received (after tax)	9,455	10,178
Advertising Income	32,070	45,333
	<u>213,646</u>	<u>216,512</u>
12. Direct expenses	2017	2016
Educational Courses	191,642	195,939
Conferences	236,639	175,433
Functions	67,975	80,303
Gala Dinner	145,894	145,230
Golf day	53,727	50,432
Ladies Morning	52,743	65,353
Lecture Evenings	9,104	6,927
Seminars	9,217	8,202
IFSCC	63,638	-
	<u>830,579</u>	<u>727,818</u>

Society of Cosmetic Chemists South Africa

Detailed statement of comprehensive income

for the year ended 31 December 2017

	2017 R	2016 R
Sales Revenue	1,963,265	2,121,098
Sales and Services Revenue - General	1,963,265	2,121,098
Direct Expenses	830,579	727,818
Other Income	213,646	216,512
Advertising	32,070	45,333
Net Dividends received	9,455	10,178
Interest	172,121	161,001
Gross Surplus	1,346,332	1,609,792
Total Surplus	1,346,332	1,609,792
Operating / Overhead Expenses	1,184,626	1,003,878
Accounting Fees	35,829	34,500
Administration fees	784,939	646,126
Advertising and Promotions	16,500	-
AGM	35,242	7,946
Bank Charges	8,148	8,359
Depreciation	57,822	57,822
Minor assets		7,062
Insurance	11,700	9,854
Levies	87,080	92,500
Motor vehicle expenses	5,232	6,549
Postage, printing and stationery	13,659	16,886
Repairs and Maintenance	3,280	3,596
Subscriptions	47,033	52,685
Sundry Expenses	55,949	41,993
Telephone and cellular expenses	18,175	15,290
Website	4,039	2,710
Surplus/ (Deficit)	161,705	605,914
Net Surplus/ (Deficit) for this period	161,705	605,914