

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

Annual Financial Statements

for the year ended 31 December 2019

Society of Cosmetic Chemists of South Africa

Financial statements

for the year ended 31 December 2019

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 of South Africa

Financial statements

for the year ended 31 December 2019

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 2019

René Spada	President Chair of Membership Committee
Kim MacCallum	Vice President Chair of Social Committee
Ivor Zwane	Immediate Past President/ Chair of Executive Committee Member of Education Committee
Michael Butt	Honorary Treasurer
Patricia Kruger	Honorary Secretary Chair of PR Committee

Administration 2019

Bridget MacDonald	General Secretary
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Council Members 2019

Amanda Dahl	Member of Education Committee
Charmaine du Preez	Chair of Seminar Committee
Kudzai Gwazira	Chair of Education Committee/ Education Officer
Lumbi Moyo	Member of Scientific Committee
Samantha Pols	Member of Education Committee
Percy Sibanda	Co-Chair of Education Committee
Jaques Strydom	Chair of Lecture Evening Committee
Wayne van Wyk	Chair of Scientific Committee

Coast Chapter Representatives 2019

Erica de Kock	Natal Representative
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Report of the accounting officer to

Society of Cosmetic Chemists of South Africa

for the year ended 31 December 2019

I have prepared the annual financial statements, set out herein, for the year ended 31 December 2019, 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.



Etienne Retief, Professional Accountant (SA) 11325
Accounting Officer

6 February 2020

Society of Cosmetic Chemists of South Africa

Council report

for the year ended 31 December 2019

The council present their report for the year ended 31 December 2019.

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.

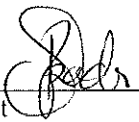
The accounting officer is responsible to determine that the financial statements are in agreement with the accounting records.

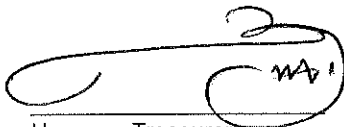
The council are also responsible for the society's system of internal financial control. These are designed to provide reasonable but not absolute, assurance as to the reliability of the financial statements, and to adequate safeguard, verify and maintain accountability of assets, to indicate that any 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

Midrand

6 February 2020

Society of Cosmetic Chemists of South Africa

Statement of financial position

for the year ended 31 December 2019

	Note	2019 R	2018 R
Assets			
Non Current Assets			
Property Plant and Equipment	2	<u>2,624,667</u>	<u>2,665,106</u>
Investments	3	3,808,756	2,974,533
Current Assets			
Trade and Other Receivables	4	<u>17,299</u>	<u>11,867</u>
Cash and Cash Equivalents	5	619,277	413,876
Total Assets			
		<u>7,069,999</u>	<u>6,065,381</u>
Equity & Liabilities			
Capital & Reserves			
Capital reserve	7	<u>28,612</u>	<u>28,612</u>
Accumulated funds	6	5,798,018	5,366,895
Current Liabilities			
Trade and Other Payables	8	<u>415,746</u>	<u>31,491</u>
Prepaid - debtors	9	827,623	638,384
Total Members Funds / Equity & Liabilities			
		<u>7,069,999</u>	<u>6,065,381</u>

Society of Cosmetic Chemists of South Africa

Statement of comprehensive income

for the year ended 31 December 2019

	Note	2019 R	2018 R
Revenue	10	<u>3,226,702</u>	<u>2,177,764</u>
Revenue		3,226,702	2,177,764
Direct Costs	12	<u>1,759,573</u>	<u>808,034</u>
Direct costs		1,759,573	808,034
Gross Surplus		<u>1,467,129</u>	<u>1,369,730</u>
Other Income	11	<u>230,435</u>	<u>207,032</u>
		230,435	207,032
Total Income		<u>1,697,564</u>	<u>1,576,762</u>
Operating / Overhead Expenses		<u>1,266,441</u>	<u>1,457,211</u>
Surplus from operations	6	<u>431,123</u>	<u>119,550</u>
Accumulated funds for the year		<u>431,123</u>	<u>119,550</u>
Accumulated funds prior year/s	6	<u>5,366,895</u>	<u>5,247,345</u>
Net accumulated funds from ordinary activities		<u>5,798,018</u>	<u>5,366,895</u>

Society of Cosmetic Chemists of South Africa

Notes to the annual financial statements for the year ended 31 December 2019

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 of South Africa

Notes to the annual financial statements for the year ended 31 December 2019

2. Property, Plant and Equipment	2019			2018		
	Cost/ Valuation	Accumulated Depreciation	Carrying Value	Cost/ Valuation	Accumulated Depreciation	Carrying Value
Land & Buildings	2,605,997	43,004	2,562,993	2,604,157	34,351	2,569,805
Furniture and fittings	107,483	87,828	19,654	107,483	72,883	34,600
Laboratory Equipment	90,510	69,189	21,321	90,510	51,086	39,424
Computer equipment	80,905	73,477	7,429	70,208	65,624	4,584
Office Equipment	48,757	43,299	5,458	51,989	40,818	11,171
Office Security	15,101	8,017	7,084	8,051	6,172	1,878
Plant & machinery	14,575	13,847	728	14,575	10,931	3,644
Total non current / fixed assets	2,963,329	338,661	2,624,667	2,946,973	281,865	2,665,106

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	2,569,806	1,840	-	8,653	2,562,993
Furniture and fittings	34,600	-	-	14,946	19,654
Laboratory Equipment	39,424	-	-	18,103	21,321
Computer equipment	4,584	10,697	-	7,852	7,429
Office Equipment	11,171	1,776	4,035	3,455	5,458
Office Security	1,879	7,050	-	1,845	7,084
Plant & machinery	3,644	-	-	2,916	728
	2,665,108	21,363	4,035	57,769	2,624,667

Other non current / fixed asset related information:

	2019	2018
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	640,065	638,225
Amortisation	(43,004)	(34,351)
	2,562,993	2,569,806

3. Investments

Listed Investments	2019	2018
Market Value		
Alan Gray	1,047,399	976,965
Old Mutual Wealth	514,687	466,146
Unrealised income	(572,679)	(484,499)
	989,407	958,612
Unlisted Investments		
Nedbank Money Trade	2,380,184	1,604,762
FNB Fixed Deposit	439,165	411,159
	2,819,349	2,015,921
	3,808,756	2,974,533

Society of Cosmetic Chemists of South Africa

Notes to the annual financial statements for the year ended 31 December 2019

4. Trade and other receivables	2019	2018
Vat refund	-	857
Sundry Customers	475	-
Trade and Other Receivables	16,124	-
Prepaid expenses	-	10,310
	<u>16,599</u>	<u>11,167</u>
Deposit - Telkom	700	700
	<u>17,299</u>	<u>11,867</u>

5. Cash and cash equivalents	2019	2018
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	623,776	443,617
Credit Card	(4,499)	(29,741)
	<u>619,277</u>	<u>413,876</u>

6. Surplus	2019	2018
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	5,366,895	5,247,345
Accumulated funds for the year	431,123	119,550
Balance at year end	<u>5,798,018</u>	<u>5,366,895</u>

7. Capital Reserve	2019	2018
Capital reserve remains unchanged from last year.	<u>28,612</u>	<u>28,612</u>

8. Trade and other payables	2019	2018
Provision - FTR Accounting fees	19,073	17,040
Provision - J Miller	770	770
Provision - Vincentz	366,644	-
Raymond Sematla	-	12,115
Trade and Other Receivables	11,060	1,566
Vat control	18,199	-
	<u>415,746</u>	<u>31,491</u>

9. Payments received in advance	2019	2018
Income received towards following years' course fees	827,623	638,384
	<u>827,623</u>	<u>638,384</u>

Society of Cosmetic Chemists of South Africa

Notes to the annual financial statements for the year ended 31 December 2019

	2019	2018
10. Sales / Revenue income		
Conferences	579,582	390,722
Educational Courses	716,434	676,418
Functions	72,172	65,967
Gala Dinner	199,371	177,015
Golf day	87,226	109,870
Ladies Morning	98,290	126,126
Lecture Evenings	5,478	7,178
Mens day	-	20,372
Seminars	78,673	80,443
Subscriptions	546,986	488,080
HPCI Gallagher 2019	842,490	35,572
	<u>3,226,702</u>	<u>2,177,764</u>
11. Other Income		
Advertising Income	25,000	43,620
Dividends from Investments received	15,618	-
Insurance claim	265	11,461
Interest earnings from Bank	189,552	151,951
	<u>230,435</u>	<u>207,032</u>
12. Direct expenses		
Conferences	265,694	165,689
Educational Courses	179,701	156,028
Functions	73,155	71,532
Gala Dinner	187,983	160,063
Golf day	52,843	55,320
Mens day	-	15,127
Ladies Morning	52,887	65,200
Lecture Evenings	5,496	14,881
Seminars	15,948	24,193
HPCI 2019	925,864	80,001
	<u>1,759,573</u>	<u>808,034</u>

Society of Cosmetic Chemists of South Africa

Detailed statement of comprehensive income

for the year ended 31 December 2019

	2019 R	2018 R
Sales Revenue	3,226,702	2,177,764
Sales and Services Revenue - General	3,226,702	2,177,764
Direct Expenses	1,759,573	808,034
Other Income	230,435	207,032
Advertising	25,000	43,619
Insurance claim	265	11,461
Interest	189,552	151,951
Net Dividends received	15,618	-
Gross Surplus	1,697,564	1,576,762
Total Surplus	1,697,564	1,576,762
Operating / Overhead Expenses	1,266,441	1,457,211
Accounting Fees	41,598	35,085
Administration fees	886,745	968,004
AGM	8,753	7,482
Bank Charges	7,728	7,749
Broker Charges	940	17,837
Computer expenses	4,606	1,747
Depreciation	57,768	57,695
Donations	600	23,210
General expenses	32,114	46,097
Insurance	12,558	12,001
Legal Fees	7,079	89,646
Levies	89,935	90,197
Motor vehicle expenses	5,583	5,156
Postage, printing and stationery	13,542	16,808
Repairs and Maintenance	3,270	13,010
Subscriptions	74,891	46,061
Telephone and cellular expenses	15,252	17,309
Website	3,479	2,119
Surplus/ (Deficit)	431,123	119,550
Net Surplus/ (Deficit) for this period	431,123	119,550