

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

Annual Financial Statements

for the year ended 31 December 2018

Society of Cosmetic Chemists of South Africa

Financial statements

for the year ended 31 December 2018

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 2018

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 2018

Ivor Zwane	President Chair of Membership Committee
Rene Spada	Vice President Chair of Lecture Evening Committee
Kirsten Scott	Immediate Past President/ Chair of Executive Committee Member of PR 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 2018

Amanda Dahl	Member of Education Committee
Charmaine du Preez	Chair of Seminar Committee
Gillian Gardiner	Chair of Education Committee/ Education Officer
Kudzai Gwazira	Co Chair of Education Committee/ Education Officer
Patricia Kruger	Member of PR Committee
Kim MacCallum	Chair of Social Committee
Ronald Makola	Chair of PR Committee
Samantha Pols	Member of Education Committee
Percy Sibanda	Member of Education Committee

Coast Chapter Representatives 2018

Erica de Kock	Natal Representative
Jacques Strydom	Cape Town Representative

Report of the accounting officer to

Society of Cosmetic Chemists of South Africa

for the year ended 31 December 2018

I have prepared the annual financial statements, set out herein, for the year ended 31 December 2018, 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

7 February 2019

Society of Cosmetic Chemists of South Africa

Council report

for the year ended 31 December 2018

The council present their report for the year ended 31 December 2018.

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

7 February 2019

Society of Cosmetic Chemists of South Africa

Statement of financial position

for the year ended 31 December 2018

	Note	2018 R	2017 R
Assets			
Non Current Assets			
Property Plant and Equipment	2	2,665,106	2,700,452
Investments	3	2,974,533	2,800,699
Current Assets			
Trade and Other Receivables	4	11,867	700
Cash and Cash Equivalentents	5	413,876	345,137
Total Assets		6,065,381	5,846,988
Equity & Liabilities			
Capital & Reserves			
Capital reserve	7	28,612	28,612
Accumulated funds	6	5,366,895	5,247,345
Current Liabilities			
Trade and Other Payables	8	31,491	17,507
Prepaid - debtors	9	638,384	553,525
Total Members Funds / Equity & Liabilities		6,065,381	5,846,988

Society of Cosmetic Chemists of South Africa

Statement of comprehensive income

for the year ended 31 December 2018

	Note	2018 R	2017 R
Revenue	10	<u>2,177,764</u>	<u>1,963,265</u>
Revenue		2,177,764	1,963,265
Direct Costs	12	<u>808,034</u>	<u>830,579</u>
Direct costs		808,034	830,579
Gross Surplus		<u>1,369,730</u>	<u>1,132,686</u>
Other Income	11	<u>207,032</u>	<u>213,646</u>
		207,032	213,646
Total Income		<u>1,576,762</u>	<u>1,346,332</u>
Operating / Overhead Expenses		<u>1,457,211</u>	<u>1,184,626</u>
Surplus from operations	6	<u>119,550</u>	<u>161,705</u>
Accumulated funds for the year		<u>119,550</u>	<u>161,705</u>
Accumulated funds prior year/s	6	<u>5,247,345</u>	<u>5,085,640</u>
Net accumulated funds from ordinary activities		<u>5,366,895</u>	<u>5,247,345</u>

Society of Cosmetic Chemists of South Africa

Notes to the annual financial statements for the year ended 31 December 2018

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 2018

2. Property, Plant and Equipment	2018			2017		
	Cost/ Valuation	Accumulated Depreciation	Carrying Value	Cost/ Valuation	Accumulated Depreciation	Carrying Value
Land & Buildings	2,604,157	34,351	2,569,806	2,571,025	8,648	2,562,377
Furniture and fittings	107,483	72,883	34,599	64,115	14,569	49,545
Laboratory Equipment	90,510	51,086	39,424	75,627	18,102	57,525
Computer equipment	70,208	65,624	4,584	16,039	5,956	10,083
Office Equipment	51,989	40,818	11,171	16,896	6,022	10,874
Office Security	8,051	6,172	1,879	5,099	1,610	3,489
Plant & machinery	14,575	10,931	3,644	9,474	2,915	6,559
Total non current / fixed assets	2,946,974	281,867	2,665,106	2,758,275	57,822	2,700,452

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	2,562,377	16,137	-	8,708	2,569,806
Furniture and fittings	49,545	-	-	14,946	34,599
Laboratory Equipment	57,525	-	-	18,102	39,424
Computer equipment	10,083	-	-	5,499	4,584
Office Equipment	10,874	10,892	4,680	5,915	11,171
Office Security	3,489	-	-	1,610	1,879
Plant & machinery	6,559	-	-	2,915	3,644
	2,700,452	27,029	4,680	57,695	2,665,106

Other non current / fixed asset related information:

	2018	2017
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	638,225	622,088
Amortisation	(34,351)	(25,643)
	2,569,806	2,562,377

3. Investments

Listed Investments	2018	2017
Market Value		
Alan Gray	976,965	-
Old Mutual Unit Trust	-	243,365
Old Mutual Wealth	466,146	-
Stanlib Unit Trust	-	694,413
Unrealised income	(484,499)	(537,641)
	958,612	400,136
Unlisted Investments		
Nedbank Money Trade	1,604,762	2,014,821
FNB Fixed Deposit	411,159	385,742
	2,015,921	2,400,562
	2,974,533	2,800,699

Society of Cosmetic Chemists of South Africa

Notes to the annual financial statements for the year ended 31 December 2018

4. Trade and other receivables	2018	2017
Vat refund	857	-
Prepaid expenses	10,310	-
	<u>11,167</u>	<u>-</u>
Deposit - Telkom	700	700
	<u>11,867</u>	<u>700</u>
5. Cash and cash equivalents	2018	2017
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	443,617	352,979
Credit Card	(29,741)	(7,842)
	<u>413,876</u>	<u>345,137</u>
6. Surplus	2018	2017
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	5,247,345	5,085,640
Accumulated funds for the year	119,550	161,705
Balance at year end	<u>5,366,895</u>	<u>5,247,345</u>
7. Capital Reserve	2018	2017
Capital reserve remains unchanged from last year.	<u>28,612</u>	<u>28,612</u>
8. Trade and other payables	2018	2017
Provision - Accounting fees	17,040	15,926
J Miller	770	400
Raymond Sematla	12,115	-
Provision - Toni Martin (2015)	-	4,509
Montecasino Deposit Gala Dinner	-	(10,531)
Trade and Other Receivables	1,566	1,797
Vat control	-	5,407
	<u>31,491</u>	<u>17,507</u>
9. Payments received in advance	2018	2017
Income received towards following years' course fees	638,384	553,525
	<u>638,384</u>	<u>553,525</u>

Society of Cosmetic Chemists of South Africa

Notes to the annual financial statements for the year ended 31 December 2018

10. Sales / Revenue income	2018	2017
Educational Courses	676,418	638,220
Conferences	390,722	462,852
Functions	65,967	66,888
Gala Dinner	177,015	117,102
Golf day	109,870	77,368
Mens day	20,372	-
Ladies Morning	126,126	97,820
Lecture Evenings	7,178	5,763
Seminars	80,443	37,136
Subscriptions	488,080	460,117
HPCI Gallagher 2019	35,572	-
	<u>2,177,764</u>	<u>1,963,265</u>
11. Other Income	2018	2017
Interest earnings from Bank	151,951	172,121
Dividends from Investments received (after tax)	-	9,455
Advertising Income	43,619	32,070
Insurance claim	11,461	-
	<u>207,032</u>	<u>213,646</u>
12. Direct expenses	2018	2017
Educational Courses	156,028	191,642
Conferences	165,689	236,639
Functions	71,532	67,975
Gala Dinner	160,063	145,894
Golf day	55,320	53,727
Mens day	15,127	-
Ladies Morning	65,200	52,743
Lecture Evenings	14,881	9,104
Seminars	24,193	9,217
IFSCC	-	63,638
HPCI 2019	80,001	-
	<u>808,034</u>	<u>830,579</u>

Society of Cosmetic Chemists of South Africa

Detailed statement of comprehensive income

for the year ended 31 December 2018

	2018 R	2017 R
Sales Revenue	2,177,764	1,963,265
Sales and Services Revenue - General	2,177,764	1,963,265
Direct Expenses	808,034	830,579
Other Income	207,032	213,646
Advertising	43,619	32,070
Net Dividends received	-	9,455
Insurance claim	11,461	-
Interest	151,951	172,121
Gross Surplus	1,576,762	1,346,332
Total Surplus	1,576,762	1,346,332
Operating / Overhead Expenses	1,457,211	1,184,626
Accounting Fees	35,085	35,829
Administration fees	968,004	784,939
Advertising and Promotions	-	16,500
AGM	7,482	35,242
Bank Charges	7,749	8,148
Broker Charges	17,837	-
Computer expenses	1,747	-
Depreciation	57,695	57,822
Donations	23,210	-
General expenses	46,097	55,949
Insurance	12,001	11,700
Legal Fees	89,646	-
Levies	90,197	87,080
Motor vehicle expenses	5,156	5,232
Postage, printing and stationery	16,808	13,659
Repairs and Maintenance	13,010	3,280
Subscriptions	46,061	47,033
Telephone and cellular expenses	17,309	18,175
Website	2,119	4,039
Surplus/ (Deficit)	119,550	161,705
Net Surplus/ (Deficit) for this period	119,550	161,705