

South African Chefs Association NPC

(Registration Number: 1987 / 002444 / 08)

ANNUAL FINANCIAL STATEMENTS
for the year ended 28 February 2022



Carlisle Financial Services
Issued : August 31, 2022



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The reports and statements set out below comprise the annual financial statements presented to the committee

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General information

Country of Incorporation and Domicile	South Africa
Nature of Business and Principal Activities	Hospitality
Committee at the date of this Report	James Khoza Coovashan Pillay Warren Cedric Frantz Linah Pinky Maruping Adrian Francis Vigus-Brown Allister Mark Esau Lesley Ferdinand Jacobs Kabelo Alpheus Segone Peter Craig Robertson Thomas Ignatius Hurter
Registered Office	University of Johannesburg School of Tourism and Hospitality Bunting and Annet Road Auckland Park
Business Address	University of Johannesburg School of Tourism and Hospitality Bunting and Annet Road
Postal Address	P. O. Box 291305 Melville 2109
Bankers	Nedbank Limited
Auditors	Carlisle Financial Services
Financial Statements Prepared By	Francesca Coetzee - CA (SA)
Level of Assurance	These Annual Financial Statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa
Published	August 31, 2022
Legal Form	Association

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Statement of Committee Responsibility and Approval

The committee is required in terms of the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the association as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standard applicable to Small and Medium-Sized Entities. The external auditors are engaged to express an independent opinion on the Annual Financial Statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standard applicable to Small and Medium-Sized Entities and are based upon appropriate policies consistently applied and supported by reasonable and prudent judgements and estimates.

The committee acknowledges that they are ultimately responsible for the system of internal financial control established by the association and place considerable importance on maintaining a strong control environment. To enable the committee to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the association and all employees are required to maintain the highest ethical standards in ensuring the association's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the association is on identifying, assessing, managing and monitoring all known forms of risk across the association. While operating risk cannot be fully eliminated, the association endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

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Statement of Committee Responsibility and Approval

The committee is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the Annual Financial Statements. However any system of internal financial control can provide any reasonable, and not absolute, assurance against material misstatement or loss.

The committee has reviewed the association's cash flow forecast for the year to 28 February 2023 and the impact that COVID-19 will have on the association's ability to generate sufficient cashflows to meet its ordinary obligations as they arise. In light of this review, and the current financial position, they are satisfied that the association has, or will have access to adequate resources to continue in operational existence for the foreseeable future.

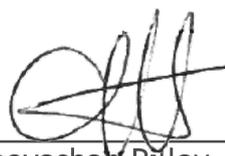
Besides the disclosure in note 17, nothing has come to our attention after the year end, that will impact on the financial statements presented.

The external auditor is responsible for auditing and reporting on the annual financial statements. The annual financial statements have been examined by the external auditors and his report is presented on page 5 - 8.

The Annual Financial Statements set out on pages 11 to 30, which have been prepared on the going concern basis, were approved by the board on 31 August 2022 and were signed on its behalf by:



James Khoza



Coovashan Pillay

21 Kroton Street South
Roodepoort
1709

P O Box 6758
Weltevreden Park
1715

Tel: 0861 111 031 / 087 351 5177
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E-Mail: Peter.Carlisle@ctfsa.co.za

IRBA Registration Nr : 957410



To the Directors of South African Chefs Association NPC (1987/002444/08)

We have audited the financial statements of the South African Chefs Association NPC set out on pages 11 to 30, which comprise the statement of financial position as at 28 February 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the South African Chefs Association NPC as at 28 February 2022, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Giving entrepreneurs the freedom to prosper

Partner : P Carlisle CA (SA)

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act of South Africa. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial

statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is included in the Appendix to this auditor's report. This description, forms part of our auditor's report.

Peter Carlisle
Chartered Accountant (CA) SA
Registered Auditor
21 Kroton Street
Roodepoort
02 February 2023

Auditor's Responsibilities for the Audit of the Financial Statements

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

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Committee Report

The committee presents their annual report on the annual financial statements of the association for the year ended 28 February 2022.

Main business and operations

The association commenced trading in the Hospitality industry from 08 June 1987.

No matter which is material to the financial affairs of the association and requires disclosure in the financial statements has occurred between 28 February 2022 and the date of the approval of the annual financial statements.

The operating results and state of affairs of the association are fully set out in the attached annual financial statements and do not, on our opinion require any other comment, save for those mentioned below.

Financial results

The financial results show that the association has made a loss during the current financial year. The committee expects that the association will perform adequately in the new financial year. The association is expected to have sufficient cash resources to meet its obligations.

The directors have not declared dividends and none are recommended.

Going concern

The committee refer you to note 17 in the annual financial statement that describes the uncertainty caused by the COVID-19 epidemic. This indicates an uncertainty that is caused by factors that are out of management's control. However, management still believe, after reviewing the budgets and the resources available to the association, that the association will remain a going concern. Consequently, the annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent liabilities and commitments will occur in the ordinary course of business insofar as it is within management's control.

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Committee Report

Property, plant and equipment

The association's property, plant and equipment additions and disposals for both the current and previous year are reflected in note 3 to the financial statements. There was no change in the usage of the assets during the year under review.

Committee

The committee of the association during the year and to the date of this report are as follows:

James Khoza
Coovashan Pillay
Warren Cedric Frantz
Linah Pinky Maruping
Adrian Francis Vigus-Brown
Allister Mark Esau
Lesley Ferdinand Jacobs
Kabelo Alpheus Segone
Peter Craig Robertson
Thomas Ignatius Hurter

Auditors

Carlisle Financial Services will continue in office in accordance with section 90 (2) of the Companies Act.

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Statement of Financial Position at 28 February 2022

	Note	2022 R	2021 R
ASSETS			
Non-current Assets		9,417,579	11,842,933
Property, plant and equipment	3	551,015	667,288
Intangible assets	4	15,000	30,000
Other financial assets	5	8,851,564	11,145,645
Current assets		2,659,083	1,994,346
Loans to related parties	6	1,151,127	300,100
Trade and other receivables	7 & 11	1,483,755	1,673,201
Cash and cash equivalents	8	24,201	21,045
TOTAL ASSETS		12,076,662	13,837,279
EQUITY AND LIABILITIES			
Capital and reserves		11,391,787	12,303,756
Fair value adjustment reserve		1,943,637	1,627,071
Retained income		9,448,150	10,676,685
Current liabilities		684,875	1,533,523
Trade and other payables	9	681,705	1,516,851
Short-term bank borrowings	10	3,170	16,672
Total Liabilities		684,876	1,533,523
Total equity and liabilities		12,076,662	13,837,279

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Statement of Comprehensive Income for the year ended 28 February 2022

	Note	2022 R	2021 R
Comprehensive income	12	2,624,531	4,210,019
Cost of revenue earned		(382,532)	(513,869)
Gross profit		2,241,999	3,696,151
Other income	13	412,889	31,870
Depreciation and amortisation		(116,273)	(135,211)
Employment costs		(1,991,585)	(2,821,007)
Administration expenses		(1,805,192)	(2,885,668)
Loss from operations		(1,258,162)	(2,113,866)
Investment income	14	29,626	480,980
Borrowing costs		0	(2,364)
Loss before taxation		(1,228,536)	(1,635,250)
Taxation	15	0	0
Loss for the year		(1,228,536)	(1,635,250)
Other comprehensive income		316,565	62,999
Fair value adjustments		316,565	62,999
Total comprehensive loss for the year		(911,971)	(1,572,251)

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Statement of Changes in Equity for the year ended 28 February 2022

	Fair Value Adjustment Reserve R	Retained Earnings R	Total R
Balance at 01 March 2020	1,564,072	12,311,936	13,876,008
Total loss for the year	0	(1,635,250)	(1,635,250)
Other comprehensive income	62,999	0	62,999
Balance at 01 March 2021	1,627,071	10,676,685	12,303,757
Total loss for the year	0	(1,228,536)	(1,228,536)
Other comprehensive income	316,565	0	316,565
Balance at 28 February 2022	1,943,637	9,448,150	11,391,786

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Statement of Cash Flows for the year ended 28 February 2022

	Note	2022 R	2021 R
Cash Flows from Operating Activities			
Operating loss before taxation		(1,258,162)	(2,113,866)
Adjustments for :			
Depreciation	3	116,273	135,211
Changes in working capital	16	(645,700)	(633,047)
Cash utilised by operations		(1,787,590)	(2,611,701)
Cash flows from investing activities			
Increase in income fund		2,610,646	2,778,991
Increase in loans to related parties		(851,026)	(300,100)
Investment income	14	29,626	480,981
Additions to plant and equipment	3	0	(42,800)
Proceeds on sale of Intangible assets	4	15,000	0
Cash generated by investing activities		1,804,246	2,917,071
Cash flows from financing activities			
Decrease in loans from related parties	8	0	(356,841)
Cash utilised by financing activities		0	(356,841)
Net decrease in cash and cash equivalents		16,656	(53,836)
Cash and cash equivalents at beginning of period	8	4,375	58,210
Cash and cash equivalents at end of period	7	21,031	4,375

1. Basis of preparation

The principal accounting policies used in preparing these financial statements are set out below and are consistent with those used in prior years, unless otherwise disclosed. The financial statements are prepared on the historical cost and fair value bases as disclosed in these policies, using South African Rand, which is the functional currency of the association.

These financial statements comply with International Financial Reporting Standards applicable to Small and Medium-Sized entities.

1.1 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make judgements that affect the amounts represented in the annual financial statements and related disclosures. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results in the future could differ from these estimates which may be material to the annual financial statements.

1.2 Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

2. Summary of significant accounting policies

2.1 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2.1 Property, plant and equipment - continued

The association adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item when that cost is incurred if the replacement part is derecognised. All other repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows :

- Improvements to leasehold properties	20 years
- Plant and equipment	5 years
- Furniture and fittings	6 years
- Office equipment	5 years
- Computer equipment	3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other gains/(losses) - net in the statement of comprehensive income.

2.2 Intangible assets

Intangible assets are defined as:

- being without physical substance
- being identifiable
- being non-monetary

2.2 Intangible assets - continued

Intangible assets are initially recognised at cost. Intangible assets are recognised when an asset meets the definition of an intangible asset. Subsequent to initial recognition, intangible assets are carried at cost minus accumulated amortisation and impairment losses. The amortisation period of an intangible asset is reviewed every period end.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is probable that the future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

2.3 Financial Instruments

Initial Recognition

The association classifies financial instruments, or their component parts, on initial recognition as a financial assets, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial assets are recognised when the association becomes a party to the contractual provisions of the respective instrument. Such assets consist of cash, a contractual right to receive cash or another financial asset, or a contractual right to exchange financial instruments with another entity on potentially favourable terms. Financial assets are derecognised when the right to receive cash flows from the asset has expired or has been transferred and the group has transferred substantially all risks and rewards of ownership.

**Accounting Policies and Explanatory Notes to the Annual Financial Statements
for the year ended 28 February 2022**

2.3 Financial Instruments - continued

Financial liabilities are recognised when there is an obligation to transfer benefits and that obligation is a contractual liability to deliver cash or another financial asset or to exchange financial instruments with another entity on potentially unfavourable terms. Financial liabilities are derecognised when they are extinguished, that is discharged, cancelled or expired.

The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Financial instruments at fair value through profit or loss are financial assets held for trading and/or designated by the entity upon initial recognition as fair value through profit or loss. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets (trade and other receivables), except for maturities of greater than 12 months after the balance sheet date which are classified as non-current assets.

The association assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired.

2.4 Impairment of non-financial assets other than inventories

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.5 Borrowings

Borrowings are recognised initially at the transaction price (that is, the present value of cash payable to the bank, including transaction costs). Borrowings are subsequently stated at amortised cost. Interest expense is recognised on the basis of the effective interest method and is included in finance costs.

Borrowings are classified as current liabilities unless the association has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

2.6 Revenue recognition

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the association has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the association retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the association; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably
- it is probable that the economic benefits associated with the transaction will flow to the association;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.7 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

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Accounting Policies and Explanatory Notes to the Annual Financial Statements
for the year ended 28 February 2022

3. PROPERTY, PLANT AND EQUIPMENT

	2022			
	Cost	Additions	Accumulated depreciation	Carrying amount
	R	R	R	R
Improvements to leasehold properties	1,360,967	0	(867,616)	493,350
Plant and equipment	1,478,392	0	(1,436,361)	42,032
Furniture and fixtures	443,047	0	(443,046)	1
Office equipment	298,388	0	(292,768)	5,620
Computer equipment	363,522	0	(353,511)	10,012
	<u>3,944,316</u>	<u>0</u>	<u>(3,393,302)</u>	<u>551,015</u>
	2021			
	Cost	Additions	Accumulated depreciation	Carrying amount
	R	R	R	R
Improvements to leasehold properties	1,360,967	0	(799,568)	561,398
Plant and equipment	1,478,392	0	(1,409,749)	68,645
Furniture and fixtures	443,047	0	(443,046)	1
Office equipment	298,388	0	(286,819)	11,569
Computer equipment	350,722	12,800	(337,847)	25,675
	<u>3,931,516</u>	<u>12,800</u>	<u>(3,277,029)</u>	<u>667,288</u>

Accounting Policies and Explanatory Notes to the Annual Financial Statements
for the year ended 28 February 2022

3. PROPERTY, PLANT AND EQUIPMENT-CONTINUED

The carrying amount of property, plant and equipment can be reconciled as follows -2022

	Carrying amount at beginning R	Additions R	Depreciation R	Carrying amount at end R
Improvements to leasehold properties	561,401	0	(68,048)	493,353
Plant and equipment	68,316	0	(26,612)	41,704
Furniture and fixtures	1	0	0	1
Office equipment	11,569	0	(5,949)	5,620
Computer equipment	26,001	0	(15,664)	10,337
	<u>667,288</u>	<u>0</u>	<u>(116,273)</u>	<u>551,015</u>

The carrying amount of property, plant and equipment can be reconciled as follows -2021

	Carrying amount at beginning R	Additions R	Depreciation R	Carrying amount at end R
Improvements to leasehold properties	629,450	0	(68,048)	561,401
Plant and equipment	94,602	0	(26,285)	68,316
Furniture and fixtures	0	0	0	1
Office equipment	17,518	0	(5,949)	11,569
Computer equipment	48,130	12,800	(34,929)	26,001
	<u>789,700</u>	<u>12,800</u>	<u>(135,211)</u>	<u>667,288</u>

Accounting Policies and Explanatory Notes to the Annual Financial Statements
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4. INTANGIBLE ASSETS

2022				
	Cost R	Additions/(Disposals) R	Accumulated amortisation R	Carrying amount R
Website development	401,463	(15,000)	(371,463)	15,000
	<u>401,463</u>	<u>(15,000)</u>	<u>(371,463)</u>	<u>15,000</u>
2021				
	Cost R	Additions R	Accumulated amortisation R	Carrying amount R
Website development	371,463	30,000	(371,463)	30,000
	<u>371,463</u>	<u>30,000</u>	<u>(371,463)</u>	<u>30,000</u>

The carrying amount of intangible assets can be reconciled as follows:

2022				
	Carrying amount at beginning R	Additions R	Amortisation R	Carrying amount at end R
Website development	30,000	30,000	0	60,000
	<u>30,000</u>	<u>30,000</u>	<u>0</u>	<u>60,000</u>

Accounting Policies and Explanatory Notes to the Annual Financial Statements
for the year ended 28 February 2022**4. INTANGIBLE ASSETS-CONTINUED**

The carrying amount of intangible assets can be reconciled as follows:

	2021			
	Carrying amount at beginning	Additions	Amortisation	Carrying amount at end
	R	R	R	R
Website development	0	30,000	0	30,000
	<u>0</u>	<u>30,000</u>	<u>0</u>	<u>30,000</u>
			2022	2021
			R	R

5. OTHER FINANCIAL ASSETS

Call accounts	313,293	1,202,206
Call accounts - WCTAH	107,930	104,140
Investments in securities	8,430,342	9,839,300
	<u>8,851,564</u>	<u>11,145,645</u>

6. LOANS TO / (FROM) RELATED PARTIES

The South African Chefs Association provides key management services to the following entity:

National Young Chefs Training Programme		
The loan is unsecured, interest free and has no fixed terms of repayment.	1,151,127	300,100
	<u>1,151,127</u>	<u>300,100</u>

Accounting Policies and Explanatory Notes to the Annual Financial Statements
for the year ended 28 February 2022

	2022 R	2021 R
7. TRADE AND OTHER RECEIVABLES		
Trade receivables	2,048,770	2,084,335
Provision for doubtful debts - see Note 11	(594,818)	(693,926)
Prepayments	15,197	213,533
Deposits	4,250	4,250
South African Revenue Services - Value Added Tax	8,378	62,543
Suppliers in debit	1,978	2,464
	<u>1,483,755</u>	<u>1,673,200</u>
Trade receivables due now	44,161	1,877,916
Trade receivables past due :		
30 days and less past due	36,603	132,384
60 days and less past due	5,225	73,397
More than 60 days past due	1,959,430	638
	<u>2,045,418</u>	<u>2,084,335</u>
8. CASH AND CASH EQUIVALENTS		
Current account	24,119	20,992
Cash balances	82	52
	<u>24,201</u>	<u>21,045</u>

Accounting Policies and Explanatory Notes to the Annual Financial Statements
for the year ended 28 February 2022

	2022	2021
	R	R
9. TRADE PAYABLES		
Trade payables	176,480	600,633
Expense accruals	16,681	75,209
Income received in advance	0	571,465
Deposit	37,624	36,784
Sundry creditors	1,360	1,360
Leave pay accrual	111,494	124,010
Unallocated receipts	93,141	47,994
Customers in credit	244,925	59,395
	<u>681,705</u>	<u>1,516,850</u>
Trade payables due now	46,273	505,829
Trade payables past due :		
30 days and less past due	7,753	45,704
60 days and less past due	55,304	0
More than 60 days past due	67,150	49,100
	<u>176,480</u>	<u>600,633</u>
10. SHORT TERM BANK BORROWINGS		
Credit Card	3,170	16,671
	<u>3,170</u>	<u>16,671</u>

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for the year ended 28 February 2022

	2022 R	2021 R
11. PROVISIONS		
Provision for bad debts	594,818	693,926
	594,818	693,926
12. COMPREHENSIVE INCOME		
Accessories	0	220
Advertising	0	4,348
Catering	7,148	574
Communications	0	133,000
Competitions	29,500	0
Designation	150,000	0
Discount received	0	440
Donations	37,000	411,236
Facilitation fee	0	820,800
General	108,937	62,339
Judging	67,547	31,700
Management fee	33,500	20,000
Membership	334,481	502,610
Patronage	672,000	770,000
Rental	165,449	122,049
Seal of Approval	480,590	480,590
Sponsorship	214,913	163,500
Training	323,465	686,615
	2,624,531	4,210,019

Accounting Policies and Explanatory Notes to the Annual Financial Statements for the
year ended 28 February 2022

	2022 R	2021 R
13. OTHER INCOME		
Bad debts recovered	99,108	0
Dividends received	287,055	0
Gains on foreign exchange translations	0	2,681
Insurance claim	26,726	0
Reimbursement	0	29,189
	<u>412,889</u>	<u>31,870</u>

The reimbursement balance relates to the travel expenses that were not incurred by the travel agent with respect to the Team SA when they attended the world olympics.

14. INVESTMENT INCOME

Interest received from financial institutions	1	2
Dividends received from investments	29,625	480,979
	<u>29,626</u>	<u>480,980</u>

15. TAXATION

S.A. Normal Taxation		
- Current	0	0
	<u>0</u>	<u>0</u>

No provision has been made for taxation as the Non Profit Company has been approved for exemption by SARS for the purposes of section 10(1)(d)(iv)(bb) of the Income Tax Act.

16. CHANGES IN WORKING CAPITAL

Decrease in accounts receivable	189,446	(795,963)
Increase in accounts payable	(835,146)	179,588
	<u>(645,700)</u>	<u>(616,376)</u>

17. GOING CONCERN AND SUBSEQUENT EVENTS

The committee is not aware of any matter or circumstance arising since the end of the financial year and the date of this report that requires disclosure in these financial statements.

The association incurred a net deficit of R911 970.60 for the year ended 28 February 2022. The Association was adversely affected as it is not considered as an essential service provider, as defined per government lockdown regulations and therefore was closed for an extended period. The hospitality industry has been adversely affected by the pandemic.

The association remains liquid, despite the Covid-19 pandemic and incurring losses in the current year. However should the association continue to incur losses, this situation could possibly change in future years affecting the ability of the association to continue operating as a going concern. The committee however believes, from their calculations, that the association will remain a going concern in the light of the pandemic as there is sufficient cash reserves to support the Association until all restrictions have been lifted completely.

18. RELATED PARTIES

During the year, the association, in the ordinary course of business, entered into various transactions with related parties. These transactions occurred under those terms that are no less favourable than those entered into with third parties in arm's length transactions.

Relationships

Entities The South African Chefs Association provides key management services to:
National Youth Chefs Training Programme

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 for the year ended 28 February 2022

18. RELATED PARTIES-CONTINUED

Former Directors / Members:

Stephen Paul Billingham

Entities related to former directors / members:

HTA School of Culinary Art (Pty) Ltd

	2022	2021
	R	R
Related party balances		
<u>Loans to / (from) related parties:</u>		
National Youth Chefs Training Programme	1,151,127	300,100
Related party transactions		
<u>Expenses paid to:</u>		
HTA School of Culinary Art (Pty) Ltd (Note 1)	0	0

Note 1

The Tsogo Sun Centre of Culinary Excellence is in partnership with HTA School of Culinary Art (Pty) Ltd on a contractual basis of the Enterprise Development Programme conceptualised and developed by former president Stephen Billingham. This concept has been shared by Stephen Billingham to generate income for the Tsogo Sun Centre of Culinary Excellence and the South African Chefs Association.

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**Supplementary information for the year ended 29 February 2022
Breakdown of Other Financial Assets and Cash and Cash Equivalents**

	2022 R	2021 R
OTHER FINANCIAL ASSETS		
Call Accounts	421,223	1,306,346
South African Chefs Association NPC	421,223	1,306,346
Investments in Securities	8,430,342	9,839,300
South African Chefs Association NPC	8,430,342	9,839,300
Other Financial Assets	8,851,564	11,145,645
CASH AND CASH EQUIVALENTS		
Current Accounts	24,119	20,992
South African Chefs Association NPC	24,119	20,992
Petty Cash	82	52
South African Chefs Association NPC	82	52
Cash and Cash Equivalents	24,201	21,045

This statement does not form part of the financial statements and is unaudited.

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Detailed of administration costs for the year ended 28 February 2022

	2022 R	2021 R
Administration expenses	1,805,192	2,885,668
Bad debts	0	481,278
Bank charges	14,137	19,939
Beneficiaries	30,000	45,000
Books/Videos for library	1,000	0
Cleaning	12,441	27,856
Consultancy fees	183,825	97,701
Discount allowed	1	0
Delivery fee	0	300
Document storage	6,992	6,637
Donations paid	0	611,307
Electricity lights water & gas	6,759	0
Entertainment	24,322	8,934
Equipment hire	76,060	54,270
General expenses	25,745	37,546
Insurance	109,204	54,393
Judging costs	86,556	46,650
Legal fees	97,901	114,565
Licenses	38,273	52,486
Management fees	24,583	68,899
Motor vehicle expenses	25,879	20,577
Photos and videos	9,785	15,375
Printing and stationery	33,818	50,855

This statement does not form part of the financial statements and is unaudited.

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Detailed of administration costs for the year ended 28 February 2022

	2022 R	2021 R
Administration expenses (continued)	1,805,192	2,885,668
Registration fees	28,489	5,911
Rent expense	56,677	51,257
Repairs and maintenance	172,886	87,020
Subscriptions & publications	15,944	70,997
Telecommunications	252,675	396,427
Training expenses	309,325	334,331
Travel - overseas	11,173	10,072
Travel costs	96,629	88,486
Uniforms	6,160	1,578
Venue hire	47,951	8,783
Workmen's compensation	0	16,238

This statement does not form part of the financial statements and is unaudited.