



australian  
institute of  
**food science  
& technology**

# ANNUAL REPORT 2014

THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE & TECHNOLOGY LIMITED

SUPPORTING AUSTRALIA'S FOOD INDUSTRY PROFESSIONALS

# NOTICE OF ANNUAL GENERAL MEETING

2015 AIFST Annual General Meeting

5.00pm, Wednesday 12 August 2015

Ted Hopkins Room, Luna Park, Milson's Point NSW 2061



# CONTENTS

4 President &  
Chair's Report

8 CEO Report:  
A Year In Review

12 Your Board  
& CEO

14 Financial  
Report



The focus on the Australian food and agribusiness sector has increased significantly over the course of the last year. While the industry continued to look to the future, so did AIFST.

### Introduction

The focus on the Australian food and agribusiness sector has increased significantly over the course of the last year. We have witnessed the formation of the Food and Agribusiness Growth Centre through the Department of Industry and Science, and the development of an Agricultural Competitiveness White Paper by the Prime Ministers Cabinet and Department of Agriculture.

Both of these initiatives are linked with the array of free trade agreements (FTAs) being delivered by the Federal Minister of Trade, Andrew Robb. Notably, the agreement with China to develop an FTA is an exciting development as it is an increasingly important export market for Australia's food production.

While the industry continued to look to the future, so did AIFST. The 2014 year symbolised a significant milestone in the Institute's almost 50 year history. It was the end of a long considered process around safeguarding and building the Institute in light of the changing external operating environment and increased pressures on the not-for-profit sector.

While a key focus of 2014 was the governance of the Institute, we again continued to deliver against our commitments to members. We were pleased to provide another successful annual Convention held in Melbourne in June 2014; the continuing professional development (CPD) program delivered a significant amount of hands-on hours for food professionals seeking to stay informed and up-to-date on key technical issues; and we hosted a range of branch and community of interest events throughout the year.

### Institute Enters New Era

On 31 October 2014, members supported a move to modernise the governance of the Institute and ensure a solid foundation for the next 50 years, with a vote to change AIFST from an incorporated association to a company limited by guarantee.

AIFST Limited was registered with the Australian Securities Investment Commission (ASIC) on 17 November 2014. AIFST now operates under the requirements of ASIC and the Corporations Act requiring the appointment of a Board of Directors, appointment of a Chief Executive Officer (CEO), public reporting of any changes to the company structure, as well as end of year financial auditing – of which AIFST has adhered to for more than 10 years.

In line with the governance modernisation, the AIFST Board advised members it would see the process through with the appointment of the Institutes' first CEO from 2015. The Board delivered against this objective with the commencement of the recruitment process both locally and globally in December 2014, and were pleased to announce the appointment of Georgie Aley as AIFST's Inaugural CEO on 1 April 2015.



This was a significant achievement in finalising the changes in company structure. On behalf of the AIFST Board and members, I would like to acknowledge the work of Mark McCoy in assisting the Institute in the governance modernisation work. Mark was instrumental in bringing the vision of the Council to life and ensuring we met every requirement to deliver against the changes.

I would like to also acknowledge the work of the Transitional Advisory Board, who worked tirelessly and with absolute diligence and good humour to implement the changes while also serving on the AIFST council. Members of the Transitional Advisory Board were Michele Allan, Jo Davey, Tom Debney, Stewart Eddie, Fiona Fleming and Tom Lewis.

The Council, which ceased on 17 November 2014, also played a crucial role in the outcomes of the 2014 reporting period, and provided diligent oversight and direction for the governance changes during the year. Councillors who held office from 1 January 2014 to 17 November 2014, unless otherwise stated, were:

*Sutasinee Anantanawat (24 June 2014)*  
*Nigel Barrett*  
*Joe Cardamone*  
*David Cusack (24 June 2014)*  
*Ranil Coorey (24 June 2014)*  
*Adam Hyland*  
*Stuart Johnson*  
*Lata Masih*  
*Joseph McCreanor*  
*Dean McCullum*  
*Brenda Mossel*  
*Robyn Murray*  
*Jenny Robertson (24 June 2014)*  
*Allison Saliba*  
*Geoffrey Smithers*  
*Justin Whiteley*

## Building International Relationships

As we continue to operate in a global food industry, the demands and requirements of our food industry professionals continue to resonate across the globe. In response to this, AIFST has continued its work with likeminded international organisations during the course of 2014.

A significant and key relationship for AIFST is the Institute of Food Technology (IFT). AIFST and IFT signed a Memorandum of Understanding (MoU), an agreement to work together, in early 2014. The MoU focused specifically on the Certified Food Scientists (CFS) program offered through IFT, which will form the foundation and cornerstone for the accreditation program the AIFST Board has committed to delivering to members, as part of the overall organisation change in 2014.

The MoU between AIFST and the New Zealand Institute of Food Science and Technology (NZIFST) continued in 2014 and we were pleased to host NZIFST President at the time, David Everett, at the 2014 AIFST Annual Convention.

AIFST continued its long-standing relationship with the International Union of Food Science and Technology (IUFoST) and will be looking to generate further value from this relationship moving forward to identify areas for further collaboration and services that deliver value for AIFST members.



*Dr Anne Astin, President & Chair*



### Acknowledgments

With the implementation of several changes in 2014, I would like to take the time to acknowledge the support and commitment provided to the Institute during this time.

To the AIFST staff, thank you. Mel Malloch, Julie Bennett, Bronwyn Graham and Vicki Wallace have been instrumental in delivering the outcomes for the Institute in 2014. There have been many challenges and plenty of uncertainty at times, however the team have rallied together to ensure the Council, and now Board, could fulfil its commitments to the membership. With the appointment of Georgie Aley as CEO in 2015, I am confident we now have the right resources in place to continue building on the current foundations and support the Board and members as we look to the future.

The AIFST branches and communities of interest have continued to provide a range of networking and knowledge sharing activities for members throughout 2014. The AIFST Board and staff would like to thank them for their ongoing support and commitment to the Institute and members, in particular the support demonstrated for the governance modernisation changes.

At the 2015 Annual General Meeting, two Directors who have been instrumental in the Institute's history, Jo Davey and Michele Allan, will retire by rotation as per the Constitution.

Jo Davey, immediate Past President of AIFST, during her years of service to the Institute has provided unwavering commitment and sound leadership in assisting the Institute to be positioned as it is in 2015.

Michele Allan has been a significant enabler and guide for the Institute throughout the modernisation process. Michele has brought first class governance experience and strategic insight to the Institute, which has provided a solid foundation for the future.

A sincere thank you on behalf of the AIFST Board, members and staff to Jo and Michele. We wish them great success in their future endeavours.

Lastly, special thank you to Adam Hyland who served as the Public Officer of AIFST for four years and retired from the role in April 2015. We wish Adam all the best for the future and look forward to engaging with him as a long standing member of the Institute.

### The Future

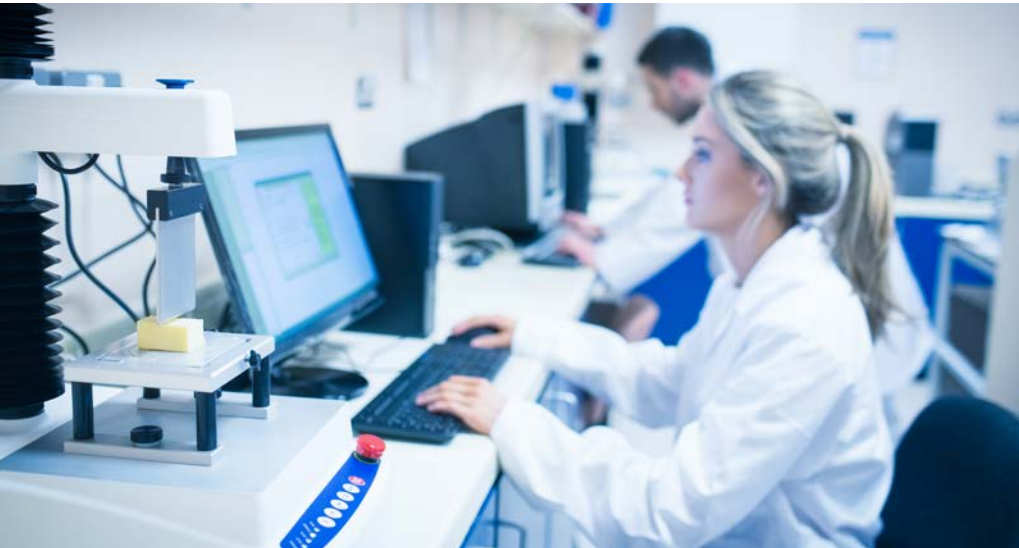
As we have now moved part way into 2015, the future continues to be bright for AIFST. With our new CEO on board, the first election of Non-Executive Directors for the Institute at the 2015 AGM and our strategic planning process for 2016 – 2018 underway, the AIFST Board remain positive.

However, the future of the Institute will only be guided by our community, including our current and future members and key stakeholders. I ask for your support and input into the strategic planning process, to ensure a sustainable, viable and vibrant Institute for many years to come.

Warm regards

**Dr Anne Astin**  
PSM MAICD MAIFST  
President & Chair





While 2014 symbolised a structural change for the Institute, 2015 will see the delivery of the core foundations for a modern, connected, engaged and relevant Institute of the future.

## Introduction

I am both pleased and honoured to be recently appointed to the role of CEO for AIFST. I have had the opportunity to reflect on the history of the Institute and the contribution of members to that history as we now look to the future.

As Dr Astin, AIFST President and Chair, outlined in her address – 2014 was a significant year for the Institute. Our branches, communities of interest and committees, continued to provide valuable input into the Institute and delivered a vast array of events and knowledge sharing for our members.

We have provided valuable tools for our members through our CPD Program, annual Convention, *food australia* and the provision of new services via our partnership with Food Innovation Australia Limited (FIAL), such as the Food Map and *Food Asia Pacific Journal*.

My focus for 2015 will be ensuring we continue to build member connectedness within the Institute, gather feedback and insights from the membership on what they are seeking from the Institute as well as supporting the development of the 2016 – 2018 Strategic Plan to ensure its implementation moving forward.

While 2014 symbolised a structural change for the Institute, 2015 will see the development of the core foundations for a modern, connected, engaged and relevant Institute of the future. The process will require input and support from members, signalling their commitment to ensuring a viable Institute for the next 50 years.

## Membership

AIFST's membership continues to remain stable, with only a small decline in 2014. A key focus for addressing the issue of membership, will be ensuring AIFST has the core functionality in place to deliver against the needs of a modern membership organisation. All membership organisations, not just in Australia but globally, are facing the ongoing pressures around membership decline. We need to ensure that across all components of the Institute, we are offering a relevant, professional, coordinated, modern and up-to-date offering, to ensure we have a core community at the heart of what we do. There has never been a more important focus across Global, Federal and State levels on the role of food and agribusiness. This is a key opportunity for the Institute moving forward.



## Branches

The branches have again played a key role in the Institute through the delivery of several knowledge sharing and networking activities throughout the year. Over the course of 2014, our branches hosted over 34 events with over 980 AIFST members and non-members in attendance. We will continue to look to branches in 2015 to guide the services for members. In addition, I look forward to being able to provide core resources to this part of the Institute through the role of the Membership Officer, to enable branches to continue utilising their networks and industry knowledge through events.

## Communities of Interest

AIFST continues to operate a range of Communities of Interest, which provide special interest group options for our members. Communities of Interest operate in Food Micro within NSW and Victoria, Sensory in NSW and Victoria and Young Members in NSW, Victoria and Queensland. Our Communities of Interest provided a number of events in 2014 where members and non-members could come together to share ideas and discuss the latest updates. These groups continue to play a crucial role in providing relevant insights and networking opportunities for our members and are often the first point of call for new members. As we look to build on the core foundations of the Institute in 2015, we will be exploring new communication platforms that can support greater engagement amongst the membership with these special interest areas.

## Member Communications

Communicating with members is a key deliverable for any membership organisation. During 2014 our branch newsletters, event notices and BiteSize e-newsletter continued to inform members on what was happening around their Institute. Members have also identified the desire to receive more streamlined and consolidated information, keeping them abreast of the latest Institute news, events around the country and opportunities available to advance their career. As we build on the great outcomes of 2014, a key focus in 2015 will be identifying ways to better communicate with members, providing a more consolidated and targeted engagement.

## Continuing Professional Development

The AIFST Continuing Professional Development (CPD) Program continued to deliver a wide range of successful courses in 2014. During 2014, more than 15 courses were held with over 350 AIFST members and non-members attending. The CPD Program continues to be recognised as a valuable member service. The Australian Food and Grocery Council (AFGC) continued its support as the key partner of the CPD Program, recognising the Program's contribution as the core delivery of ongoing skill and capability building for the food industry. AIFST would like to acknowledge and thank AFGC for their continued support.



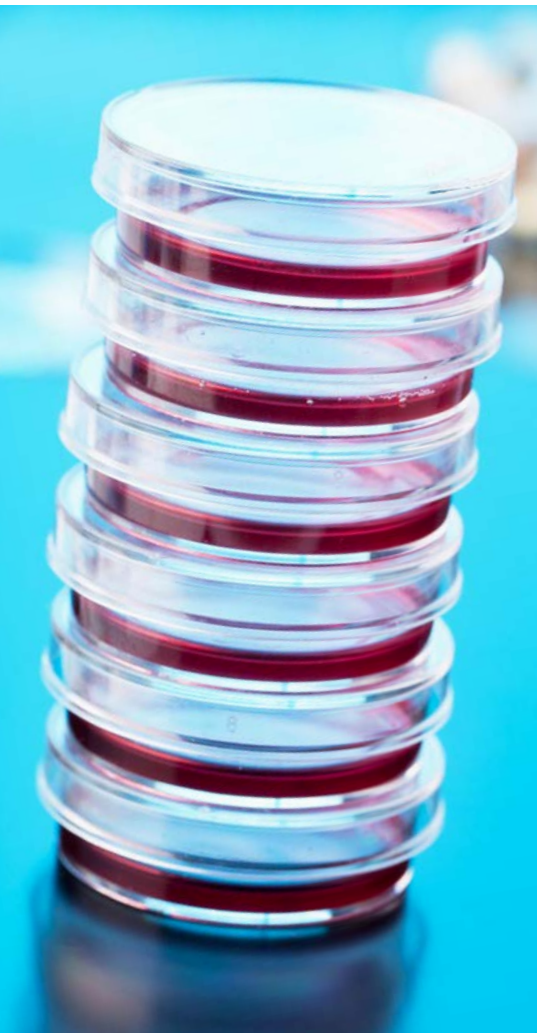
*Georgie Aley, Chief Executive Officer*

## Innovation Masterclass

AIFST held the second Innovations Masterclass in October 2014. With over 45 delegates attending, the event was led and facilitated by well-known AIFST member Russell Rankin. This annual event continues to be of high demand, providing attendees with access to world leading presenters, discussing key industry innovations and how to adapt to survive in today's industry.

## Protecting Your Brands

AIFST hosted the Protecting Your Brands workshop for Directors and Officers of FMCG's in August 2013. The workshop, held in conjunction with AFGC, provided over 30 attendees with knowledge on their obligations and requirements as a Director or Board member of an FMCG company, including how to protect personal liability.



As we look to ensure a sustainable, viable and relevant Institute, the future is very clearly focused on ensuring we have the right internal foundations to deliver against the needs of current and future members.

## Knowledge Sharing

The sharing of latest news, information and industry updates is a key platform for AIFST. Our communications tools including our flagship publication *food australia*, the AIFST website, Food Map, pilot project *Food Asia Pacific Journal* and our social media channels, are a key component of our conversation with members.

## Publications and Communications Committee

The Publications and Communications Committee (PCC), which was formed in 2013, played a crucial role during 2014 as we expanded some of our communications tools with members. The PCC was able to provide leadership and guidance to both AIFST staff and our communications agency, in ensuring we delivered high quality publications and effective communications from the Institute.

The PCC is chaired by Fiona Fleming, and included Lorraine Belanger, Dr Tom Ross, Dr Michael Eyles, Dr Ramon Hall and Dr Lisa Szabo.

During 2014, the PCC conducted a full audit of AIFST's publications and communications, providing guidance around the direction of how the Institute should look to advance and develop its suite of communications. The audit was provided to AIFST management for review and implementation, as part of the 2015 Annual Operating Plan.

I would like to acknowledge the work of the PCC during 2014. It has provided enormous insight into the current operating of AIFST's

communications, which has been invaluable to me upon joining the Institute.

## *food australia*

*food australia* continues to be AIFST's flagship publication. The 2014 year saw the first full year of the outsourced arrangement for the editorial and publishing of the journal, which was a great success and ably supported by our then Business Development Manager, Stef Worsley. Mel Malloch, who now heads Sales & Advertising for AIFST, has done an exceptional job since the departure of Stef Worsley to pursue work overseas, and our advertising and editorial has continued to steadily grow during this time. *food australia* will undergo a full review in 2015, in line with the development of our strategic plan, to ensure we continue to deliver a world-class, cutting edge and insightful publication for members.

## Food Asia Pacific Journal

AIFST, in partnership with FIAL, launched a pilot *Food Asia Pacific Journal* in 2014 through into 2015. The journal was targeted at 15 international food science and technology Institutes, especially those located through the Asia Pacific Region. The journal was developed to assist FIAL and AIFST better understand the information needs of those operating in the Asia Pacific food industry. To finalise the pilot project, a survey of the readership and institutes involved will be conducted in 2015, and the information utilised by FIAL and AIFST in formulating their ongoing engagement within the region.

## 2014 Financials

The reported AIFST financial year runs from 1 January 2014 to 31 December 2014. The 2014 financial year reported a surplus of \$28,079, compared with a deficit of \$58,441 for the year ended 31 December 2013.

While the surplus was \$4,107 worse than the budget prepared and approved by the Board, it captures the full costs of the overall restructure plans and development of new income streams. After running a deficit budget for two years, the 2014 surplus delivers against the commitment made to members by the Board to return the budget to a surplus.

## AIFST Management Team

I am extremely fortunate to be supported by a great team including Mel Malloch, Julie Bennett, Bronwyn Graham and Vicki Wallace. The team delivered outstanding outcomes for the Institute in 2014 and we are looking forward to building on this in 2015.

## Internal Changes

As advised to members previously, the AIFST management team underwent internal changes to better support the implementation of the governance modernisation and to reflect the needs of the Institute moving forward. The following positions have been implemented into the Institute in 2015:

**CEO** - *Georgie Aley*

**Office Manager** – *Julie Bennett*

**CPD Coordinator** – *Bronwyn Graham*

**Sales & Advertising Manager** –  
*Mel Malloch*

**Finance Manager** – *Vicki Wallace*,  
replaced by *Glenn Booth* in July 2015



AIFST will also be welcoming two additional members to the team, with the appointment of a Communications Manager and Membership Officer in 2015.

## Farewell Vicki Wallace

Our long standing finance manager, Vicki Wallace, gave notice of retirement in 2014. Vicki finished with the Institute on 10 July 2015 after 17.5 years. Vicki played a crucial role on joining AIFST in 1999, when we hosted the IUFoST World Food Congress, and during her time has continued to play a cornerstone role in ensuring the financial sustainability of the Institute. We wish Vicki all the best for the next chapter in her life.

## The Future

As we look to ensure a sustainable, viable and relevant Institute, the future is very clearly focused on ensuring we have the right internal foundations to deliver against the needs of current and future members.

Core foundations include the right roles and capabilities within the management team, modern and integrated IT infrastructure that provides an engaging, easy to navigate and consolidated platform for our members, as well as a clear understanding of the priorities and expectations from our current members, potential members and stakeholders, to ensure we can develop and deliver a clear strategy for the Institute moving forward.

I look forward to meeting with members and hearing your feedback as we work towards a roadmap for the Institute heading into 2016.

Warm regards

**Georgie Aley**  
Chief Executive Officer

## YOUR BOARD & CEO



### **DR ANNE ASTIN PSM**

**President and Chair  
BSc(Hons), PhD, MAIFST**

Anne is currently Chair of William Angliss Institute of TAFE, the Safe Food Forum, SafeFish and not-for-profit Wellsprings for Women Inc. She is a non-Executive Director of Australian Dairy Farmers Ltd and EnergySafe Victoria's Audit and Risk Committee. She has previously held Directorships at Dairy Australia, the Melbourne Royal Botanic Gardens and until April 2011, was Chair of the Victorian Minister's Women in Primary Industries Advisory Panel. Anne is a former CEO of the Victorian government's Dairy Food Safety Authority. In 2011, Anne was awarded the Public Service Medal in the Victorian Division of the Queen's Birthday Honours for her services to the dairy industry, national food regulation and rural women. Anne has a B.Sc in Chemistry, a B.Sc (Hons) in Biochemistry and a Ph.D (Biochemistry). She has a Graduate Diploma in Public Sector Management and is a Professional member of AIFST and member of the Australian Institute of Company Directors.



### **JOSEPHINE DAVEY**

**Non-Executive Director  
BSc(Hons), MBA, FAIST,  
FAICD, CFS**

Jo is currently the Director of Pirrama Consulting and up until 2015, was the former Managing Director of Diabetes Smart Pty Ltd. Jo Davey is a trained food technologist. She enjoyed a 25 year career at Dairy Farmers, in both technical and commercial positions. Throughout her career, Jo has been very engaged with two industry professional institutes, the Dairy Industry Association of Australia (DIAA), and the AIFST. In 2003, she was the first female Federal President of the DIAA and is Immediate Past President of the AIFST. Jo has a B. Sc (Hons) from the School of Food Technology at UNSW and an Executive MBA from the Australian Graduate School Management. Jo is a Fellow of the AIFST and of the Australian Institute of Company Directors. She is also a Certified Food Scientist under the IFT certification program.



### **TOM DEBNEY**

**Non-Executive Director  
BSc, Grad Dip Mgt,  
MAIFST**

Tom has extensive experience in managing organisations throughout Australia and Asia. His career began in Research and Development at CSIRO and Kraft Foods, before relocating to the UK to take up various Managing Director positions. Tom currently sits on a number of small company boards and advisory committees and is Principal Consultant with Expense Reduction Analysts. Tom has a Bachelor of Science, Graduate Diploma in Management and Masters in Management (Asia) as well as extensive high level management training at international business schools. He is a Member of the Australian Institute of Company Directors and Professional Member of AIFST. He is a life member of Blackburn Cricket Club.



### **DR MICHELE ALLAN**

**Non-Executive Director  
BAppSc, MMgt Tech,  
MCommLaw, DBA,  
MAIFST, FAICD**

Michele is currently Chair of Meat and Livestock Australia, Apple and Pear Australia, Grains and Legumes Nutrition Council and Chancellor at Charles Sturt University. She is a Non-Executive Director of Innovation Australia, Grain Growers Limited, Food and Agribusiness Growth Centre (trading as Food Innovation Australia Limited) and CRC for Hearing. Until 2008 she was CEO/MD of a listed food manufacturer and marketer. She has held executive roles with Kraft Foods, Bonlac Foods Limited, ICI, Tasmanian Bioinformatics Centre of Excellence Tasmania, Johnson and Johnson and Nestle. Michele has a Bachelor of Applied Science from University of Technology Sydney, Master of Management of Technology from Melbourne University, Master Commercial Law Deakin University and Doctor of Business Administration from RMIT. She is a fellow of the Australian Institute of Company Directors and Professional member of AIFST.



## FIONA FLEMING

**Non-Executive Director  
BAppSc (Food Tech),  
MMgt (Nutr), MAIFST**

Fiona is an Advisor in Policy and Regulation for the Australian Food and Grocery Council and a Director of FJ Fleming Food Consulting Pty Ltd. She is an experienced Corporate and Regulatory Affairs professional who has been involved in leading and facilitating change and developing management strategies across a portfolio of food policy and regulation matters in global FMCG and non-government environments. Fiona has 30 years' experience in the food industry across a number of areas. Prior to establishing her current business in 2012, Fiona worked for a large FMCG company in the role of Group Quality and Corporate Affairs Manager. In addition to her role with the AFGC, Fiona consults in the areas of food policy and regulation; recall and crisis management and food safety and quality. Fiona is a Professional member of AIFST and is currently serving on the Board of AIFST and as Chair of the PCC. Fiona is also a Professional member of Anaphylaxis Australia.



## STEWART EDDIE

**Non-Executive Director  
BAppSc, MAIFST**

Stewart is a Food Technologist who has both hands-on and management experience and is currently employed by Weis Frozen Foods as New Products Manager. In the past Stewart has been employed as Senior Food Technologist at the South Australian Food Centre after serving as the Product Development manager with Nestle Chilled Dairy. Prior to Nestle, Stewart was employed by Food Spectrum, an SME based in Brisbane that provides innovative ingredient solutions to the food industry. Stewart holds a B. App Sc from the University of Queensland and is a Professional Member of AIFST.



## DR TOM LEWIS

**Non-Executive Director  
PhD, MAIFST, FAICD**

Tom is an owner and Director of RDS Partners, with over 25 years food industry experience in commercial, research and academic roles in the aquaculture and food safety arenas. Past roles include the business development manager for the Australian Food Safety Centre of Excellence, researcher for the Tasmanian Atlantic salmon sector and senior technician for abalone and oyster aquaculture ventures. Current food industry roles include project management and delivery for the Allergen Bureau, the Centre for Food Innovation, CSIRO, the Fisheries Research and Development Corporation, a number of aquaculture companies and the Australian Centre for International Agricultural Research. Tom has a science degree and PhD from UTAS in the microbial production of omega 3 fatty acids and is a Professional Member of AIFST and Fellow of the Australian Institute of Company Directors.



## GEORGIE ALEY

**Chief Executive Officer  
BBusMgt(Eq), MBA,  
MAICD**

Georgie Aley was appointed AIFST CEO in April 2015 having held senior management roles within the Australian food and agribusiness sector. Georgie is Chair of the Future Farmers Network (FFN), non-executive director of Pulse Australia Limited and Workforce Consulting Pty Ltd, and Managing Director of the Grains & Legumes Nutrition Council. Georgie's industry leadership has been strongly recognised. She was the inaugural recipient of the Rabobank Emerging Agribusiness Leader of the Year Award in 2013; recognised in the Inaugural 100 Women in Australian Agribusiness and listed as one of The Australian Financial Review and Westpac's 100 Women of Influence for 2014. Georgie holds a Bachelor of Equine Business Management from the University of Sydney, Masters of Business Administration (MBA) from the Macquarie University Graduate School of Management and is a Member of the Australian Institute of Company Directors.

**THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE & TECHNOLOGY LIMITED**  
**A.B.N. 15 602 767 019**

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## **FINANCIAL REPORT**

**FOR THE YEAR ENDED 31st DECEMBER 2014**

## **INDEX**

### **STATUTORY ACCOUNTS**

1. DIRECTORS' REPORT
6. AUDITORS INDEPENDENCE DECLARATION
7. INDEPENDENT AUDIT REPORT
9. DIRECTORS' DECLARATION
10. COMPREHENSIVE INCOME STATEMENT
11. STATEMENT OF FINANCIAL POSITION
12. STATEMENT OF CHANGES IN EQUITY
13. STATEMENT OF CASH FLOWS
14. NOTES TO THE FINANCIAL STATEMENTS

## THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED

A.B.N. 15 602 767 019

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### DIRECTORS' REPORT for the year ended 31st December 2014

Your Directors present their report on the Company for the year ended 31st December 2014.

#### DIRECTORS

The names of each person who has been a director during the year and to the date of this report are:-

Anne Astin	Josephine Davey	Stewart Eddie	Thomas Lewis
Michele Allan	Thomas Debney	Fiona Fleming	

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Particulars of the qualifications, experience and special responsibility of each Director, as at the date of this report, are set out after this report.

Prior to the 17th November 2014, AIFST operated as an Incorporated Association governed by Councillors. Councillors who held office from 1st January 2014 to 17th November 2014 unless otherwise stated were:-

Sutasinee Anantanawat (24 June 2014)	Stuart Johnson	Jenny Robertson (24 June 2014)
Nigel Barrett	Lata Masih	Allison Saliba
Joe Cardamone	Joseph McCreanor	Geoffrey Smithers
David Cusack (24 June 2014)	Dean McCullum	Justin Whiteley
Ranil Coorey (24 June 2014)	Brenda Mossel	
Adam Hyland	Robyn Murray	

#### OPERATING RESULTS

The surplus of the Company for the year was \$28,079, which compares with a deficiency of \$58,441 for the year ended 31st December 2013. No provision for income tax has been made in the accounts as the Company is exempt from income tax.

This surplus was \$4,107 worse than the budget prepared and approved by the Directors as part of the overall restructures and development of new income streams.

#### PRINCIPAL ACTIVITY

The principal activity of the Institute during the financial year was to promote the standing, usefulness and welfare of the profession of food science and technology and dissemination of useful information relating to food science and technology. No significant changes in the nature of those activities occurred during the year.

## THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE & TECHNOLOGY LIMITED A.B.N. 15 602 767 019

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### SHORT AND LONG TERM OBJECTIVES

#### **A new era for the Institute**

In 2014 the Institute underwent a change from an Incorporated Association to a company limited by guarantee. Members supported the resolution to change the governance and legal standing of the Institute to align with best practice and the Corporations Act 2001. The resolution was passed at an Extraordinary General Meeting (EGM) in Sydney NSW on 21st October 2014.

The change to the structure of AIFST signals a new pathway forward for the Institute as we advance into 2015 and beyond to provide members a stronger Institute to support their advances as food industry professionals.

AIFST commenced the recruitment of an inaugural Chief Executive Officer in December 2014 who will lead the organisation as part of the structural changes. Subsequent to the 2014 financial year, Ms Georgie Aley commenced as CEO on 1 April 2015 bringing extensive management and industry networks to the Institute.

The change passed by members in 2014 has provided a platform for a strategic review of the Institute in 2015 to allow members to determine a clear strategic plan and path for the organisation to move forward.

#### **Member services**

In line with the existing strategy for the Institute, five key areas were identified to meet the goal of “supporting the professional development and leading the growth and advancement of the profession.” The five key areas are Continuing Professional Development (CPD); knowledge sharing; professional networking; membership growth and organisational sustainability.

#### **Continuing Professional Development**

In 2014 the Institute continued to employ a full time CPD coordinator to further enhance and advance specific programs in response to member feedback and to meet changing industry needs. As previously advised to members, the Australian Food and Grocery Council made a three-year commitment of \$30,000 per annum towards the Institute’s CPD program and a number of joint programs and cross promotional activities were delivered. Since the implementation of the CPD program with the support of the AFGC, AIFST has delivered training to over 800 members.

To build on the CPD achievements to date, 2015 will see work commence on the development of an overall CPD framework to recognise the full career cycle of our members and to map this against the needs members identified needs to ensure we continue to deliver a valuable resource for members and support their role within the profession.

#### **Knowledge sharing**

AIFST provides knowledge resources for members through key publications and platforms such as food australia. In 2014, food australia continued as a valuable resource for members providing updates on the latest innovations, key member interest areas and industry information. Advertising revenue continues to be a key focus for the Institute to ensure we can continue to provide a good quality and timely publication for members. Advertising support for the publication continued to improve and a number of initiatives were implemented and will continue to evolve in 2015 to ensure the continuing viability of our publications.



## **THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE & TECHNOLOGY LIMITED**

**A.B.N. 15 602 767 019**

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Knowledge sharing continues to be a focus area for the Institute and will form a core component of the strategic review and planning to be conducted through 2015. A focus on streamlined communications and enhanced online platforms will be key to ensuring an Institute which supports our member's needs into the future.

### **Professional networking**

A valuable component of AIFST membership is the access to an engaged and leading group of food industry professionals. Again in 2014 we continued to provide a range of conferences, social activities and scientific interest groups to support the ongoing networking development of members. The branches provided strong support in the delivery of the networking events and partnerships with other likeminded organisations provided members the opportunity to build their network beyond the AIFST membership.

AIFST's Annual Convention was held in Melbourne VIC in July 2014. The annual event was extremely successful with strong engagement from across the whole food supply chain. The 2014 convention was held in conjunction with FoodPro – a successful partnership we continue to build.

Linkages and partnerships were a key area of success for AIFST in 2014. We signed a formal Memorandum of Understanding with the Institute of Food Technology (IFT) in the United States of America to provide Certified Food Scientist accreditation to our members. In addition, we continued our engagement with New Zealand Institute of Food Science and Technology and International Union of Food Science and Technology Organisations (IUFoST). In 2015, we will continue to build our engagement with the appropriate corresponding organisations to build the membership offering of the Institute for our members.

### **Membership growth**

Membership growth and engagement continues as a priority for the Institute. In 2014 the membership committee continued to review services for members and this committee has now transitioned to a formal Board committee following the changes to the Institute in October 2014. Membership growth and engagement will be a key priority for the Institute's new CEO as part of the strategic review in 2015 to enhance the membership offering moving forward.

### **Organisational sustainability**

The key component of ensuring a sustainable and viable Institute for members moving forward was the governance changes approved by members in October 2014. The changes allow the organisation to operate for members through greater support and efficiencies evolving beyond what it could provide as an Incorporated Association. The appointment of the inaugural Board in November 2014 and the appointment of an inaugural CEO in April 2015 means a clear framework and structure is in place to drive outcomes and value for members.

As part of our continued evolution in 2015, organisational sustainability remains a priority. We need to ensure the appropriate resources and services are provided to our members.

## **THE FOCUS MOVING FORWARD**

The key focus area for the Institute in 2015 is consultation with members and industry to gather feedback and input into the services and offerings they are seeking from AIFST. This input will assist in the formulation of a new strategic plan which will guide the Institute's growth and role on behalf of members into the future. The next twelve months represents an exciting time for

AIFST and the Board and CEO are committed to building on the proud 48 year history of the Institute to ensure it continues its vital role of supporting food industry professionals.

## THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE & TECHNOLOGY LIMITED A.B.N. 15 602 767 019

### KEY PERFORMANCE MEASURES

The institute measures performance through the use of qualitative and quantitative benchmarks. These benchmarks were developed by the audit and risk committee and adopted by directors as a method to assess the financial sustainability of the institute and whether the short and long term objectives of the institute are being met.

### INFORMATION ON DIRECTORS

DR ANNE ASTIN PSM President and Chair BSc(Hons), PhD, MAIFST	JOSEPHINE DAVEY Past President BSc(Hons), MBA, FAIST, FAICD, CFS
TOM DEBNEY Honorary General Treasurer BSc, Grad Dip Mgt, MAIFST	DR MICHELE ALLAN President Elect BAppSc, MMgt Tech, MCommLaw, DBA, MAIFST, FAICD
FIONA FLEMING BAppSc (Food Tech), MMgt (Nutr), MAIFST	STEWART EDDIE BAppSc, MAIFST
DR TOM LEWIS PhD MAIFST, FAICD	

### MEETINGS OF DIRECTORS

During the financial year, six meetings of directors were held. Attendances by each director were as follows:-

	Directors Meeting	
	Number eligible to attend	Number attended
Anne Astin	6	6
Michele Allan	6	6
Josephine Davey	6	4
Thomas Debney	6	6
Stewart Eddie	6	5
Fiona Fleming	6	5
Thomas Lewis	6	5

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$1 each towards meeting any outstanding obligations of the entity. At 31st December 2014, the total amount that members of the company are liable to contribute if the company is wound up is \$1,904.

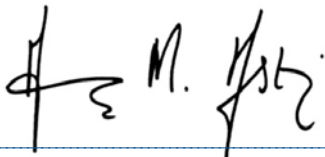
**THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE & TECHNOLOGY LIMITED**  
**A.B.N. 15 602 767 019**

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**AUDITOR'S INDEPENDENCE DECLARATION**

The lead auditor's independence declaration for the year ended 31st December 2014 has been received and can be found on page 6 of the financial report.

Signed in accordance with a resolution of the Directors.



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Signed Dr Anne Astin PSM (Chair)

Signed at Sydney on the 28th day of April 2015.



**Altus Financial Pty Limited**  
ABN 62 081 162 843  
P 02 8908 3444 F 02 8908 3455  
Level 12, 10 Spring Street, Sydney NSW 2000  
GPO Box 49, Sydney NSW 2001

**THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE  
AND TECHNOLOGY LIMITED  
A.B.N. 15 602 767 019**

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C  
OF THE CORPORATIONS ACT 2001**

I declare that, to the best of my knowledge and belief, during the year ended 31st December 2014 there have been:

- (i) **no contraventions of the auditor's independence requirements as set out in the Corporations Act 2001 in relation to the audit; and**
- (ii) **no contraventions of any applicable code of professional conduct in relation to the audit.**

*Altus Financial*

ALTUS FINANCIAL

*[Signature]*  
Mr Rex I Miller  
Consultant  
Registered Company Auditor  
Registration No 4182

Signed at Sydney on the *30<sup>th</sup>* day of *April* 2015

Our liability is limited by a scheme approved under professional standards legislation, except where we are a financial services licensee

[altusfinancial.com.au](http://altusfinancial.com.au)

## INDEPENDENT AUDIT REPORT

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To the members of the Australian Institute of Food Science and Technology Limited.

### Report on the Financial Report

We have audited the financial report of the Australian Institute of Food Science and Technology Limited for the year ended 31st December 2014 as set out on pages 9 to 28.

### Directors' Responsibility for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED A.B.N. 15 602 767 019 INDEPENDENT AUDIT REPORT

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### Independence

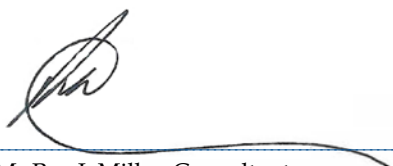
In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001 which has been given to the directors of the Australian Institute of Food Science and Technology Limited, would be in the same terms if given to the directors as at the time of this auditors report.

### Opinion

In our opinion, the financial report of the Australian Institute of Food Science and Technology Limited is in accordance with the Corporations Act 2001, including:-

- i. giving a true and fair view of the Company's financial position as at 31st December 2014 and of its performance for the year then ended on that date; and
- ii. complying with Australian Accounting Standards and the Corporations Regulations 2001.

ALTUS FINANCIAL



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Mr Rex L Miller, Consultant  
Registered Company Auditor  
Registration No 4182

Signed at Sydney on the 30th day of April 2015.

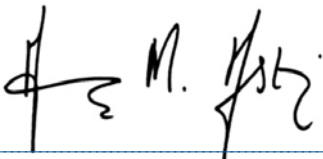
**THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED**  
**A.B.N. 15 602 767 019**  
**DIRECTORS' DECLARATION**

---

In accordance with a resolution of the directors of The Australian Institute of Food Science and Technology Limited, the directors declare that:

1. The financial report and notes as set out on pages 10 to 28 are in accordance with the Corporations Act 2001 and:-
  - a. comply with Australian Accounting Standards and
  - b. gives a true and fair view of the financial position of the Company as at 31st December 2014 and of its performance for the year ended on that date
2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due

This Declaration is made in accordance with a resolution of the Board of Directors:



---

Signed Dr Anne Astin PSM (Chair)

Signed at Sydney on the 28th day of April 2015.

**THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED**  
**A.B.N. 15 602 767 019**  
**COMPREHENSIVE INCOME STATEMENT for the year ended 31st December 2014**

	NOTE	2014 \$	2013 \$
Revenues	2	1,665,749	1,382,053
Office expenses		(148,628)	(180,817)
Convention, conference, workshop and publication expenses		(741,901)	(548,809)
Branch expenses		(8,016)	(10,679)
Branch meeting expenses		(126,017)	(82,936)
Employee expenses		(320,365)	(386,451)
Administration expenses		(293,553)	(230,802)
Surplus (Deficiency) before income tax	3	28,079	(58,441)
Income tax expense	1	-	-
Surplus (Deficiency) for the year		28,079	(58,441)
Other comprehensive income after income tax		-	-
Total comprehensive surplus (deficiency) for the year		28,079	(58,441)
Total comprehensive surplus (deficiency) attributable to members of the Company		28,079	(58,441)

*The accompanying notes form an integral part of these accounts*



**THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED**  
**A.B.N. 15 602 767 019**  
**STATEMENT OF FINANCIAL POSITION as at 31st December 2014**

	NOTE	2014 \$	2013 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	711,042	580,476
Trade and other receivables	6	67,581	77,218
Inventories	7	18,871	21,312
Other current assets	8	17,104	29,554
<b>TOTAL CURRENT ASSETS</b>		<b>814,598</b>	<b>708,560</b>
<b>NON-CURRENT ASSETS</b>			
Plant and Equipment	9	37,978	54,114
<b>TOTAL NON-CURRENT ASSETS</b>		<b>37,978</b>	<b>54,114</b>
<b>TOTAL ASSETS</b>		<b>852,576</b>	<b>762,674</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	109,353	30,741
Employee provisions	11	72,969	76,790
Other current liabilities	12	208,950	221,918
<b>TOTAL CURRENT LIABILITIES</b>		<b>391,272</b>	<b>329,449</b>
<b>TOTAL LIABILITIES</b>		<b>391,272</b>	<b>329,449</b>
<b>NET ASSETS</b>		<b>461,304</b>	<b>433,225</b>
<b>MEMBERS' FUNDS</b>			
Accumulated Surplus		461,304	433,225
<b>TOTAL EQUITY</b>		<b>461,304</b>	<b>433,225</b>

*The accompanying notes form an integral part of these accounts*

**THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED**  
**A.B.N. 15 602 767 019**  
**STATEMENT OF CHANGES IN EQUITY for the year ended 31st December 2014**

	Accumulated Surplus \$	Total \$
Balance at 1 January 2013	491,666	491,666
Deficiency attributable to members	(58,441)	(58,441)
Other comprehensive income for the year	-	-
Balance at 31 December 2013	433,225	433,225
Surplus attributable to members	28,079	28,079
Other comprehensive income for the year	-	-
Balance at 31 December 2014	461,304	461,304

*The accompanying notes form an integral part of these accounts*

**THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED**  
**A.B.N. 15 602 767 019**  
**STATEMENT OF CASH FLOWS for the year ended 31st December 2014**

	NOTE	2014 \$	2013 \$
Cash flows from operating activities			
Receipts from members re membership fees		386,948	411,921
Receipts from members/ customers re all other activities		1,259,334	880,782
Interest received		16,136	24,944
Payments to suppliers and employees		(1,531,607)	(1,438,644)
Net cash provided by (used in) operating activities	18	130,811	(120,997)
Cash flows from investing activities			
Payments for purchase of plant & equipment		(245)	(38,414)
Net cash provided by (used in) investing activities		(245)	(38,414)
Net increase/(decrease) in cash held		130,566	(159,411)
Cash at the beginning of the financial year		580,476	739,887
Cash at the end of the financial year	18	711,042	580,476

*The accompanying notes form an integral part of these accounts*

## THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED A.B.N. 15 602 767 019 NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2014

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The financial statements cover the Australian Institute of Food Science and Technology Limited as an individual entity, incorporated and domiciled in Australia. The Australian Institute of Food Science and Technology Limited is a Company limited by guarantee.

The financial statements were authorised for issue on 28th April 2015 by the directors of the Company.

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with The Corporations Act 2001 and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The Company is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

#### Accounting Policies

##### (a) Income Tax

No provision for income tax has been raised as the Company is exempt from income tax by virtue of Section 50-B of the Income Tax Assessment Act, 1997.

##### (b) Inventories

Inventories are measured at the lower of cost or net realisable value. Costs are assigned on a specific identification basis and include direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenses.

##### (c) Plant and Equipment

Plant and equipment are carried at cost or fair value as indicated less where applicable accumulated depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount of those assets. The recoverable amount is assessed on the basis of expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining the recoverable amounts.

The depreciable amount of all fixed assets are depreciated on a diminishing value basis over the useful lives of the assets to the Company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable asset are:

Computers and Peripherals	33% Diminishing Value
Office Furniture and Equipment	13% Diminishing Value

**THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED**  
**A.B.N. 15 602 767 019**  
**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2014**

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The assets residual values and useful lives are reviewed and adjusted if appropriate at each balance 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 proceeds with the carrying amount. These gains or losses are included in the comprehensive income statement.

**(d) Leases**

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the Company are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amount equal to the fair value of the leased asset or the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the Company will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expenses for the period.

Lease payments for operating leases where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

**(e) Impairment of Assets**

At each reporting date the Company reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the comprehensive income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the Association estimates the recoverable amount of the cash generating unit to which the asset belongs.

**(f) Employee Benefits**

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Contributions are made by the Company to an employee superannuation fund and are charged as expenses when incurred.

**(g) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.

## THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED A.B.N. 15 602 767 019 NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2014

---

### (h) Revenue

#### *Membership fees*

The Company's membership subscription year runs from 1st January to 31st December. Subscriptions are payable annually in advance. Only those membership fees which are attributable to the current financial year are recognised as revenue. Fees relating to periods beyond the current financial year are shown as part of other current liabilities in the Balance Sheet under the heading Income in Advance.

Revenue from the sale of goods is recognized at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Revenue from the rendering of a service is recognized at the point of delivery of the service to the customers.

Interest revenue is recognized using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

All revenue is stated net of the amount of Goods and Services Tax (GST).

#### (i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. Receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from or payable to the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented in the cash flow statement on a gross basis. The GST components of cash flows arising from investing activities are disclosed as operating cash flows included in receipts from customers or payments to suppliers.

#### (j) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation in the current year.

#### (k) Conferences and Seminars

Income received and expenses incurred in respect of conferences and seminars are accumulated in respect of each identifiable conference and seminar. This income and expenditure is carried forward and brought to account against surplus in the year in which the respective conference and/or seminar is held. Income relating to periods beyond the current financial year are shown as part of other current liabilities in the Balance Sheet under the heading Income in Advance whilst Expenses are shown as part of other current assets in the Balance Sheet under the heading Prepaid Expenses.

#### (l) Trade and Other Receivables

Trade and other receivables include amounts due from members as well as amounts receivable from customers for goods or services sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

**THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED**  
**A.B.N. 15 602 767 019**  
**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2014**

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(m) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Company during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(n) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(o) Relocation Costs – Julius Avenue

Relocation Costs incurred to move to Julius Avenue in 2012 have been deferred to future years. The costs are to be amortised over the unexpired period of the lease i.e. 3 years commencing 2012.

# NOTES TO FINANCIAL STATEMENTS

**THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED**  
**A.B.N. 15 602 767 019**  
**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2014**

	2014 \$	2013 \$
<b>2. REVENUE</b>		
Advertising and displays	197,166	10,129
Conference & publications income	786,195	681,591
Meetings and seminars income	213,621	178,024
Interest income	16,136	24,944
Membership fee income	397,503	423,185
Book sales	13,097	15,922
Subscriptions	24,187	27,234
Sundry income	5,844	9,024
Secretariat income	12,000	12,000
	<b>1,665,749</b>	<b>1,382,053</b>

<b>3. SURPLUS (DEFICIENCY)</b>		
Expenses		
<b>Auditors Remuneration</b>		
Auditing or reviewing the Financial Report	16,500	16,500
Taxation Services	900	1,750
<b>Depreciation</b>		
Plant and equipment	16,381	25,474
Operating Leases	62,083	84,280
<b>Significant Revenue and Expenses</b>		
The following significant revenue and expenses are relevant in explaining the financial performance:		
Rewrite of Constitution	-	10,500
Introduction of CPD Program	-	23,978



**THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED**  
**A.B.N. 15 602 767 019**  
**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2014**

	2014 \$	2013 \$
<b>4. KEY MANAGEMENT PERSONNEL COMPENSATION</b>		
The totals of remuneration paid to Key Management Personnel (KMP) of the Association during the year are as follows:-		
Short term employee benefits	143,310	143,466
Post employment benefits	-	-
	143,310	143,466

<b>5. CASH AND CASH EQUIVALENTS</b>		
Cash at Bank and on Deposit	711,033	580,122
Cash on Hand	9	354
	711,042	580,476
The effective interest rate on short term bank deposits was 2.5% (2013: 3.8%). Those deposits have an average maturity of 120 days		

<b>6. TRADE AND OTHER RECEIVABLES</b>		
Trade Debtors	67,581	77,218
Less provision for impairment	-	-
	67,581	77,218

Current trade debtors are generally receivable in 60 days. As at 23rd March 2015 only \$5,851 remained unpaid and thus no provision for impairment was required.

The Company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties.

No collateral is held as security for any of the trade and other receivables balances.

<b>7. INVENTORIES</b>		
Finished Goods		
books at cost	18,871	21,312

# NOTES TO FINANCIAL STATEMENTS

**THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED**  
**A.B.N. 15 602 767 019**  
**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2014**

	2014 \$	2013 \$
<b>8. OTHER ASSETS</b>		
Prepaid expenses – All others	686	686
Security Deposits	16,418	16,418
Relocation Costs – Julius Avenue	-	12,450
	17,104	29,554

<b>9. PLANT AND EQUIPMENT</b>		
Computers & Peripherals, at cost	92,802	92,802
Less Accumulated Depreciation	(59,598)	43,575
	33,204	49,227
Office Furniture and Equipment, at cost	22,268	22,023
Less Accumulated Depreciation	(17,494)	17,136
	4,774	4,887
	37,978	54,114

**(a) Movements in Carrying Amounts**

Movements in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year

	Balance at 1 January 2013	Additions	Depreciation	Disposals	Balance at 31 December 2013
Computers & Peripherals	36,374	34,775	(18,700)	(3,222)	49,227
Office Furniture & Equipment	4,800	3,639	(730)	(2,822)	4,887
	41,174	38,414	(19,430)	(6,044)	54,114

**THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED**  
**A.B.N. 15 602 767 019**  
**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2014**

	Balance at 1 January 2014	Additions	Depreciation	Disposals	Balance at 31 December 2014
Computers & Peripherals	49,227	-	(16,023)	-	33,204
Office Furniture & Equipment	4,887	245	(358)	-	4,774
	54,114	245	(16,381)	-	37,978

	2014 \$	2013 \$
<b>10. TRADE AND OTHER PAYABLES</b>		
Trade Creditors	35,739	18,898
Accruals	74,726	13,004
Amounts held in trust		
- GST Payable	(1,112)	(1,161)
	109,353	30,741

The current trade creditors are normally paid within 60 days of recognition of the liability.

No collateral has been pledged for any of the trade and other payable balances.

<b>11. EMPLOYEE PROVISIONS</b>		
<b>CURRENT</b>		
Annual Leave	13,369	17,596
Long Service Leave	59,600	59,194
	72,969	76,790
Number of employees at year end	4	5

These provisions include the total amount accrued for annual leave and long service leave that have vested due to employees having completed the required period of service. Based upon past experience the company does not expect the full amount to be settled in the next 12 months.

<b>12. OTHER LIABILITIES</b>		
Income in Advance – Memberships	197,105	207,660
Income in Advance – Food Australia Subscriptions	11,845	14,258
	208,950	221,918

# NOTES TO FINANCIAL STATEMENTS

**THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED**  
**A.B.N. 15 602 767 019**  
**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2014**

	2014 \$	2013 \$
<b>13. DIRECTORS' REMUNERATION</b>		
Aggregate income received or due and receivable by Directors from the Company or any related entity	-	-
Amounts paid to superannuation funds and Directors in respect of the Directors' retirement	-	-
<b>14. RELATED PARTY INFORMATION</b>		
Directors		
The Directors named in the attached Directors' report each held office as a Director of the Company during the year ended 31st December 2014.		
<b>15. CAPITAL AND LEASING COMMITMENTS</b>		
Operating Leases		
Non-cancellable operating leases of premises etc contracted for but not capitalised in the accounts:		
Payable – minimum lease payments		
- not later than one year	38,940	69,360
- later than one year but not later than two years	8,550	38,940
- later than two years but not later than 5 years	-	8,550
	47,490	116,850
The property lease is a non-cancellable lease with a three year term, with rent payable in advance. The lease expires in 26th June 2015.		
<b>16. SEGMENT REPORTING</b>		
The Company promotes the standing, usefulness and welfare of the profession of food science and technology and dissemination of useful information relating to food science and technology in Australia.		

**THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED**  
**A.B.N. 15 602 767 019**  
**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2014**

	2014 \$	2013 \$
<b>17. COMPANY DETAILS</b>		
The registered office and place of business of the Company is:-		
T06 The Village 3 Julius Avenue NORTH RYDE NSW 2113		
<b>18. CASH FLOW INFORMATION</b>		
(a) Reconciliation Of Cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the balance sheet as follows:-		
Cash and cash equivalents	711,042	580,476
	711,042	580,476
(b) Reconciliation of net cash provided by (used in) operating activities to operating surplus after tax:		
Surplus (Deficiency) after tax	28,079	(58,441)
Non cash flows in surplus:		
Depreciation	16,381	25,474
Loss on sale	-	-
Changes in assets and liabilities:		
(Increase) decrease in trade and other receivables	9,637	(50,539)
(Increase) decrease in inventories	2,441	809
(Increase) decrease other current assets	12,450	12,700
(Decrease) increase in trade and other payables	78,612	(36,628)
(Decrease) increase in employee provisions	(3,821)	(505)
(Decrease) increase in other current liabilities	(12,968)	(13,867)
Net cash provided by (used in) operating activities	130,811	(120,997)
The Company has no credit stand-by or financing facilities in place. There were no cash financing or investing activities during the year.		

# NOTES TO FINANCIAL STATEMENTS

## THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED A.B.N. 15 602 767 019 NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2014

### 19. FINANCIAL RISK MANAGEMENT

The Company's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

The total for each category of financial instruments measured in accordance with AASB 139 as defined in the accounting policies to these financial statements are as follows:-

	Note	2014 \$	2013 \$
Financial Assets			
Cash and cash equivalents	5	711,042	580,476
Trade and other receivables	6	67,581	77,218
Total Financial Assets		778,623	657,694
Financial Liabilities			
Trade and sundry payables	10	109,353	30,741
Total Financial Liabilities		109,353	30,741

All trade and sundry payables are expected to be paid within 6 months.

#### a. Financial Risk Management Policies

The Company does not have any derivative instruments at 31st December 2014.

##### (i) Treasury Risk Management

Directors meet on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The Directors overall risk management strategy seeks to assist the Company in meeting its financial targets, whilst minimizing potential adverse effects on financial performance.

The Directors operate under policies approved by the Board. Risk management policies are approved and reviewed by the Board on a regular basis. These include the use of credit risk policies and future cash flow requirements.

**THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED**  
**A.B.N. 15 602 767 019**  
**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2014**

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*(ii) Specific Risk Exposures and Management*

The main risks the Company is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

**Interest Rate Risk:**

Interest rate risk is managed by the Company's policy of not borrowing.

**Foreign Currency Risk:**

The Company is not exposed to fluctuations in foreign currencies.

**Liquidity Risk:**

The Company manages liquidity risk by monitoring forecast cash flows and maintaining adequate accumulated surpluses.

**Credit Risk:**

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognized financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

There are no material amounts of collateral held as security at 31st December 2014.

Credit risk is managed and reviewed regularly by the Directors. It arises from exposures to customers and deposits with financial institutions.

The Directors monitor credit risk by actively assessing the rating quality and liquidity of counter parties:

- only banks and financial institutions with an "A" rating are utilised;
- all potential members are rated for credit worthiness taking into account their particular circumstance and financial standing;
- and
- customers that do not meet the Company's strict credit policies may only purchase in cash or using recognized credit cards.

At year end the Company does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Company.

**Price Risk:**

The Company is not exposed to any material commodity price risk.

The trade receivables balances at 31st December 2014 and 31st December 2013 do not include any counterparties with external credit ratings. Customers are assessed for credit worthiness using the criteria detailed above.

# NOTES TO FINANCIAL STATEMENTS

## THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED A.B.N. 15 602 767 019 NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2014

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### 20. CAPITAL MANAGEMENT

Directors control the capital of the entity to ensure that adequate cash flows are generated to fund its operations and that returns from investments are maximized. The Directors ensure that the overall risk management strategy is in line with this objective.

Directors operate under policies approved by the Board. Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements.

The Company's capital consists of total equity.

Directors effectively manages the entity's capital by assessing the entity's financial risks and responding to changes in these risks and in the market. These responses may include consideration of debt levels.

There have been no changes to the strategy adopted by directors to control the capital of the Company since the previous year. The strategy of the Company is to maintain no gearing.

	2014 \$	2013 \$
Total equity (reserves plus retained earnings)	461,304	433,225
Total capital	461,304	433,225



**THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED**  
**A.B.N. 15 602 767 019**  
**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2014**

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## **21. MEMBERS' GUARANTEE**

The Company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$1 each towards meeting any outstanding obligations of the Company. At 31 December 2014, the number of members was 1,904.

## **22. CHANGE IN LEGAL STATUS**

On the 21st October 2014 at an extraordinary general meeting of members it was resolved that the Association be authorised to make an application for transfer of registration of the Association to the Corporations Act 2001.

On the 6th November 2014 the NSW Department of Fair Trading approved the transfer of registration of the Association to a company or cooperative under Section 78 of the Associations Incorporations Act 2009.

On the 17th November 2014 the Association was registered by the Australian Securities and Investments Commission as a company limited by guarantee.

The financial report as prepared represents the combination of both the Association's results up until the 17th November 2014 and the Company's results from the 17th November 2014 to the 31st December 2014.

The comparatives represent those of the Association last year.

The financial report has been prepared in this manner:-

- to allow users to make and evaluate decisions;
- to assist directors to discharge their obligations appropriately;
- to provide information that is relevant to assessing performance, financial position, financing and investment;
- to provide information that is relevant and reliable;
- to allow comparability and to provide information that is readily understandable.

8 Kids

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