

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

**FINANCIAL REPORT  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

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**THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED A.B.N. 15 602 767 019**  
**DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2022**

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Your directors present their report on the Company for the year ended 31<sup>st</sup> December 2022.

**DIRECTORS**

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

Suzanne Allen  
Julie Cox  
John Kavanagh  
Sandra Loader (resigned 25 May 2022)  
Deon Mahoney  
Duncan McDonald (President and Chair of the Board) (reappointed to the board 25 May 2022;  
reappointed as Chair 04 July 2022)  
Bronwyn Powell  
Michael Depalo (appointed 25 May 2022)

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.

**COMPANY SECRETARY**

The following person held the position of Company Secretary during the financial year:

Fiona Fleming

**OPERATING RESULTS**

The surplus of the Company for the year ended 31 December 2022 was \$86,031, which compares with a surplus of \$115,219 for the year ended 31 December 2021, part of the decrease being due to the prior year surplus including Government Stimulus and Cash Flow Boost amounting to \$84,001.

No provision for income tax has been made in the accounts as the Company is exempt from income tax on member income pursuant to mutuality principle.

The reported surplus of \$86,031 in 2022 represents a decrease of \$29,188 during the financial year.

**PRINCIPAL ACTIVITY**

The principal activity of the Institute during the financial year was to advance and inspire all food sector professionals through education, collaboration, and recognition to champion a robust, innovative science based Australian food industry to meet future food needs.

No significant changes in those activities occurred during the year.

### **STRATEGIC PRIORITIES**

In 2022, the AIFST continued to unite food industry professionals in the science of feeding our future by focusing on four key strategic priorities (long term objectives):

- **Grow** – personal development, mentoring and peer recognition to grow the next generation of food scientists and technologists.
- **Learn** – learn and share knowledge about food systems, advances in food science and technology. Promote Continuing Professional Development (CPD) for all members.
- **Connect** – connecting like-minded members with industry networks; leveraging relationships and enabling collaboration that is relevant and engaging.
- **Champion** – the leading voice for food science and food scientists within industry, academia, government, and key opinion leaders, to grow respect and recognition for the profession.

The short-term priorities for 2022, as set out in the Strategic Plan were:

- Broaden membership scope and strengthen engagement
- Diversify AIFST revenue streams to ensure greater financial stability
- Develop education and career pathway products and services
- Strengthen school and tertiary relationships to influence education curriculums to build a food science pipeline
- Build strategic partnerships for scale and long-term viability, and
- Communicate the role and importance of food science professionals in feeding Australians in the future.

Key activities in 2022 are set out in the Chief Executive Officers report, in the 2022 AIFST Annual Report.

**THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED A.B.N. 15 602 767 019  
DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2022**

**KEY PERFORMANCE MEASURES**

The Institute measures its performance using both quantitative and qualitative benchmarks.

These benchmarks are used by the directors to assess the financial sustainability of the Company.

<b>Key Performance Measure</b>	<b>Description</b>	<b>Outcome 2022</b>	<b>Outcome 2021</b>
Financial	Deliver budget surplus	\$86,031	\$115,219
Membership	Membership numbers	1,566 (10% increase)	1,422
	Member Survey	91% strongly agree/agree that AIFST is a relevant organisation and 84% were very satisfied or satisfied with their membership.	No survey
Member Services	Event registrations	6,181	7,627
	Member & Industry – number of events	60	59
	Mentoring Program - total participants in the mentoring program	92	88
	Continuing Professional Development (CPD) – hours delivered	118.5	107
	Consultants Register – number of consultants	44	41
Key Events [1]	Summer School registrations (Feb2022)	64 (virtual)	100 (virtual)
	NZOZ Sensory & Consumer Science Symposium (Feb 2022)	116	-
	Food Microbiology Conference (April 2022)	120 (face to face)	112 (virtual)
	Annual Convention registrations	420 (face to face)	299 (virtual)
Communication	<i>food australia</i> journal	4 issues	4 issues
	Bitesize - member only e-newsletter	12	12
	FoodTech Bites – member only technical newsletter	11	11
	AIFST website	240,000 pageviews over 12 months	

[1] – the registration numbers are included in the total event registration numbers for 2022.

### INFORMATION ON DIRECTORS

<b>DUNCAN MCDONALD</b> Non-Executive Director B. App.Sc (Food Technology), MBA, FAIFST, GAICD	<b>DEON MAHONEY</b> Non-Executive Director Dip.App.Sc., Dip.Agr. Micro., M.Sc. Agr, FAIFST
<b>SUZANNE ALLEN</b> Non-Executive Director BSc, MACogSci, MBA, Grad Cert Gastronomy, GAICD, MAIFST	<b>JOHN KAVANAGH</b> Non-Executive Director BEc, CA, MAICD, Member of AIFST
<b>JULIE COX</b> Non-Executive Director BSc. LLB (Hons), GAICD, MAIFST	<b>BRONWYN POWELL</b> Non-Executive Director B. Com, GAICD, CPM, Member of AIFST
<b>MICHAEL DEPALO</b> Non-Executive Director B. App.Sc (Biotech), PhD, FAIFST	

### MEETINGS OF DIRECTORS

During the financial year, nine (9) meetings of directors were held. Attendances by each director were as follows:

Directors Meeting		
Director	Number eligible to attend	Number attended
Duncan McDonald	9	9
Sandra Loader	5	5
Deon Mahoney	9	8
John Kavanagh	9	8
Suzanne Allen	9	9
Julie Cox	9	8
Bronwyn Powell	9	8
Michael Depalo	4	4

### BOARD COMMITTEES

The AIFST board has two Sub-Committees – Finance, Audit and Risk and Nomination and Remuneration. These Board Committees met on a regular basis throughout the year to support the implementation of the Strategic Plan and deliver against the corporate governance standing of the Institute. As at year end 2022 these Committees consisted of the following members:

Board Sub-Committee	Committee Members
Nomination and Remuneration Committee	Deon Mahoney (Chair) Suzanne Allen Bronwyn Powell
Finance, Audit and Risk Committee	John Kavanagh (Chair) Duncan McDonald Julie Cox Michael Depalo

**THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED A.B.N. 15 602 767 019**  
**DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2022**

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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 31 December 2022, the total amount that members of the Company are liable to contribute if the Company is wound up is \$1,566 (2021: \$1,422).

**AUDITOR'S INDEPENDENCE DECLARATION**

The lead auditor's independence declaration for the year ended 31<sup>st</sup> December 2022 has been received and can be found on page 7 of the financial report.

Signed in accordance with a resolution of the directors.

A handwritten signature in dark ink, appearing to read 'Duncan', with a stylized flourish extending to the right.

Duncan McDonald  
Chair of the Board

Signed at Sydney on 14 April 2023

**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**

We declare that, to the best of our knowledge and belief, during the year ended 31<sup>st</sup> December 2022 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.



**Walker Wayland NSW**  
**Chartered Accountants**



**Wali Aziz**  
**Partner**

Dated this 14 April 2023 Sydney

**THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED A.B.N. 15 602 767 019**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

	NOTES	2022 \$	2021 \$
Revenues from continued operations	2	860,598	605,007
Government stimulus (JobKeeper and Cash Flow Boost)		-	84,001
Total revenue		<u>860,598</u>	<u>689,008</u>
Employee expenses & contractor costs		(411,527)	(371,862)
Convention, symposium, and member event expenses		(202,997)	(87,872)
Administration expenses		(97,266)	(56,729)
Publication expenses		(57,006)	(49,923)
Office expenses		(5,771)	(7,403)
Total expenses		<u>(774,567)</u>	<u>(573,789)</u>
Surplus before income tax		86,031	115,219
Income tax expense	1b	<u>-</u>	<u>-</u>
Surplus for the year		<u>86,031</u>	<u>115,219</u>
Total comprehensive income for the year		<u>86,031</u>	<u>115,219</u>
Total comprehensive income attributable to members of the Company		<u>86,031</u>	<u>115,219</u>

The accompanying notes from 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 31<sup>st</sup> DECEMBER 2022**

	NOTE	2022 \$	2021 \$
CURRENT ASSETS			
Cash and cash equivalents	5	412,380	297,707
Trade and other receivables	6	1,546	6,005
Other assets	7	27,836	10,262
TOTAL CURRENT ASSETS		<u>441,762</u>	<u>313,974</u>
TOTAL ASSETS		<u>441,762</u>	<u>313,974</u>
CURRENT LIABILITIES			
Trade and other payables	8	27,159	23,523
Employee provisions	9	44,017	35,641
Other liabilities	10	204,172	174,354
TOTAL CURRENT LIABILITIES		<u>275,348</u>	<u>233,518</u>
TOTAL LIABILITIES		<u>275,348</u>	<u>233,518</u>
NET ASSETS		<u>166,414</u>	<u>80,456</u>
MEMBERS' FUNDS			
Members' reserve	(i)	-	159,343
Accumulated surplus (deficiency)		166,414	(78,887)
TOTAL MEMBERS' FUNDS		<u>166,414</u>	<u>80,456</u>

(i) The unrestricted members reserve was transferred to accumulated surplus out at 31 December 2022

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 31<sup>st</sup> DECEMBER 2022**

	<b>Members' Reserve \$</b>	<b>Accumulated Surpluses \$</b>	<b>Total \$</b>
<b>Balance at 1 January 2021</b>	159,343	(194,106)	(34,763)
Surplus attributable to members	-	115,219	115,219
Other comprehensive income for the year	-	-	-
<b>Balance at 31 December 2021</b>	159,343	(78,887)	80,456
Surplus attributable to members	-	86,031	86,031
Transfers	(159,343)	159,343	-
Other	-	(73)	(73)
<b>Balance at 31 December 2022</b>	-	166,414	166,414

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 31<sup>st</sup> DECEMBER 2022**

	NOTE	2022 \$	2021 \$
<b>Cash flows from operating activities</b>			
Receipts from members and customers re membership fees and all other activities		950,898	675,661
Government stimulus (JobKeeper and Cash Flow Boost)		-	84,001
Interest received		199	6
Payments to suppliers and employees		<u>(836,351)</u>	<u>(719,347)</u>
<b>Net cash provided by operating activities</b>	16b	<u>114,746</u>	<u>40,321</u>
<b>Cash flows from financing activities</b>			
Other		<u>(73)</u>	<u>-</u>
<b>Net cash used in financing activities</b>		<u>(73)</u>	<u>-</u>
<b>Net increase in cash held</b>		114,673	40,321
<b>Cash at the beginning of the financial year</b>		<u>297,707</u>	<u>257,386</u>
<b>Cash at the end of the financial year</b>	16a	<u>412,380</u>	<u>297,707</u>

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 31<sup>st</sup> DECEMBER 2022**

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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.

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **Basis of Preparation**

The Australian Institute of Food and Science Technology Limited, hereafter referred to as AIFST or the 'Company', applies Australian Accounting Standards – Simplified Disclosure Requirements.

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

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

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.

The financial statements were authorised for issue on the date of signing by the Directors of the Company.

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

### **Accounting Policies**

#### **a. AIFST Board Review - Going Concern**

The Company has derived a net surplus after tax for the year ended 31 December 2022 of \$86,031 (2021: \$115,219) and has generated a net cash inflow from operating activities of \$114,746 (2021: \$40,321). As at 31 December 2022, the Company had a net asset position of \$166,414 (2021: \$80,456). The Company has cash assets of \$412,380 as at 31 December 2022 (2021: \$297,707). Other liabilities including deferred income in advance of \$204,172 as at 31 December 2022 (2021: \$174,354).

These notes form part of the financial statements.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)**

**Accounting Policies (cont.)**

**a. AIFST Board Review - Going Concern (con.t)**

Based on the current available information, the Directors believe that the Company will be successful in the ongoing execution of its business plan and the achievement of forecasts and be able to realise its assets and settle its liabilities as and when they fall due and satisfy its commitments in the normal course of business and at the amounts stated in the financial report.

Accordingly, the financial report has been prepared on a going concern basis.

Management have prepared operational forecasts and budgets for the next 12 months for the Company, which are expected to be met by the Directors.

No adjustments have been made to the recoverability and classification of recorded asset values and the amount and classification of liabilities that might be necessary should the Company not continue as going concern.

**b. 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.

**c. 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.

These notes form part of the financial statements

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

### Accounting Policies (cont.)

#### d. 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 Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

#### e. 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.

#### f. 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.

#### g. Revenue

##### Membership fees

The Company's membership subscription year runs for the 12 months from date of purchase. 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 Statement of Financial Position under the heading Other liabilities - Income in Advance - Memberships.

These notes form part of the financial statements.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

### Accounting Policies (cont.)

#### g. Revenue (cont.)

Revenue from the sale of goods is recognised 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 recognised at the point of delivery of the service to the customers.

Interest revenue is recognised 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).

#### h. 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 (ATO).

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.

#### i. Comparative Figures

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

#### j. Conventions, Symposiums and Member Events

Income received, and expenses incurred in respect of conventions, symposiums and member events are accumulated in respect of each identifiable convention, symposium and member event. This income and expenditure is carried forward and brought to account against surplus in the year in which the respective convention, symposium and member event is held. Income relating to periods beyond the current financial year are shown as part of other current liabilities in the Statement of Financial Position under the heading Income in Advance whilst expenses are shown as part of other current assets in the Statement of Financial Position under the heading Prepaid Expenses.

These notes form part of the financial statements.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

### Accounting Policies (cont.)

#### k. 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.

#### l. 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.

#### m. 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.

#### n. New Accounting Standards for Application in Future Periods

The Company has adopted all mandatory new accounting standards during the period. There was no impact to the financial statements as a result of new accounting standards.

A number of new standards, amendments to standards and interpretations have been published but are not yet mandatory and have not been applied in preparing these financial statements. Those which may be relevant to the Company are set out below.

#### ***AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Entities***

The Australian Accounting Standards Board (AASB) has issued an amending standard that removes the ability of certain for-profit private entities to prepare special purpose financial statements (SPFS). Large proprietary companies that are required to prepare financial reports under Chapter 2M of the Corporations Act 2001 will be required to prepare general purpose financial statements (GPFS). The AASB also issued a new simplified disclosure standard, AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit entities that replaces the reduced disclosure requirements (RDR) framework. The new Standards will become effective for financial periods commencing on or after 1 July 2021. No material impacts have occurred in this financial report.

These notes form part of the 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 31<sup>ST</sup> DECEMBER 2022**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>2. REVENUE FROM CONTINUING OPERATIONS</b>		
Convention, symposium, and member event income	448,294	211,002
Membership fee income	306,555	300,336
Publication income	49,921	50,937
Projects	24,800	23,750
Grant	20,000	-
Advertising and displays	4,004	10,624
Subscriptions	6,825	8,352
Interest income	199	6
	<u>860,598</u>	<u>605,007</u>

**3. SURPLUS**

**(a) Expenses**

Auditor's remuneration		
Auditing or reviewing the financial report	<u>10,000</u>	<u>9,340</u>

**4. KEY MANAGEMENT PERSONNEL COMPENSATION**

The totals of remuneration paid to Key Management Personnel (KMP) of the Institute during the year are as follows:

Short term employee benefits	118,691	115,135
Post-employment benefits	<u>12,082</u>	<u>11,153</u>
	<u>130,773</u>	<u>126,288</u>

**5. CASH AND CASH EQUIVALENTS**

Cash at bank	<u>412,380</u>	<u>297,707</u>
	<u>412,380</u>	<u>297,707</u>

**6. TRADE AND OTHER RECEIVABLES**

Trade debtors	<u>1,546</u>	<u>6,005</u>
	<u>1,546</u>	<u>6,005</u>

These notes form part of the financial statements.

**6. TRADE AND OTHER RECEIVABLES (CONT.)**

Current trade debtors are generally receivable in 14 days. 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>2022</b>	<b>2021</b>
	\$	\$

**7. OTHER ASSETS**

Prepaid expenses – Other prepayments	27,836	10,262
	27,836	10,262
	27,836	10,262

**8. TRADE AND OTHER PAYABLES**

Trade creditors	3,044	2,525
Accruals	21,732	18,931
Net GST payable	2,383	2,067
	27,159	23,523
	27,159	23,523

i. The current trade creditors are normally paid within 30 days of recognition of the liability.

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

**9. EMPLOYEE PROVISIONS**

**CURRENT**

Annual Leave	44,017	35,641
	44,017	35,641
	44,017	35,641

These provisions include the total amount accrued for annual 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.

These notes form part of the 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 31<sup>st</sup> DECEMBER 2022**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>10. OTHER LIABILITIES</b>		
Income in Advance – Memberships	104,781	92,965
Income in Advance – Convention	50,000	500
Income in Advance – Projects	22,500	-
Income in Advance – Food Australia subscriptions	6,141	18,277
Income in Advance – Other	20,750	62,612
	<u>204,172</u>	<u>174,354</u>

**11. RELATED PARTY INFORMATION**

**Directors’ AIFST Board Review**

The Directors named in the attached Directors’ report each held office as a Director of the Company during the year ended 31<sup>st</sup> December 2022. The Company holds a Director Conflict of Interest register on file and advises that all Directors are members of the Company.

The following Directors also hold related party relationships with organisations that deliver joint initiatives and programs with the Company:

**Transactions with Related Parties**

AIFST received income from FIAL for marketing and advertising in the *food Australia* journal, in addition to partnership at the AIFST Convention.

AIFST received income from CSIRO for Convention Registrations.

AIFST received income from AFGC for Convention Registration.

The above 2021 transactions were carried out on arm’s length terms and conditions.

There were no 2022 related party transactions.

**12. CAPITAL AND LEASING COMMITMENTS**

The Company has no formal lease obligations.

**13. SEGMENT REPORTING**

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. This is conducted as a single segment.

These notes form part of the financial statements.

#### 14. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

At 31 December 2022, AIFST had no contingent liabilities or contingent assets.

#### 15. COMPANY DETAILS

The registered place of business of the Company is conducted virtually as all employees work from home.

The registered office of the Company is:

Level 11, Suite 11.01  
 60 Castlereagh Street  
 SYDNEY, NSW 2000

	2022	2021
	\$	\$

#### 16. CASH FLOW INFORMATION

##### (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 Statement of Financial Position as follows:

Cash and cash equivalents	412,380	297,707
	412,380	297,707

##### (b) Reconciliation of net cash provided by operating activities to operating surplus after tax:

Surplus after tax	86,031	115,219
Changes in assets and liabilities:		
Decrease in trade and other receivables	4,459	10,160
(Increase) / decrease in other current assets	(17,574)	15,006
Increase / (decrease) in trade and other payables	3,636	(68,099)
Increase in employee provisions	8,376	7,851
Increase / (decrease) in other current liabilities	29,818	(39,816)
Net cash provided by operating activities	114,746	40,321

(c) The Company has no credit stand-by or financing facilities in place.

(d) There were no investing activities during the year.

These notes form part of the financial statements

## 17. 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:

	Notes	2022 \$	2021 \$
<b>Financial Assets</b>			
Cash and cash equivalents	5	412,380	297,707
Trade and other receivables	6	1,546	6,005
<b>Total Financial Assets</b>		<u>413,926</u>	<u>303,712</u>
<b>Financial Liabilities</b>			
Trade and other payables	8	27,159	23,523
<b>Total Financial Liabilities</b>		<u>27,159</u>	<u>23,523</u>

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

### Financial Risk Management Policies

The Company does not have any derivative instruments at 31<sup>st</sup> December 2022.

#### (i) Risk Management

Directors meet on a regular basis to analyse financial risk exposure and to evaluate risk 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 Management operate under policies approved by the Board. Risk management policies are approved and reviewed by the Board on a regular basis.

The Board and Finance, Audit and Risk Committee actively monitor the performance of budget to actuals and cash flow forecasts at its meeting in response to the challenges experienced in the 2022 fiscal period. The Board continues to undertake any necessary action to ensure the Company delivers against the expected financial performance.

The Finance, Audit and Risk Committee monitor the monthly cashflow and budget to actuals.

These notes form part of the financial statements

**17. FINANCIAL RISK MANAGEMENT (CONT.)**

**Financial Risk Management Policies (cont.)**

(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 monthly performance and cash flow forecasts and maintains adequate accumulated surpluses to cover liabilities when and as they fall due.

Credit Risk:

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

There are no material amounts of collateral held as security at 31<sup>st</sup> December 2022.

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

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.

These notes form part of the financial statements

**17. FINANCIAL RISK MANAGEMENT (CONT.)**

The trade receivables balances at 31<sup>st</sup> December 2022 do not include any counterparties with external credit ratings. Customers are assessed for credit worthiness using the criteria detailed above.

**18. 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.

Management operates 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.

**19. MEMBERS' GUARANTEE**

The Company is incorporated pursuant to 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 2022, the number of members was 1,566 (2021: 1,422).

These notes form part of the financial statements

**20. EVENTS SUBSEQUENT TO BALANCE DATE**

Subsequent to year end there are no material subsequent events that require disclosure in this financial report.

Based on the current available information, the Directors believe that the Company will be successful in the ongoing execution of its business plan and the achievement of forecasts and be able to realise its assets and settle its liabilities as and when they fall due and satisfy its commitments in the normal course of business and at the amounts stated in the financial report.

Accordingly, the financial report has been prepared on a going concern basis.



## DIRECTORS' DECLARATION

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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 8 to 24 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 31<sup>st</sup> December 2022 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:



Duncan McDonald  
Chairman

Signed at Sydney on 14 April 2023

**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED**

**Opinion**

We have audited the financial report of The Australian Institute of Food Science and Technology Limited (the Company), which comprises the statement of financial position as at 31 December 2022, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 31 December 2022 and of its performance for the year then ended; and
- (b) complying with Australian Accounting Standards – Simplified Disclosure Requirements and the *Corporations Regulations 2001*.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (Including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED**

**Emphasis of matter**

The future operations of the entity are likely to be impacted by macroeconomic pressures resulting from cost of living and inflationary pressures. Our opinion is not modified in respect of this matter.

**Other Information**

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 December 2022 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report 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 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.

In preparing the financial report, the directors are responsible for assessing the ability of the Company 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 has no realistic alternative but to do so.

**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED**

**Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian Auditing Standards 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 this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, 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 report 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 report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF THE AUSTRALIAN INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY LIMITED**

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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

A handwritten signature in black ink that reads 'Walker Wayland NSW'.

**Walker Wayland NSW  
Chartered Accountants**

A handwritten signature in black ink, appearing to be 'Wali Aziz'.

**Wali Aziz  
Partner**

Dated this 24 April 2023 Sydney