

# **The Australian Institute of Food Science & Technology Limited**

**ABN 15 602 767 019**

**Annual Report - 31 December 2023**

## **The Australian Institute of Food Science & Technology Limited**

### **Directors' report**

**31 December 2023**

The directors present their report, together with the financial statements, on The Australian Institute of Food Science & Technology Limited (the Company) for the year ended 31 December 2023.

#### **Directors**

The following persons were directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Bronwyn Jane Powell  
Julie Louise Cox  
Michael Depalo  
Gregory Scott Harper (appointed 25 May 2023)  
Marc Barnes (appointed 25 May 2023)  
Heather Gaye Haines (appointed 25 May 2023)  
Duncan McDonald (resigned 8 August 2023)  
Suzanne Allen (resigned 25 May 2023)  
John Kavanagh (resigned 25 May 2023)  
Deon Bruce Mahoney (resigned 25 May 2023)

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 2023 was \$33,484, which compares with a surplus of \$86,031 for the year ended 31 December 2022.

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 and Subdivision 50-B of the Income Tax Assessment Act 1997.

The reported surplus of \$33,484 in 2023 represents a decrease of \$52,547 during the financial year.

#### **Principal activities**

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 drivers**

In 2023, 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 Australian Institute of Food Science & Technology Limited**  
**Directors' report**  
**31 December 2023**

The short-term priorities for 2023, 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 2023 are set out in the Chief Executive Officers report, in the 2023 AIFST Annual Report.

**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.

Key Performance Measure	Description	Outcome 2023	Outcome 2022
Financial	Deliver budget surplus	\$33,484	\$86,031
Membership	Membership numbers	1,613	1,566
Member Services	Event registrations (Total)	4,797	6,181
	Member & Industry – number of events	60	60
	Mentoring Program - total participants in the mentoring program	100	92
	Continuing Professional Development (CPD) – hours delivered	114	118.5
	Consultants Register – number of consultants	46	44
Key Events [1]	Summer School registrations	57 (virtual)	64 (virtual)
	NZOZ Sensory & Consumer Science Symposium	Hosted by NZIFST	116
	Food Microbiology Conference (March 2023)	120 (face to face)	112 (face to face)
	Annual Convention registrations	450 (face to face)	420 (face to face)
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

[1] – the registration numbers are included in the total event registration numbers for 2023

**The Australian Institute of Food Science & Technology Limited**

**Directors' report**

**31 December 2023**

**Information on directors**

<b>SUZANNE ALLEN</b> (resigned 25 May 2023) Non-Executive Director BSc, MACogSci, MBA, Grad Cert Gastronomy, GAICD, MAIFST	<b>MARC BARNES</b> Non-Executive Director <b>GAICD</b>
<b>JULIE LOUISE COX</b> Non-Executive Director BSc. LLB (Hons), GAICD, MAIFST	<b>MICHAEL DEPALO</b> Non-Executive Director B. App.Sc (Biotech), PhD, FAIFST
<b>GREGORY SCOTT HARPER</b> Non-Executive Director BSc, PhD (Biochem), GDip (Tech.Manag.), FAICD, FAIFST, RTTP	<b>HEATHER GAYE HAINES</b> Non-Executive Director B.App.Sci (Med. Lab. Sci.), M.App.Sci (App. Micro. & Biotech.), PhD, Grad Dip Ed (Tert) MASM, MAIFST, AAICD
<b>JOHN KAVANAGH</b> (resigned 25 May 2023) Non-Executive Director BEc, CA, MAICD, Member of AIFST	<b>DEON BRUCE MAHONEY</b> (resigned 25 May 2023) Non-Executive Director Dip.App.Sc., Dip.Agr. Micro., M.Sc. Agr, FAIFST
<b>DUNCAN MCDONALD</b> Non-Executive Director B. App.Sc (Food Technology), MBA, FAIFST, GAICD	<b>BRONWYN JANE POWELL</b> Non-Executive Director B. Com, GAICD, CPM, Member of AIFST

**Meeting of directors**

During the financial year, eight (8) meetings of directors were held. Attendances by each director were as follows:

<b>Directors Meeting</b>		
<b>Director</b>	<b>Number eligible to attend</b>	<b>Number attended</b>
Duncan McDonald	5	4
Michael Depalo	8	8
Deon Mahoney	4	4
John Kavanagh	4	3
Suzanne Allen	4	4
Julie Cox	8	8
Bronwyn Powell	8	7
Gregory Harper	4	4
Marc Barnes	4	4
Heather Haines	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 2023 these Committees consisted of the following members:

<b>Board Committee</b>	<b>Committee Members</b>	<b>Status</b>
Nomination and Remuneration Committee	Bronwyn Powell (Chair) Marc Barnes Heather Haines	
	Deon Mahoney (Chair) Suzanne Allen	Resigned 25 May 2023
Finance, Audit and Risk Committee	Julie Cox (Chair) Michael Depalo Gregory Harper	
	John Kavanagh (Chair)	Resigned 25 May 2023
	Duncan McDonald	Resigned 8 August 2023

**The Australian Institute of Food Science & Technology Limited**  
**Directors' report**  
**31 December 2023**

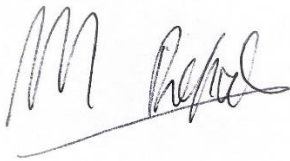
The Company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$1 each towards meeting any outstanding obligations of the entity. At 31 December 2023, the total amount that members of the Company are liable to contribute if the Company is wound up is \$1,613 (2022: \$1,566).

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'M Depalo', with a horizontal line underneath it.

Michael Depalo  
Chair of the Board

30 April 2024

**The Australian Institute of Food Science & Technology Limited**  
**Auditor's independence declaration**

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## **The Australian Institute of Food Science & Technology Limited**

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### **General information**

The financial statements cover The Australian Institute of Food Science & Technology Limited (the Company) as an individual entity. The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

The Company is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

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

A description of the nature of the Company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 18 April 2024. The directors have the power to amend and reissue the financial statements.

**The Australian Institute of Food Science & Technology Limited**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 31 December 2023**

	Note	2023 \$	2022 \$
Revenues from continued operations	2	926,936	860,598
<b>Expenses</b>			
Administration expenses		(96,169)	(97,266)
Convention, symposium and member event expenses		(215,364)	(202,997)
Office expense		(5,692)	(5,771)
Publication expenses		(56,161)	(57,006)
Employee expenses & contractor costs		(519,588)	(411,527)
Realised foreign currency loss		(478)	-
Total expenses		<u>(893,452)</u>	<u>(774,567)</u>
<b>Profit before income tax expense</b>		33,484	86,031
Income tax expense		<u>-</u>	<u>-</u>
<b>Profit after income tax expense for the year attributable to the members of The Australian Institute of Food Science &amp; Technology Limited</b>		33,484	86,031
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year attributable to the members of The Australian Institute of Food Science &amp; Technology Limited</b>		<u><u>33,484</u></u>	<u><u>86,031</u></u>

*The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*



**The Australian Institute of Food Science & Technology Limited**  
**Statement of financial position**  
**As at 31 December 2023**

	Note	2023 \$	2022 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	436,235	412,380
Trade and other receivables	6	16,227	1,546
Other assets	7	56,482	27,836
Total current assets		<u>508,944</u>	<u>441,762</u>
<b>Total assets</b>		<u>508,944</u>	<u>441,762</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	8	61,062	27,159
Employee provisions	9	56,685	44,017
Other liabilities	10	162,635	204,172
Total current liabilities		<u>280,382</u>	<u>275,348</u>
<b>Non-current liabilities</b>			
Employee provisions	9	28,664	-
Total non-current liabilities		<u>28,664</u>	<u>-</u>
<b>Total liabilities</b>		<u>309,046</u>	<u>275,348</u>
<b>Net assets</b>		<u>199,898</u>	<u>166,414</u>
<b>Members' funds</b>			
Accumulated surplus		<u>199,898</u>	<u>166,414</u>

*The above statement of financial position should be read in conjunction with the accompanying notes*



**The Australian Institute of Food Science & Technology Limited**  
**Statement of cash flows**  
**For the year ended 31 December 2023**

	Note	2023 \$	2022 \$
<b>Cash flows from operating activities</b>			
Receipts from members and customers re membership fees and all other activities		1,002,537	950,898
Payments to suppliers and employees		(980,874)	(836,351)
Interest received		2,192	199
		<hr/>	<hr/>
Net cash from operating activities	15	23,855	114,746
<b>Cash flows from financing activities</b>			
Other		-	(73)
		<hr/>	<hr/>
Net cash used in financing activities		-	(73)
Net increase in cash and cash equivalents		23,855	114,673
Cash and cash equivalents at the beginning of the financial year		412,380	297,707
		<hr/>	<hr/>
Cash and cash equivalents at the end of the financial year	5	<u>436,235</u>	<u>412,380</u>

*The above statement of cash flows should be read in conjunction with the accompanying notes*

**The Australian Institute of Food Science & Technology Limited**  
**Notes to the financial statements**  
**31 December 2023**

**Note 1. Summary of significant accounting policies**

The accounting policies that are material to the Company are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

**New or amended Accounting Standards and Interpretations adopted**

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

The following Accounting Standards and Interpretations are most relevant to the Company:

***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 become effective for financial periods commencing on or after 1 July 2021. No material impacts have occurred in this financial report.

**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.

***AIFST Board Review - Going concern***

The Company has derived a net surplus after tax for the year ended 31 December 2023 of \$33,484 (2022: \$86,031) and has generated a net cash inflow from operating activities of \$23,855 (2022: \$114,746). As at 31 December 2023, the Company had a net assets position of \$199,898 (2022: \$166,414). The Company has cash assets of \$436,235 as at 31 December 2023 (2022: \$412,380). Other liabilities including deferred income in advance of \$162,635 as at 31 December 2023 (2022: \$204,172).

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.

**The Australian Institute of Food Science & Technology Limited**  
**Notes to the financial statements**  
**31 December 2023**

**Note 1. Summary of significant accounting policies (continued)**

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.

**Income tax**

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

**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.

**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.

**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.

**Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**The Australian Institute of Food Science & Technology Limited**  
**Notes to the financial statements**  
**31 December 2023**

**Note 1. Summary of significant accounting policies (continued)**

**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.

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).

**Goods and Services Tax ('GST') and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

**Comparative figures**

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

**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.

**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.

**Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

**The Australian Institute of Food Science & Technology Limited**  
**Notes to the financial statements**  
**31 December 2023**

**Note 1. Summary of significant accounting policies (continued)**

**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.

**Note 2. Revenues from continued operations**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Convention, symposium, and member event income	487,503	448,294
Membership fee income	338,245	306,555
Publication income	47,483	49,921
Projects	37,800	24,800
Grant	-	20,000
Advertising and displays	5,428	4,004
Subscriptions	8,285	6,825
Interest income	2,192	199
	<hr/>	<hr/>
Revenues from continued operations	<u>926,936</u>	<u>860,598</u>

**Note 3. Surplus**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Auditor's remuneration		
Auditing or reviewing the financial report	12,000	10,000
	<hr/>	<hr/>

**Note 4. Key management personnel compensation**

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

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Short term employee benefits	122,369	118,691
Post-employment benefits	13,066	12,082
	<hr/>	<hr/>
	<u>135,435</u>	<u>130,773</u>

**Note 5. Cash and cash equivalents**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Cash at bank	286,235	412,380
Term deposits (Maturity: \$50,000 – March 2024 at 4.8% \$100,000 – September 2024 at 5%)	150,000	-
	<hr/>	<hr/>
	<u>436,235</u>	<u>412,380</u>

*Reconciliation to cash and cash equivalents at the end of the financial year*

The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

Balances as above	<hr/>	<hr/>
	436,235	412,380
	<hr/>	<hr/>
Balance as per statement of cash flows	<u>436,235</u>	<u>412,380</u>

**The Australian Institute of Food Science & Technology Limited**  
**Notes to the financial statements**  
**31 December 2023**

**Note 6. Trade and other receivables**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Trade debtors	16,227	1,546

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.

**Note 7. Other assets**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Prepaid expenses - other prepayments	56,482	27,836

**Note 8. Trade and other payables**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Trade creditors (i)	24,111	3,044
Accruals	29,175	21,732
Net GST payable	7,776	2,383
	<u>61,062</u>	<u>27,159</u>

(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.

**Note 9. Employee provisions**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Annual leave	56,685	44,017
<i>Non-current liabilities</i>		
Long service leave	28,664	-
	<u>85,349</u>	<u>44,017</u>

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.



**The Australian Institute of Food Science & Technology Limited**  
**Notes to the financial statements**  
**31 December 2023**

**Note 10. Other liabilities**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Income in Advance - Memberships	107,214	104,781
Income in Advance - Convention	17,355	50,000
Income in Advance - Projects	-	22,500
Income in Advance - Food Australia subscriptions	13,825	6,141
Income in Advance - Other	24,241	20,750
	<u>162,635</u>	<u>204,172</u>

**Note 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 31st December 2023. 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**

There were no 2023 related party transactions.

**Note 12. Capital and leasing commitments**

The Company has no formal lease obligations.

**Note 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.

**Note 14. Contingent liabilities and contingent assets**

At 31 December 2023, AIFST had no contingent liabilities or contingent assets.

**Note 15. Cash flow information**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>(a) Reconciliation of net cash provided by operating activities to operating surplus after tax:</b>		
Surplus after tax	33,484	86,031
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(14,681)	4,459
Increase in other current assets	(28,646)	(17,574)
Increase in trade and other payables	33,903	3,636
Increase in employee provisions	41,332	8,376
Increase/(decrease) in other current liabilities	(41,537)	29,818
Net cash provided by operating activities	<u>23,855</u>	<u>114,746</u>

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

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

**The Australian Institute of Food Science & Technology Limited**  
**Notes to the financial statements**  
**31 December 2023**

**Note 16. 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:

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Financial assets</b>		
Cash and cash equivalents	436,235	412,380
Trade and other receivables	16,227	1,546
	<hr/>	<hr/>
<b>Total financial assets</b>	<b>452,462</b>	<b>413,926</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Financial liabilities</b>		
Trade and other payables	61,062	27,159
	<hr/>	<hr/>
<b>Total financial liabilities</b>	<b>61,062</b>	<b>27,159</b>
	<hr/> <hr/>	<hr/> <hr/>

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

**Note 16. Financial risk management (continued)**

**Financial Risk Management Policies**

The Company does not have any derivative instruments at 31<sup>st</sup> December 2023.

(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 2023 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.

(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 2023.

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.

**The Australian Institute of Food Science & Technology Limited**  
**Notes to the financial statements**  
**31 December 2023**

**Note 16. Financial risk management (continued)**

The trade receivables balances at 31<sup>st</sup> December 2023 do not include any counterparties with external credit ratings. Customers are assessed for credit worthiness using the criteria detailed above.

**Note 17. 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.

**Note 18. 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 2023, the number of members was 1,613 (2022: 1,566).

**Note 19. Events after the reporting period**

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


**The Australian Institute of Food Science & Technology Limited**  
**Directors' declaration**  
**31 December 2023**

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Company's financial position as at 31 December 2023 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'M Depalo', with a horizontal line underneath it.

Michael Depalo  
Chair of the Board

30 April 2024

**The Australian Institute of Food Science & Technology Limited**  
**Independent auditor's report to the members of The Australian Institute of Food Science & Technology Limited**

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**The Australian Institute of Food Science & Technology Limited**  
**Independent auditor's report to the members of The Australian Institute of Food Science & Technology Limited**

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