

DENIS HURLEY CENTRE TRUST
(Registration number IT 544/2010)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Denis Hurley Centre Trust

(Registration number: IT 544/2010)

Annual Financial Statements for the year ended 31 December 2022



General Information

| | |
|---------------------------------------|---|
| Country of incorporation and domicile | South Africa |
| Type of trust | Non- Profit Organisation |
| Trustees | Emmanuel Sipho Phakathi Hester Elizabeth Joseph Ursula Colette Collings Rubin Phillip Delysia Norelle Timm Mikaela Joan York Christopher James Desmond Lawrence Zibonele Ngubane Nomfundo Constance Dlamini Sabelo Hamilton Mkhize |
| Registered office | 2 Cathedral Road Central Durban Durban 4001 |
| Business address | 2 Cathedral Road Central Durban Durban 4001 |
| Bankers | First National Bank |
| Auditors | Accensis Incorporated Chartered Accountants (SA) Registered Auditors |
| Trust registration number | IT 544/2010 |
| Level of assurance | These annual financial statements have been audited in compliance with the applicable requirements of the Non- Profit Organisations Act of 1997. |
| Preparer | The annual financial statements were prepared under the supervision of: Errold Victor (Financial Manager) |
| Issued | 18 April 2023 |

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

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Trustees' Responsibilities and Approval

The trustees are required to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the trust as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the basis of accounting described in Note 1.

The annual financial statements are prepared in accordance with the basis of accounting described in Note 1 and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.


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

The trustees are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The trustees have reviewed the trust's cash flow forecast for the year to 31 December 2023 and, in light of this review and the current financial position, they are satisfied that the trust has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the trust's annual financial statements. The annual financial statements have been examined by the trust's external auditors and their report is presented on pages 4 to 5.

The annual financial statements set out on pages 6 to 17, which have been prepared on the going concern basis, were approved by the trustees on 18 April 2023 and were signed on its behalf by:



Trustee

Independent Auditor's Report

To the Trustees of Denis Hurley Centre Trust

Qualified Opinion

We have audited the annual financial statements of Denis Hurley Centre Trust set out on pages 8 to 17, which comprise the statement of financial position as at 31 December 2022, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the annual financial statements of Denis Hurley Centre Trust for the year ended 31 December 2022 are prepared, in all material respects, in accordance with the basis of accounting described in Note 1 to the annual financial statements and the requirements of the Non- Profit Organisations Act of 1997.

Basis for Qualified Opinion

In common with similar organisations, it is not feasible for the Trust to institute accounting controls over cash collections prior to the initial entry of the collections in the accounting records. Accordingly, it is impractical for us to extend our examination beyond receipts actually recorded.

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the annual financial statements, which describes the basis of accounting. The annual financial statements are prepared in accordance with the trust's own accounting policies to satisfy the financial information needs of the trust's trustees. As a result, the annual financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Information

The trustees are responsible for the other information. The other information comprises the information included in the document titled "Denis Hurley Centre Trust annual financial statements for the year ended 31 December 2022", which includes the Trustees' Report as required by the Non- Profit Organisations Act of 1997 and the supplementary information as set out on pages 18 to 19. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, [insert description of matter]. We have concluded that the other information is materially misstated for the same reason with respect to the amounts or other items in the [insert description of other information that is misstated] affected by this matter.

Independent Auditor's Report

Responsibilities of the Trustees for the Annual Financial Statements

The trustees are responsible for the preparation of the annual financial statements in accordance with the basis of accounting described in Note 1 to the annual financial statements and the requirements of the Non-Profit Organisations Act of 1997, for determining that the basis of preparation is acceptable in the circumstance and for such internal control as the trustees determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Annual Financial Statements

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

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

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' 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 trust'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 annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the trust to cease to continue as a going concern.

We communicate with the trustees 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.



Accensis Incorporated
Chartered Accountants (SA)
Registered Auditors
Per: S. Naidoo
Director

18 April 2023
Durban

Trustees' Report

The trustees have pleasure in submitting their report on the annual financial statements of Denis Hurley Centre Trust for the year ended 31 December 2022.

1. Nature of business

Denis Hurley Centre Trust was formed in South Africa with interests in the Non-profit sector. The trust aims to serve the needs of the poorest people in Durban by co-operating with people of all the faiths to provide a clinic, feeding scheme, vocational training, educational and community support and a pastoral outreach to South Africans, migrants and refugees.

There have been no material changes to the nature of the trust's operations from the prior year.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with Trust's own basis of accounting and the requirements of the Non-Profit Organisations Act of 1997. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the trust are set out in these annual financial statements.

3. Trustees

The trustees in office at the date of this report are as follows:

Names:

Emmanuel Sipho Phakathi
Hester Elizabeth Joseph
Ursula Colette Collings
Rubin Phillip
Delysia Norelle Timm
Mikaela Joan York
Christopher James Desmond
Lawrence Zibonele Ngubane
Nomfundo Constance Dlamini
Sabelo Hamilton Mkhize

4. Events after the reporting period

The trustees are not aware of any material event which occurred after the reporting date and up to the date of this report.

5. Going concern

The trustees believe that the trust has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The trustees have satisfied themselves that the trust is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The trustees are not aware of any new material changes that may adversely impact the trust. The trustees are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the trust.

COVID- 19

The trustees have considered the impact of the Covid- 19 pandemic on the trust and have concluded that the going concern assumption is still appropriate.

KwaZulu-Natal Floods

There were floods around KwaZulu-Natal towards the end of April 2022, however this had no direct effect on the trust as the infrastructure was not damaged.

Trustees' Report

6. Liquidity and solvency

The trustees have performed the required liquidity and solvency tests required by the Non- Profit Organisations Act of 1997.

7. Auditors

Accensis Incorporated will continue in office as auditors for the trust for 2023.

8. Secretary

The trust secretary is Ms Lynne Crouch. The secretary is only responsible for taking minutes and does not perform any legal duties relating to the trust.

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Statement of Financial Position as at 31 December 2022

| Figures in Rand | Notes | 2022 | 2021 |
|-------------------------------------|-------|-------------------|-------------------|
| Assets | | | |
| Non-Current Assets | | | |
| Property, plant and equipment | 2 | 28 543 058 | 28 672 087 |
| Current Assets | | | |
| Cash and cash equivalents | 3 | 6 193 054 | 7 806 614 |
| Trade and other receivables | 4 | 93 634 | 91 246 |
| Current tax receivable | | 3 993 | 3 993 |
| | | 6 290 681 | 7 901 853 |
| Total Assets | | 34 833 739 | 36 573 940 |
| Equity and Liabilities | | | |
| Equity | | | |
| Trust capital | 5 | 100 | 100 |
| Legacy fund reserve | | 1 330 699 | 1 330 699 |
| Accumulated surplus | | 33 370 288 | 35 063 152 |
| | | 34 701 087 | 36 393 951 |
| Liabilities | | | |
| Current Liabilities | | | |
| Trade and other payables | 6 | 132 652 | 159 989 |
| Deferred income | 7 | - | 20 000 |
| | | 132 652 | 179 989 |
| Total Equity and Liabilities | | 34 833 739 | 36 573 940 |

Denis Hurley Centre Trust

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Statement of Comprehensive Income

| Figures in Rand | Note | 2022 | 2021 |
|---|------|--------------------|------------------|
| Revenue | | 3 345 003 | 4 567 741 |
| Operating expenses | | (5 336 010) | (4 707 688) |
| Operating deficit | | (1 991 007) | (139 947) |
| Investment revenue | | 298 143 | 292 961 |
| Finance costs | | - | (66) |
| (Deficit) / surplus before taxation | | (1 692 864) | 152 948 |
| Taxation | 8 | - | 4 058 |
| (Deficit) / surplus for the year | | (1 692 864) | 157 006 |
| Other comprehensive income | | - | - |
| Total comprehensive (Deficit) / surplus for the year | | (1 692 864) | 157 006 |

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Statement of Changes in Equity

| Figures in Rand | Trust capital | Legacy fund reserve | Accumulated surplus | Total equity |
|---|---------------|---------------------|---------------------|--------------------|
| Balance at 01 January 2021 | 100 | 1 170 699 | 34 906 146 | 36 076 945 |
| Surplus for the year | - | - | 157 006 | 157 006 |
| Other comprehensive income | - | - | - | - |
| Total comprehensive income for the year | - | - | 157 006 | 157 006 |
| Increase in legacy fund reserve | - | 160 000 | - | 160 000 |
| Total changes | - | 160 000 | - | 160 000 |
| Balance at 01 January 2022 | 100 | 1 330 699 | 35 063 152 | 36 393 951 |
| Deficit for the year | - | - | (1 692 864) | (1 692 864) |
| Other comprehensive income | - | - | - | - |
| Total comprehensive deficit for the year | - | - | (1 692 864) | (1 692 864) |
| Balance at 31 December 2022 | 100 | 1 330 699 | 33 370 288 | 34 701 087 |
| Note | 5 | | | |

Statement of Cash Flows

| Figures in Rand | Notes | 2022 | 2021 |
|--|-------|--------------------|------------------|
| Cash flows from operating activities | | | |
| Cash (used in) / generated from operations | 9 | (1 883 884) | 51 042 |
| Interest income | | 298 143 | 292 961 |
| Finance costs | | - | (66) |
| Tax received | 10 | - | 65 |
| Net cash (outflow) / inflow from operating activities | | (1 585 741) | 344 002 |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | 2 | (27 820) | (53 656) |
| Net cash outflow from investing activities | | (27 820) | (53 656) |
| Cash flows from financing activities | | | |
| Increase in legacy fund reserve | | - | 160 000 |
| Net cash inflow from financing activities | | - | 160 000 |
| Total cash movement for the year | | (1 613 561) | 450 346 |
| Cash and cash equivalents at the beginning of the year | | 7 806 614 | 7 356 268 |
| Total cash and cash equivalents at end of the year | 3 | 6 193 054 | 7 806 614 |

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the accounting policies as set out below. The annual financial statements have been prepared on the historical cost basis. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment

Property, plant and equipment are tangible assets which the trust holds for its own use or for rental to others and which are expected to be used for more than one period.

Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the trust and the cost can be measured reliably. Day to day servicing costs are included in surplus or deficit in the period in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the trust.

The useful lives of items of property, plant and equipment have been assessed as follows:

| Item | Depreciation method | Average useful life |
|-------------------------------------|---------------------|---------------------|
| Furniture and fixtures | Straight line | 6 Years |
| Motor vehicles | Straight line | 4 Years |
| Office equipment | Straight line | 3 Years |
| IT equipment | Straight line | 3 Years |
| Computer software | Straight line | 3 Years |
| Other property, plant and equipment | Straight line | 3 Years |

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in surplus or deficit to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in surplus or deficit when the item is derecognised.

Accounting Policies

1.2 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through surplus or deficit) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. They are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or deficit.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, without undue cost or effort, are measured at fair value through surplus or deficit.

If a reliable measure of fair value is no longer available without undue cost or effort, then the fair value at the last date that such a reliable measure was available is treated as the cost of the instrument. The instrument is then measured at cost less impairment until management are able to measure fair value without undue cost or effort.

1.3 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

1.4 Impairment of assets

The trust assesses at each reporting date whether there is any indication that property, plant and equipment may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or deficit.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in surplus or deficit.

Accounting Policies

1.5 Employee benefits

Short-term employee benefits

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

1.6 Revenue

Revenue is recognised to the extent that the trust has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the trust. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

1.7 Legacy Fund reserve

The trust recognises funds which have been specifically donated from deceased estates and special bequests directly as a legacy fund reserve.

These funds will then be held in an investment account which will generate returns to used to fund the centre and its operations in perpetuity.

Denis Hurley Centre Trust

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Annual Financial Statements for the year ended 31 December 2022



Notes to the Annual Financial Statements

| Figures in Rand | 2022 | 2021 |
|-----------------|------|------|
|-----------------|------|------|

2. Property, plant and equipment

| | 2022 | | | 2021 | | |
|-------------------------------------|-------------------|---|-------------------|-------------------|---|-------------------|
| | Cost | Accumulated depreciation and impairment | Carrying value | Cost | Accumulated depreciation and impairment | Carrying value |
| Buildings | 28 304 639 | - | 28 304 639 | 28 301 184 | - | 28 301 184 |
| Furniture and fixtures | 981 698 | (926 473) | 55 225 | 977 273 | (900 524) | 76 749 |
| Motor vehicles | 780 432 | (780 431) | 1 | 780 432 | (666 619) | 113 813 |
| Office equipment | 375 209 | (361 622) | 13 587 | 369 542 | (346 103) | 23 439 |
| IT equipment | 225 910 | (213 205) | 12 705 | 211 638 | (211 637) | 1 |
| Computer software | 8 958 | (8 957) | 1 | 8 958 | (8 957) | 1 |
| Other property, plant and equipment | 156 900 | - | 156 900 | 156 900 | - | 156 900 |
| Total | 30 833 746 | (2 290 688) | 28 543 058 | 30 805 927 | (2 133 840) | 28 672 087 |

Reconciliation of property, plant and equipment - 2022

| | Opening balance | Additions | Depreciation | Closing balance |
|-------------------------------------|-------------------|---------------|------------------|-------------------|
| Buildings | 28 301 184 | 3 455 | - | 28 304 639 |
| Furniture and fixtures | 76 749 | 4 426 | (25 950) | 55 225 |
| Motor vehicles | 113 813 | - | (113 812) | 1 |
| Office equipment | 23 439 | 5 666 | (15 519) | 13 587 |
| IT equipment | 1 | 14 273 | (1 568) | 12 705 |
| Computer software | 1 | - | - | 1 |
| Other property, plant and equipment | 156 900 | - | - | 156 900 |
| | 28 672 087 | 27 820 | (156 849) | 28 543 058 |

Reconciliation of property, plant and equipment - 2021

| | Opening balance | Additions | Depreciation | Closing balance |
|-------------------------------------|-------------------|---------------|------------------|-------------------|
| Buildings | 28 301 184 | - | - | 28 301 184 |
| Furniture and fixtures | 54 984 | 45 211 | (23 446) | 76 749 |
| Motor vehicles | 308 921 | - | (195 108) | 113 813 |
| Office equipment | 33 334 | 8 445 | (18 340) | 23 439 |
| IT equipment | 1 | - | - | 1 |
| Computer software | 1 | - | - | 1 |
| Other property, plant and equipment | 156 900 | - | - | 156 900 |
| | 28 855 325 | 53 656 | (236 894) | 28 672 087 |

3. Cash and cash equivalents

Cash and cash equivalents consist of:

| | | |
|---------------|------------------|------------------|
| Cash on hand | 4 125 | 7 508 |
| Bank balances | 6 188 929 | 7 799 106 |
| | 6 193 054 | 7 806 614 |

Denis Hurley Centre Trust

(Registration number: IT 544/2010)

Annual Financial Statements for the year ended 31 December 2022



Notes to the Annual Financial Statements

| Figures in Rand | 2022 | 2021 |
|---|--------------------|----------------|
| 4. Trade and other receivables | | |
| Trade receivables | 93 699 | 17 441 |
| Provision for Bad Debts | (80 700) | - |
| Prepayments | - | 9 267 |
| Deposits | 35 700 | 33 200 |
| Value Added Tax | 19 271 | 31 238 |
| Accrued income | 100 | 100 |
| Other receivables | 25 564 | - |
| | <u>93 634</u> | <u>91 246</u> |
| 5. Trust capital | | |
| Created in terms of the deed of trust and donation No: IT 544/2010 dated 05 May 2010 | 100 | 100 |
| | <u>100</u> | <u>100</u> |
| 6. Trade and other payables | | |
| Trade payables | 5 714 | 7 414 |
| Accrued expense | 114 048 | 138 820 |
| Deposits received | 5 250 | 12 750 |
| Other payables | 7 640 | 1 005 |
| | <u>132 652</u> | <u>159 989</u> |
| 7. Deferred income | | |
| Deferred income | - | 20 000 |
| 8. Taxation | | |
| Major components of the tax income | | |
| Current taxation | | |
| South African normal tax - prior period over provision | - | (4 058) |
| The trust is a public benefit organisation in terms of section 30 of the Income Tax Act ,however they also rent out office space and other facilities to tenants resulting in rental income, therefore its receipts and accruals are partially exempt from normal tax in terms of S10(1)(cN). | | |
| 9. Cash (used in) / generated from operations | | |
| Net (deficit) / surplus before taxation | (1 692 864) | 152 948 |
| Adjustments for: | | |
| Depreciation | 156 849 | 236 894 |
| Investment income | (298 143) | (292 961) |
| Finance costs | - | 66 |
| Changes in working capital: | | |
| Decrease / (increase) in trade and other receivables | (2 390) | (8 289) |
| (Decrease) / increase in trade and other payables | (27 336) | 32 384 |
| Decrease in deferred income | (20 000) | (70 000) |
| | <u>(1 883 884)</u> | <u>51 042</u> |

Notes to the Annual Financial Statements

| Figures in Rand | 2022 | 2021 |
|---|------------------|------------------|
| 10. Tax refunded | | |
| Balance at the beginning of the year | 3 993 | - |
| Current tax for the year recognised in profit or loss | - | 4 058 |
| Balance at the end of the year | (3 993) | (3 993) |
| | <u>-</u> | <u>65</u> |
| 11. Employee cost | | |
| Employee costs | | |
| Basic | 2 939 186 | 2 503 376 |
| UIF & OID Contributions | 33 663 | 29 227 |
| | <u>2 972 849</u> | <u>2 532 603</u> |

12. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The trustees believe that the trust has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The trustees have satisfied themselves that the trust is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The trustees are not aware of any new material changes that may adversely impact the trust. The trustees are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the trust.

COVID- 19

The trustees have considered the impact of the Covid- 19 pandemic on the trust and have concluded that the going concern assumption is still appropriate.

KwaZulu-Natal Floods

There were floods around KwaZulu-Natal towards the end of April 2022, however this had no direct effect on the trust as the infrastructure was not damaged.

13. Events after the reporting period

The trustees are not aware of any material event which occurred after the reporting date and up to the date of this report.

Denis Hurley Centre Trust

(Registration number: IT 544/2010)

Annual Financial Statements for the year ended 31 December 2022



Detailed Income Statement

| Figures in Rand | Notes | 2022 | 2021 |
|--|-------|--------------------|--------------------|
| Revenue | | | |
| Donation - Centenary Club | | 405 667 | 377 780 |
| Donation - Local businesses | | 171 000 | 133 993 |
| Donation - Local Catholic organisations and parishes | | 78 489 | 177 070 |
| Donation - Local Christian churches | | 1 200 | 53 148 |
| Donation - Local individuals and organisations | | 1 451 847 | 1 681 741 |
| Donation - Other faiths | | - | 650 |
| Donation - Overseas Catholic organisation | | - | 882 138 |
| Donation - Overseas individuals and organisations | | 460 697 | 651 575 |
| Fundraising income | | 19 808 | 16 922 |
| Tenant income | | 84 216 | 75 576 |
| Venue Hire | | 672 079 | 517 148 |
| | | 3 345 003 | 4 567 741 |
| Expenses (Refer to page 19) | | (5 336 010) | (4 707 688) |
| Operating deficit | | (1 991 007) | (139 947) |
| Investment income | | 298 143 | 292 961 |
| Finance costs | | - | (66) |
| | | 298 143 | 292 895 |
| (Deficit) / surplus before taxation | | (1 692 864) | 152 948 |
| Taxation | 8 | - | 4 058 |
| (Deficit) / surplus for the year | | (1 692 864) | 157 006 |

Denis Hurley Centre Trust

(Registration number: IT 544/2010)

Annual Financial Statements for the year ended 31 December 2022



Detailed Income Statement

| Figures in Rand | Notes | 2022 | 2021 |
|------------------------------------|-------|--------------------|--------------------|
| Operating expenses | | | |
| Accounting fees | | (27 482) | (19 280) |
| Administration and management fees | | (244 406) | (284 426) |
| Advertising | | (17 905) | (30 274) |
| Auditors remuneration | | - | (24 450) |
| Bad debts | | (80 700) | - |
| Bank charges | | (7 389) | (7 705) |
| Cleaning | | (271 309) | (240 089) |
| Clinic supplies | | (35 588) | (17 734) |
| Commission paid | | (33 357) | (28 276) |
| Depreciation | | (156 849) | (236 894) |
| Donations | | (21 350) | - |
| Employee costs | 11 | (2 972 849) | (2 532 603) |
| Equipment expenses | | (14 813) | (11 298) |
| Hospitality expenses | | (2 175) | (114) |
| Identity documents | | (18 200) | (10 460) |
| Insurance | | (62 696) | (63 523) |
| Meal preparation expenses | | (4 484) | (38 689) |
| Medical expenses | | (265 367) | (183 851) |
| Motor vehicle expenses | | (104 143) | (87 137) |
| Organisation events | | (3 646) | (3 055) |
| Printing and stationery | | (41 801) | (24 148) |
| Repairs and maintenance | | (128 844) | (178 940) |
| Security | | (6 940) | (14 783) |
| Staff welfare | | (18 359) | (10 377) |
| Staff training | | (1 961) | (12 331) |
| Telephone and fax | | (226 847) | (200 373) |
| Travel - local | | (81 217) | (46 085) |
| Uniforms | | (349) | (2 071) |
| Utilities | | (484 984) | (398 722) |
| | | (5 336 010) | (4 707 688) |