

Denis Hurley Centre Trust
(Registration number IT 544/2010)
Annual Financial statements
for the year ended 31 December 2014

Denis Hurley Centre Trust

(Registration number IT 544/2010)

Annual Financial Statements for the year ended 31 December 2014

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Non Profit Organisation. Trust forms part of the Archdiocese of Durban and is a registered Public Benefit Organisation.
Trustees	Mr Gerald Patrick Kearney Mr Stephen Martin Tully Monsignor Paul Antoine Zelenski Nadal Mr Emmanuel Sipho Phakathi Mr Anthony Benedict Augustine Ms Nondumiso Shangase Mr Timothy Mark Desmond Prof Joyce Mahlako Tsoka - Gwegweni
Auditors	C&S Chartered Accountants Inc Registered Auditors
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Non Profit Act 1997.

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

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The following supplementary information does not form part of the annual financial statements and is unaudited:

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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 International Financial Reporting Standard for Small and Medium-sized Entities.. The external auditors are engaged to express an independent opinion on the annual financial statements.

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

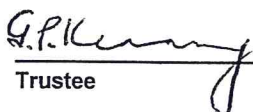
The trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the trust and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the trust sets standards for internal 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 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 external auditors are responsible for independently reviewing 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 page 4.

The annual financial statements set out on pages 7 to 16, which have been prepared on the going concern basis, were approved by the board of trustees on 02 December 2015 and were signed on its behalf by:


Trustee

CHARTERED ACCOUNTANTS INC

REG. NO. 2013/122925/21
Registered Auditors

Bringing you peace of mind

Suite 9, 3 Warwick Place, Pinetown 3610. • P O Box 2151, Pinetown, South Africa 3600
Tel: 031 701 7388 • Fax: 031 702 8393

Directors:

Denis Saville • Rajendran Reddy • Adrian Veeran
denis@cands.co.za • raj@cands.co.za • adrian@cands.co.za
www.cands.co.za

Independent Auditors' Report

To the trustees of Denis Hurley Centre Trust

We have audited the annual financial statements of Denis Hurley Centre Trust, as set out on pages 7 to 14, which comprise the statement of financial position as at 31 December 2014, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Trustees' Responsibility for the Financial Statements

The trust's trustees are responsible for the preparation and fair presentation of these annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these annual financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the annual financial statements.

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

Basis for Qualified opinion

In common with similar trusts it is not feasible for the trust to institute controls over cash collections from donations and contributions from donors prior to the initial entry in the books. Accordingly, it is impracticable to extend our examination beyond receipts actually recorded.

Qualified opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the annual financial statements present fairly, in all material respects, the financial position of Denis Hurley Centre Trust as at 31 December 2014, and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.

Supplementary information

Without qualifying our opinion, we draw attention to the fact that supplementary information set out on pages 15 to 16 does not form part of the annual financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

Other reports required by the Companies Act

As part of our audit of the annual financial statements for the year ended 31 December 2014, we have read the Directors' Report for the purpose of identifying whether there are material inconsistencies between this reports and the audited annual financial statements. This report is the responsibility of the respective preparer. Based on reading this report we have not identified material inconsistencies between this report and the audited annual financial statements. However, we have not audited this report and accordingly do not express an opinion on this report.



C&S Chartered Accountants Inc
Registered Auditors

10 December 2015

Suite 9
3 Warwick Place
Pinetown
3600

Per: DC Saville
Director

Supplementary information

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C&S Chartered Accountants Inc
Registered Auditors

10 December 2015

Suite 9
3 Warwick Place
Pinetown
3600

Per: DC Saville
Director

Denis Hurley Centre Trust

(Registration number IT 544/2010)

Annual Financial Statements for the year ended 31 December 2014

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 2014.

1. Nature of business

The trust forms part of the Archdiocese of Durban and is a registered Public Benefit Organisation which provides an enabling environment for activities related to care; that is: feeding, clinic, refuge support and job links as well as religious education and work related training and community upliftment projects geared towards social cohesion.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities. 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 company are set out in these annual financial statements.

3. Trustees

The trustees of the trust during the year and to the date of this report are as follows:

Trustees

Mr Gerald Patrick Kearney
Mr Stephen Martin Tully
Monsignor Paul Antoine Zelenski
Nadal
Mr Emmanuel Sipho Phakathi
Mr Anthony Benedict Augustine
Ms Hester Joseph
Mr Timothy Mark Desmond
Ms Nondumiso Shangase
Prof Joyce Mahlako Tsoka -
Gwegweni

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. Auditors

C&S Chartered Accountants Inc continued in office as auditors.

6. Secretary

The company secretary is Ms H E Joseph.

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Annual Financial Statements for the year ended 31 December 2014

Statement of Financial Position as at 31 December 2014

Figures in Rand	Note(s)	2014	2013
Assets			
Non-Current Assets			
Property, plant and equipment	2	28 255 239	8 693 382
Current Assets			
Trade and other receivables	3	2 864 622	89 517
Cash and cash equivalents	4	1 340 250	10 661 647
		4 204 872	10 751 164
Total Assets		32 460 111	19 444 546
Equity and Liabilities			
Equity			
Trust capital		100	100
Retained income		26 037 844	18 391 252
		26 037 944	18 391 352
Liabilities			
Non-Current Liabilities			
Other financial liabilities	5	5 000 000	-
Current Liabilities			
Trade and other payables	6	164 658	1 053 194
Deferred income		1 257 509	-
		1 422 167	1 053 194
Total Liabilities		6 422 167	1 053 194
Total Equity and Liabilities		32 460 111	19 444 546

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Statement of Comprehensive Income

Figures in Rand	Note(s)	2014	2013
Revenue		7 936 434	9 022 034
Other income		470 638	629 506
Operating expenses		(1 011 095)	(1 022 735)
Operating profit		7 395 977	8 628 805
Investment revenue		250 616	397 120
Surplus for the year		7 646 593	9 025 925
Other comprehensive income		-	-
Total comprehensive income for the year		7 646 593	9 025 925

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Statement of Changes in Equity

Figures in Rand	Trust capital	Retained income	Total equity
Balance at 01 January 2013	100	9 365 326	9 365 426
Surplus for the year	-	9 025 925	9 025 925
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	9 025 925	9 025 925
Balance at 01 January 2014	100	18 391 251	18 391 351
Surplus for the year	-	7 646 593	7 646 593
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	7 646 593	7 646 593
Balance at 31 December 2014	100	26 037 844	26 037 944

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Statement of Cash Flows

Figures in Rand	Note(s)	2014	2013
Cash flows from operating activities			
Cash generated from operations	7	5 026 353	9 591 863
Interest income		250 616	397 120
Net cash from operating activities		5 276 969	9 988 983
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(19 598 366)	(7 068 806)
Cash flows from financing activities			
Advance of other financial liabilities		5 000 000	-
Net cash from financing activities		5 000 000	-
Total cash movement for the year		(9 321 397)	2 920 177
Cash at the beginning of the year		10 661 647	7 741 470
Total cash at end of the year	4	1 340 250	10 661 647

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Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the Non Profit Act 1997. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. 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 items that:

- are held for use in the production or supply of goods or services, for rental to others or for administrative purposes; and
- are expected to be used during more than one period.

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Costs includes all costs incurred to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Costs include 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.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment, which is as follows:

Item	Average useful life
Furniture and fixtures	6 years
Office equipment	3 years
IT equipment	3 years
Computer software	3 years
Other assets	3 years

The residual value, depreciation method and useful life of each asset are reviewed at each annual reporting period if there are indicators present that there has been a significant change from the previous estimate.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss in the period.

1.2 Financial instruments

Financial instruments at amortised cost

Financial instruments may be designated to be measured at amortised cost using the effective interest method. These may include trade and other receivables, loans and trade and other payables. At the end of each reporting period date, the carrying amount of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If so, an impairment loss is recognised.

Trade and other receivables

Trade receivables are recognised and carried at original invoice amount less any allowances for any uncollectable amounts. An allowance for estimated irrecoverable amounts is recognised in the statement of comprehensive income when there is evidence of impairment.

Trade payables

Trade payables are recognised and carried at original invoice amount less repayments.

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Accounting Policies

1.3 Revenue

The trust earns revenue from donations received from both local and foreign donors as well as from the hire of the centre.

Interest is recognised, in profit or loss, using the effective interest rate method

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Notes to the Annual Financial Statements

Figures in Rand

2014

2013

2. Property, plant and equipment

	2014			2013		
	Cost / Valuation	Accumulated depreciation and impairments	Carrying value	Cost / Valuation	Accumulated depreciation and impairments	Carrying value
Land and buildings	28 117 043	-	28 117 043	8 527 636	-	8 527 636
Furniture and fixtures	27 702	(23 474)	4 228	27 702	(18 857)	8 845
IT equipment	30 802	(30 802)	-	30 802	(30 801)	1
Computer software	8 958	(1 493)	7 465	-	-	-
Other assets	156 900	(30 397)	126 503	156 900	-	156 900
Total	28 341 405	(86 166)	28 255 239	8 743 040	(49 658)	8 693 382

Reconciliation of property, plant and equipment - 2014

	Opening balance	Additions	Depreciation	Total
Land and buildings	8 527 636	19 566 499	-	28 094 135
WIP - assets in building	-	22 908	-	22 908
Furniture and fixtures	8 845	-	(4 617)	4 228
IT equipment	1	-	-	1
Computer software	-	8 958	(1 493)	7 465
Other assets	156 900	-	(30 397)	126 503
	8 693 382	19 598 365	(36 507)	28 255 240

Reconciliation of property, plant and equipment - 2013

	Opening balance	Additions	Depreciation	Total
Land and buildings	1 472 967	7 054 669	-	8 527 636
Furniture and fixtures	13 463	-	(4 618)	8 845
IT equipment	5 055	-	(5 054)	1
Other assets	156 900	-	-	156 900
	1 648 385	7 054 669	(9 672)	8 693 382

3. Trade and other receivables

Trade receivables	-	26 000
Clientele	1 125	1 125
Deposits	312 877	53 646
VAT	2 550 520	-
Accrued income	100	100
Other receivables	-	8 646
	2 864 622	89 517

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	-	7 254
Bank balances	1 340 250	10 654 393
	1 340 250	10 661 647

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Notes to the Annual Financial Statements

Figures in Rand	2014	2013
5. Other financial liabilities		
At amortised cost		
Iqraa Trust	1 000 000	-
The above loan does not bear interest and is repayable within the next twelve months..		
Finance Factors CC	2 000 000	-
The above loan does not bear interest and is not repayable within the next twelve months.		
Tsogo Sun	2 000 000	-
The above loan does not bear interest and is not repayable within the next twelve months.		
	5 000 000	-
Non-current liabilities		
At amortised cost	5 000 000	-
6. Trade and other payables		
Accrued expense	46 405	1 046 159
Deposits	2 500	2 500
Payable to Parish	23 379	4 376
Pension	159	159
Other payables	92 215	-
	164 658	1 053 194
7. Cash generated from operations		
Surplus before taxation	7 646 593	9 025 925
Adjustments for:		
Depreciation and amortisation	36 508	9 672
Interest received - investment	(250 616)	(397 120)
Changes in working capital:		
Trade and other receivables	(2 682 890)	(79 896)
Trade and other payables	(980 751)	1 033 282
Deferred income	1 257 509	-
	5 026 353	9 591 863

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Detailed Income Statement

Figures in Rand	Note(s)	2014	2013
Revenue			
Donations - Cathedral Parish		229 837	204 102
Donations - Other Catholic Parishes		306 657	142 876
Donations - Individuals, Organisations And Other		5 667 235	976 633
Donations - Overseas Individuals and Organisations		1 695 986	7 500 133
Donations - Camino De Santiago De Compostela		24 619	185 090
Donations - Friends		12 100	13 200
		7 936 434	9 022 034
Other income			
Rental income		470 638	687 503
HCI Donation for Clinic		-	(57 997)
Interest received		250 616	397 120
		721 254	1 026 626
Operating expenses			
Accounting fees		(20 264)	(27 000)
Advertising		(5 738)	-
Auditors remuneration		(9 120)	(12 626)
Bad debts		(31 750)	-
Bank charges		(7 809)	(25 322)
Computer expenses		(1 763)	-
Consulting Fees		(20 019)	(36 000)
Contributions to Emmanuel Cathedral		(24 004)	(42 928)
Depreciation		(36 508)	(9 672)
Employee costs		(212 443)	(173 407)
Fundraising costs		(29 979)	(15 375)
Fundraising- G & T Consultancy		(7 254)	(19 590)
General development		(8 966)	(740)
IT expenses		(2 969)	-
Lease rentals on operating lease		(435 000)	(550 000)
Printing and stationery		(73)	(410)
Repairs and maintenance		(15 000)	-
Security		(264)	-
Staff welfare		-	(495)
Sundry expense		(3 396)	(22 271)
Telephone and fax		(6 146)	(4 851)
Training		(6 051)	(20 003)
Utilities		(125 895)	(75 732)
Website		(684)	13 687
		(1 011 095)	(1 022 735)
Surplus for the year		7 646 593	9 025 925

DENIS HURLEY CENTRE TRUST

Donations received - 2014 (Amounts R5000.00 and over)

Donator	R
Donation to Building (Anonymous)	3 000 000
Lotto	2 001 500
Misereor	610 604
Denis Hurley Association (London)	520 892
Irish Aid	488 548
Embassy of Poland	187 629
Blessed Sacrament Parish, Durban North	101 010
Mrs P M Saad	100 000
South Africa Development Fund	84 494
Bluff Catholic Church Parish	56 404
Trocaire	42 336
Anonymous	32 225
Mrs Thelisiile E M	30 000
All Saints Parish, Ballito	28 598
Old Mutual	25 000
Pinetown Catholic Church Parish	23 992
John Francis	20 589
Fatima Parish, Durban North	13 742
St Anne's Parish, Sydenham	12 367
T. Dlamini	12 000
Cosmas Desmond Legacy	12 000
Joan Gibbs	10 879
Anonymous	10 428
Fikile Xaba	10 000
The Grail (Johannesburg)	10 000
Fr K Reynolds	10 000
Henwood & Nxumalo	10 000
R J Andrews	10 000
Serge Adande	10 000
Mary	10 000
Alexander J Campbell	9 794
Cathy Mocke	8 540
Redhill Parish, Durban	8 139
St Mary's Parish, Pietermaritzburg	7 037
St Joseph's Parish, Morningside	6 865
Hillcrest Parish	6 372
Masojada	6 000
CWU Durban	6 000
Chatsworth	5 563
Greytown Parish	5 470
CWL Pinetown	5 210
St Peters Parish, Point	5 000
Mr Hans Wolfgang Losken	5 000
Thor Transport	5 000
Total	<u>7 595 226</u>
Other Donations	341 208
Donations & fundraising at Emmanuel Cathedral Parish	229 837
Argus	17 419
Camino walk	1 200
Friends of the DHC	12 100
Donations from other Catholic Parishes	26 098
Donations from individuals & organisations	52 049
Donations from overseas individuals & organisations	2 505
Total Donations	<u><u>7 936 434</u></u>