

Denis Hurley Centre Trust  
(Registration number IT 544/2010)  
Annual Financial Statements  
for the year ended 31 December 2015

# Denis Hurley Centre Trust

(Registration number IT 544/2010)

Annual Financial Statements for the year ended 31 December 2015

## General Information

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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 Fr. Stephen Martin Tully Monsignor Paul Antoine Zelenski Nadal Mr Emmanuel Siphon Phakathi Mr Anthony Benedict Augustine Ms Hester Joseph Mr Timothy Mark Desmond Ms Nondumiso Shangase Prof Joyce Mahlako Tsoka - Gwegweni
Auditor's	C&S Chartered Accountants Inc Chartered Accountants (S.A.) Registered Auditors
Secretary	Ms L Crouch
Level of assurance	These annual financial statements have been audited .

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## Index

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

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# Denis Hurley Centre Trust

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## Trustees' Responsibilities and Approval

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The trustees are required by the Non-Profit Organisations Act, 1997, 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 auditor is engaged to express an independent opinion on the annual financial statements.

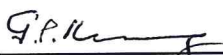
The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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 board 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 external auditor's 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 auditor's and their report is presented on page 4.

The annual financial statements set out on pages 6 to 15, which have been prepared on the going concern basis, were approved by the board on 18 October 2016 and were signed on its behalf by:

  
Trustee

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## 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 Auditor's Report

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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 13, which comprise the statement of financial position as at 31 December 2015, 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 Annual Financial Statements

The 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 trustees determine is necessary to enable the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error.

#### Auditor's 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 auditor's 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 trust'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 trust'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 qualified audit opinion.

#### Basis for Qualified Opinion

In common with similar trusts, it was not feasible for the trust to institute controls over cash collections prior to the initial entry into the accounting books. Accordingly, it was impracticable to extend our examination beyond receipts actually recorded.

#### Qualified Opinion

In our opinion, except for the possible effect 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 2015, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.

#### Other matter

Without qualifying our opinion, we draw attention to the fact that supplementary information set out on pages 14 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**

As part of our audit of the annual financial statements for the year ended 31 December 2015, we have read the Trustees' Report for the purpose of identifying whether there are material inconsistencies between that report and the audited annual financial statements. The trustees' report is the responsibility of the trustees. Based on reading that report we have not identified material inconsistencies between it and the audited annual financial statements. However, we have not audited the trustees' report and accordingly do not express an opinion thereon.



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**C & S Chartered Accountants Inc.**  
**Registered Auditors**  
**Per: D.C. Saville**  
**Director**

**19 September 2016**

**Suite 9**  
**3 Warwick Place**  
**Pinetown**  
**3600**

# Denis Hurley Centre Trust

(Registration number IT 544/2010)

Annual Financial Statements for the year ended 31 December 2015

## Trustees' Report

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The trustees have pleasure in submitting their report on the annual financial statements of Denis Hurley Centre Trust for the year ended 31 December 2015.

### 1. Nature of business

Denis Hurley Centre Trust was incorporated in South Africa with interests in the Non-profit industry. The trust aims to serve the needs of the poorest people in Durban by co-operating with people of all faiths and traditions 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 business from the prior year.

### 2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and the requirements of the Non-Profit Organisations Act, 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:

#### Trustees

Mr Gerald Patrick Kearney

Fr. Stephen Martin Tully

Monsignor Paul Antoine Zelenski

Nadal

Mr Emmanuel Siphon Phakathi

Mr Anthony Benedict Augustine

Ms Hester Joseph

Mr Timothy Mark Desmond

Ms Nondumiso Shangase

Prof Joyce Mahlako Tsoka -

Gwegweni

There have been no changes to the trustees for the period under review.

### 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 funding 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.

### 6. Auditors

C & S Chartered Accountants Inc. continued in office as auditors for the trust for 2016.

### 7. Secretary

The company secretary is Ms L Crouch.

# Denis Hurley Centre Trust

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Annual Financial Statements for the year ended 31 December 2015

## Statement of Financial Position as at 31 December 2015

Figures in Rand	Note(s)	2015	2014
<b>Assets</b>			
Non-Current Assets			
Property, plant and equipment	2	29 243 195	28 232 332
Current Assets			
Trade and other receivables	3	1 423 520	2 864 622
Cash and cash equivalents	4	2 977 338	1 340 250
		<b>4 400 858</b>	<b>4 204 872</b>
<b>Total Assets</b>		<b>33 644 053</b>	<b>32 437 204</b>
<b>Equity and Liabilities</b>			
Equity			
Trust capital		100	100
Retained surplus		31 642 621	26 014 936
		<b>31 642 721</b>	<b>26 015 036</b>
<b>Liabilities</b>			
Non-Current Liabilities			
Other financial liabilities	5	-	5 000 000
Current Liabilities			
Trade and other payables	6	176 244	164 659
Deferred income		1 825 088	1 257 509
		<b>2 001 332</b>	<b>1 422 168</b>
<b>Total Liabilities</b>		<b>2 001 332</b>	<b>6 422 168</b>
<b>Total Funds and Liabilities</b>		<b>33 644 053</b>	<b>32 437 204</b>

# Denis Hurley Centre Trust

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Annual Financial Statements for the year ended 31 December 2015

## Statement of Comprehensive Income

Figures in Rand	2015	2014
Income	9 036 619	8 407 072
Operating expenses	(3 533 198)	(1 034 002)
<b>Operating profit</b>	<b>5 503 421</b>	<b>7 373 070</b>
Investment revenue	124 264	250 616
<b>Surplus for the year</b>	<b>5 627 685</b>	<b>7 623 686</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>5 627 685</b>	<b>7 623 686</b>

# Denis Hurley Centre Trust

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Annual Financial Statements for the year ended 31 December 2015

## Statement of Changes in Equity

Figures in Rand	Trust capital	Retained surplus	Total equity
<b>Balance at 01 January 2014</b>	<b>100</b>	<b>18 391 250</b>	<b>18 391 350</b>
Surplus for the year	-	7 623 686	7 623 686
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>7 623 686</b>	<b>7 623 686</b>
<b>Balance at 01 January 2015</b>	<b>100</b>	<b>26 014 936</b>	<b>26 015 036</b>
Surplus for the year	-	5 627 685	5 627 685
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>5 627 685</b>	<b>5 627 685</b>
<b>Balance at 31 December 2015</b>	<b>100</b>	<b>31 642 621</b>	<b>31 642 721</b>

# Denis Hurley Centre Trust

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## Statement of Cash Flows

Figures in Rand	Note(s)	2015	2014
<b>Cash flows from operating activities</b>			
Cash generated from operations	7	7 742 746	5 003 445
Interest income		124 264	250 616
<b>Net cash from operating activities</b>		<b>7 867 010</b>	<b>5 254 061</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(1 276 790)	(19 575 458)
Prior period VAT adjustment	2	46 868	-
<b>Net cash from investing activities</b>		<b>(1 229 922)</b>	<b>(19 575 458)</b>
<b>Cash flows from financing activities</b>			
Advance of other financial liabilities		(5 000 000)	5 000 000
<b>Net (repayment) cash from financing activities</b>		<b>(5 000 000)</b>	<b>5 000 000</b>
<b>Total cash movement for the year</b>		<b>1 637 088</b>	<b>(9 321 397)</b>
Cash at the beginning of the year		1 340 250	10 661 647
<b>Total cash at end of the year</b>	4	<b>2 977 338</b>	<b>1 340 250</b>

# Denis Hurley Centre Trust

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Annual Financial Statements for the year ended 31 December 2015

## Accounting Policies

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### 1. Presentation of annual financial statements

The annual financial statements have been prepared in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities, and the Non-Profit Organisations 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 is carried at cost less accumulated depreciation and accumulated impairment losses.

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 as follows:

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

If the major components of an item of property, plant and equipment have significantly different patterns of consumption of economic benefits, the cost of the asset is allocated to its major components and each such component is depreciated separately over its useful life.

Land is not depreciated.

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate.

#### 1.2 Financial instruments

##### Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, 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 profit or loss.

# Denis Hurley Centre Trust

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## Notes to the Annual Financial Statements

2015 2014

### 2. Property, plant and equipment

	2015			2014		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Buildings	28 047 267	-	28 047 267	28 094 135	-	28 094 135
WIP- Assets in building	84 182	-	84 182	-	-	-
Furniture and fixtures	816 600	(146 601)	669 999	27 702	(23 474)	4 228
Office equipment	226 691	(69 253)	157 438	-	-	-
IT equipment	207 823	(84 894)	122 929	30 802	(30 801)	1
Computer software	8 958	(4 479)	4 479	8 958	(1 493)	7 465
Other property, plant and equipment	156 900	-	156 900	156 900	(30 397)	126 503
<b>Total</b>	<b>29 548 421</b>	<b>(305 227)</b>	<b>29 243 194</b>	<b>28 318 497</b>	<b>(86 165)</b>	<b>28 232 332</b>

#### Reconciliation of property, plant and equipment - 2015

	Opening balance	Additions	Adjustments	Depreciation	Total
Buildings	28 094 135	-	(46 868)	-	28 047 267
WIP- Assets in building	-	84 182	-	-	84 182
Furniture and fixtures	4 228	788 897	-	(123 126)	669 999
Office equipment	-	226 691	-	(69 253)	157 438
IT equipment	1	177 020	-	(54 092)	122 929
Computer software	7 465	-	-	(2 986)	4 479
Other assets	126 503	-	-	30 397	156 900
	<b>28 232 332</b>	<b>1 276 790</b>	<b>(46 868)</b>	<b>(219 060)</b>	<b>29 243 194</b>

### 3. Trade and other receivables

Trade receivables	5 050	-
Clientele	-	1 125
Deposits	57 323	304 231
VAT	1 349 073	2 550 520
Accrued income	-	100
Prepayments	10 274	8 646
Salary clearance	1 800	-
	<b>1 423 520</b>	<b>2 864 622</b>

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## Notes to the Annual Financial Statements

Figures in Rand	2015	2014
<b>4. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Cash on hand	8 564	-
Bank balances	2 968 774	1 340 250
	<b>2 977 338</b>	<b>1 340 250</b>
<b>5. Other financial liabilities</b>		
<b>At amortised cost</b>		
Iqraa Trust	-	1 000 000
The above loan does not bear interest and was repaid during the year.		
Finance Factors CC	-	2 000 000
The above loan does not bear interest and was repaid during the year.		
Tsogo Sun	-	2 000 000
The above loan does not bear interest and was repaid during the year.		
	-	<b>5 000 000</b>
<b>Non-current liabilities</b>		
At amortised cost	-	5 000 000
<b>6. Trade and other payables</b>		
Trade payables	14 946	-
Creditors control	9 519	1
Accrued expense	42 088	46 405
SARS	2 711	92 215
Miscellaneous	83 289	-
Pension	-	159
Clientele	6 375	-
Support for the homeless	11 436	-
Deposits	2 500	2 500
Payable to Parish	3 380	23 379
	<b>176 244</b>	<b>164 659</b>
<b>7. Cash generated from operations</b>		
Surplus before taxation	5 627 685	7 623 686
<b>Adjustments for:</b>		
Depreciation	219 060	36 507
Interest received	(124 264)	(250 616)
<b>Changes in working capital:</b>		
Trade and other receivables	1 441 102	(2 775 105)
Trade and other payables	11 584	(888 536)
Deferred income	567 579	1 257 509
	<b>7 742 746</b>	<b>5 003 445</b>

# Denis Hurley Centre Trust

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## Detailed Income Statement

Figures in Rand	2015	2014
<b>Income</b>		
Bricks programme income	5 000	-
Centenary concert income	208 544	-
Donation- Cathedral Parish	165 813	229 837
Donation- Camino	3 686	1 200
Donation- friends	60 625	12 100
Donation- individuals, organisations and other	6 327 994	5 690 654
Donation- other Catholic parishes	1 151 082	306 657
Donation- overseas individuals and organisations	335 685	1 695 986
Hurley weekend income	2 880	-
Interest received	124 264	250 616
Marketing products income	40 692	-
Miscellaneous income	76 617	-
Oxfam	92 215	-
Rental income	526 851	470 638
Sewing items income	36 276	-
Sundry income	2 659	-
	<b>9 160 883</b>	<b>8 657 688</b>

# Denis Hurley Centre Trust

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## Detailed Income Statement

Figures in Rand	2015	2014
<b>Operating expenses</b>		
Accounting fees	(16 873)	(20 264)
Advertising	(10 920)	(5 738)
Asset write- off account	-	(22 908)
Auditors remuneration	(21 657)	(9 120)
Bank charges	(13 146)	(7 809)
Catering	(2 362)	(31 750)
Centenary concert expenses	(250 614)	-
Cleaning	(169 409)	-
Computer expenses	(3 212)	(1 763)
Consulting and professional fees	(4 513)	-
Consumables	(16 691)	-
Contribution to Emmanuel Cathedral	-	(24 004)
Depreciation	(219 060)	(36 507)
Donations	(200)	-
Employee costs	(1 033 986)	(212 443)
Equipment (small)	(5 795)	-
Fundraising costs	(64 745)	(29 979)
Haberdashery	(7 213)	-
Hurley Weekend costs	(2 701)	(8 966)
Insurance	(39 202)	-
Internet	(113 653)	(2 969)
Management services	(330 000)	(20 019)
Marketing products expenses	(32 973)	-
Medical expenses	(424 379)	-
Motor vehicle expenses	(42 860)	-
Municipal expenses	(119 391)	(125 895)
Official opening expenses	(26 419)	-
Other income generating expenses	(501)	-
Printing and stationery	(33 995)	(73)
Promotional flyer	-	(6 051)
Rent paid	(266 800)	(435 000)
Repairs and maintenance	(48 370)	(15 000)
Security services	(94 158)	(264)
Staff welfare	(62 041)	(7 254)
Sundry expenses	(1 206)	(3 396)
Telephone and fax	(29 405)	(6 146)
Training	(10 321)	-
Travel - local	(10 591)	-
Uniforms	(3 836)	-
Website	-	(684)
	<b>(3 533 198)</b>	<b>(1 034 002)</b>
<b>Surplus for the year</b>	<b>5 627 685</b>	<b>7 623 686</b>

**Denis Hurley Centre Trust**

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**Notes to the Annual Financial Statements**

Figures in Rand

**Revenue**

Donations - &gt; R50 000

Anonymous	160 000
Batho Batho Trust "A" (Part of grant received in 2014 used in 2015 )	369 600
Conrad N Hilton Fund for Sisters	115 200
Denis Hurley Association (from individual donors in the U.K.)	493 025
Emmanuel Cathedral	80 013
Hornby Family Trust	105 000
Hornby Smyly Glavovic Inc (HSG)	60 000
Immaculate Conception, Pinetown	105 890
Isabell Blackett	166 349
Katholische Zenstralstelle fur Entwicklungshilfe e.V. (Misereor)	264 500
KZN Provincial Government (Office of the Premier)	4 226 000
McCord Trust	550 000
Oxfam Australia	275 000
St Dominic, Hillcrest - Parish and SVDP Society	108 840
St Joseph, Morningside	106 000
Victor Daitz Foundation	82 552

Donations - &lt; R50 000

Businesses	30 000
Catholic Parishes	40 088
Catholic Organisations - Local	43 476
Other Faiths	500
Other Organisations & Individuals - Local	370 177
Catholic Organisations - Overseas	10 262
Other Organisations & Individuals - Overseas	54 137

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**7 816 609**

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**Deferred Income**

Batho Batho Trust "A" (Balance of grant received 2014)	830 400
Batho Batho Trust "B"	400 000
Embassy of Ireland	577 500
Other	32 133

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**1 840 033**

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