

**THE HOLY CROSS CHILDREN'S TRUST**

**(Registered Number 1095593)**

**TRUSTEES' ANNUAL REPORT AND  
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2013**

# THE HOLY CROSS CHILDREN'S TRUST ("THE TRUST")

## INDEX

### Page

Reference and Administrative Details	2
Statement of the Charitable Objects of the Trust	3
Objectives, Activities, Achievements and Performance	4-9
Structure, Governance and Management	10-11
Financial Review	12
Financial Statements	13-14
Notes to the Financial Statements	15-17
Report by the Independent Examiner	18

# THE HOLY CROSS CHILDREN'S TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

### 1. Principal Office & Registered Address

Kingscote, Binfield Road, Wokingham, Berkshire, RG40 5PP, UK

### 2. Bank Details

Nedbank Limited

1<sup>st</sup> Floor, Old Mutual Place, 2 Lambeth Hill,

London, EC4V 4GG

Bank Sort Code: 16-57-06

Account Name: The Holy Cross Children's Trust

Account Number: 92508906

### 3. Independent Examiner

N M Smith ACA, CTA

Villars Hayward LLP

Chartered Accountants, Registered

Auditors and Chartered Tax Advisers

Henley-on-Thames

RG9 1DY

### 4. Lawyers

Linklaters

1 Silk Street,

London EC2Y 8HQ

### 5. Charity Registration

Name of Charity: The Holy Cross Children's Trust

Registered Charity Number: 1095593

Registered by: The Charity Commission for England and Wales

### 6. Trustees (for full year & at date of report)

Mrs. E Bellm; Mrs. M Brenninkmeijer; Mrs B Fisher (Secretary); Mr. D H Millard (Chairman & Settlor); Mrs. P Millard; Mr S P Millard; Mrs. D Simond

### 7. Website

Address: [www.holycrosschildrenstrust.org](http://www.holycrosschildrenstrust.org)

Contact: [info@holycrosschildrenstrust.org](mailto:info@holycrosschildrenstrust.org)

## **THE HOLY CROSS CHILDREN'S TRUST**

### **STATEMENT OF THE CHARITABLE OBJECTS**

The following Charitable Objects are extracted from the Trust Deed dated 20 November 2002:

“The Trustees shall hold the Trust Fund and its income upon trust to apply both income and capital for the relief of financial distress and suffering of children in Kwazulu Natal, South Africa who:

- have been orphaned as a result of Acquired Immune Deficiency Syndrome (AIDS) or Human Immune Deficiency Virus (HIV); or
- are suffering with AIDS or HIV.

The Trustees may make grants - primarily to the Holy Cross AIDS Hospice, Emoyeni, Kwazulu Natal - for the provision of food, clothing, bedding, medical treatment and counselling to such children and the provision of any other benefits or services in furtherance of the objects of the Charity.”

Section 4 of the Charities Act 2011 requires the charity's trustees to comply with their duty to have due regard to public benefit guidance published by the Charity Commission in exercising their powers or duties.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

# THE HOLY CROSS CHILDREN'S TRUST

## OBJECTIVES, ACTIVITIES, ACHIEVEMENTS & PERFORMANCE FOR THE PUBLIC BENEFIT

### 1. The Trust's Objectives for the year under review.

The primary objective of the Trust for the year ended 31 March 2013 was to provide funding for specific programs for the children under the care of the HCH with the overall aim being the welfare of the orphaned children and child headed families in the 50 square kilometre area surrounding the HCH.

### 2. Activities, Achievement and Performance

#### (a) Background and Issues facing the HCH and the Trust

The issues facing the HCH in the year under review were basically unchanged from prior years

- the HIV/AIDS incidence rate in the area surrounding the HCH remains one of the highest in South Africa
- the area is designated an AIDS Pandemic Disaster Zone by the South African government and the number of orphans and child headed families continues to increase
- this is a deeply rural and impoverished region of Kwazulu Natal and thus the difficulty in delivering an effective health care and social welfare service is profound, yet the need is great

#### (b) The HCH facilities and programmes

The HCH is situated near Emoyeni, some 120 kilometres north east of Durban, in Kwazulu Natal, South Africa. The HCH is, however, not merely a hospice and consists of a "complex" that incorporates:

- a 40-bed hospice
- a crèche for up to 150 children
- the local district clinic
- a training centre for Caregivers
- offices for the HCH .

The "complex" is situated adjacent to the local Catholic Church and to an 850 pupil co-educational primary and secondary school.

## THE HOLY CROSS CHILDREN'S TRUST

### OBJECTIVES, ACTIVITIES, ACHIEVEMENTS & PERFORMANCE FOR THE PUBLIC BENEFIT (CONTINUED)

In addition, there are 3 "satellite" crèches and 1 feeding facility to cater for those children who are too far away from the central complex to be provided with this care.

The HCH is the only institution in the surrounding area that provides care for children who are affected by and/or infected with HIV/AIDS. The HCH is a non-state, charitable organisation whose main aim is to provide care to those who are terminally ill, primarily with HIV/AIDS.

#### **(c) Home Based Care Programme**

Sister Priscilla founded the Home Based Care Programme (HBCP) in 2000. The aim was to provide direct support in the community to families - especially the child headed families – and to HIV/AIDS terminally ill people within those families - and to orphaned and vulnerable children in this severely disadvantaged community. This is carried out by Caregivers, who go out in to the community on a house-to-house basis to provide this support and, where necessary, also help feed the children.

The project was initially successful but Caregiver attrition rates were high and coverage inconsistent as Sister Priscilla was only able enrol volunteer Caregivers and only on a part-time basis. In consultation with Sister Priscilla, the Trust embarked on a program to pay Caregivers on a monthly basis for full-time work. Since this commenced in 2002, the number of full time Caregivers has increased as has the coverage.

At the time The Trust became involved with the HCH in late 2002, there were some 300 child headed families and 1,000 orphaned children in the surrounding area and, as the Caregivers began to reach out deeper in to the community, more orphaned and HIV/AIDS infected children were identified.

By the end of 31 March 2013 there were 1 075 child headed households (2012: 1,195) and 3 024 orphaned children (2012: 2,983) directly or indirectly receiving care under the HBCP. (A "child headed household" is one in which both parents are deceased and where one of the children – normally the eldest – is responsible for his and his siblings care and upbringing).

The Caregivers receive training from Sister Priscilla, a Trainer (the Trust pays her allowance) and from outside agencies covering many aspects such as primary health care, AIDS treatment, child and bereavement counselling, personal growth, rape crisis, yoga, palliative care, AIDS awareness and prevention and Natural Family Planning. These take place regularly (second Monday of each month) and periodically with special programmes run by external agencies.

The activities carried out by the Caregivers who provide support to the child headed families and orphans are as follows:

## **THE HOLY CROSS CHILDREN'S TRUST**

### **OBJECTIVES, ACTIVITIES, ACHIEVEMENTS & PERFORMANCE FOR THE PUBLIC BENEFIT (CONTINUED)**

- Visits every week to the homes of the child headed families.
- Distribution of food parcels to the community who, in turn, oversee the distribution to the children
- Ensuring that the children, who are the head of the families and go to school, remain there; some refuse to go back to school after term breaks as they feel that they are “adults” having “played the adult role” for so long.
- Preparing “memory boxes” for each child headed family, thereby keeping mementos and family documents in safe keeping; the former to maintain a link to their family and the latter being critical to ultimately provide proof that they are orphans and hopefully qualify for State support.
- Writing letters to school headmasters to request them to admit the orphans in to their schools; not all orphans are accepted for free as schools have budgetary constraints and are invariably reluctant or unable to accommodate non-fee paying children.
- Supplying, where possible, the orphans with uniforms, stationery, blankets in winter and paying their school fees or “negotiating” with the authorities to have the fees waived.
- Arranging for houses to be built for the child headed families whose parents have died and left them without any shelter.
- Supplying children with clothing and blankets and other basic needs.
- Encouraging the children to set up home and maintain vegetable gardens in order to get nourishing foods.
- Helping orphaned children get their birth certificates and the death certificates of their parents which is necessary to enable children to apply for State grants. The Caregivers arrange for the orphaned children to be screened and referred to Departments of Home Affairs and of Social Welfare so that they can obtain the grants and during the year some 1,000 children were screened for Welfare Department grants.

Whilst the primary work of the caregivers is focussed on the children, they also tend to the sick and terminally ill in the community, some of whom are “foster parents” of the orphans. The Global Fund ([www.theglobalfund.org](http://www.theglobalfund.org)) has donated a 4WD vehicle and, until August 2009, funded the costs of transporting the Caregivers and medical staff into the community thus

indirectly helping to facilitate the level of care that can be provided to the children.

## **THE HOLY CROSS CHILDREN'S TRUST**

### **OBJECTIVES, ACTIVITIES, ACHIEVEMENTS & PERFORMANCE FOR THE PUBLIC BENEFIT (CONTINUED)**

In essence, the Caregivers act as “surrogate parents” for these children. During the year, each Caregiver makes some 36 household visits per month thereby ensuring that the Trust’s objective of maintaining as wide and deep a level of care for the children in the community as is possible. The HBCP remains one of the biggest projects of its kind in Kwazulu Natal.

The HCH commenced a joint project in 2004 with a Holland based donor, The Homeplan Foundation ([www.homeplan.nl](http://www.homeplan.nl)), to provide pre-fabricated houses for child headed families. The project is now complete and some 203 houses have been built.

The progress of the project, however, was suffering from a lack of transport to ferry the building materials out to the sites in the surrounding areas. The Trust decided to facilitate this by providing, in September 2005, a 1.3 ton truck. In the period under review, the project was completed and 208 houses had been erected to house some 600 children. The truck, which has a covered housing, is used to transport children to the crèche at the HCH (See below).

#### **(d) Crèche**

The Bishop Mansuet Biyase crèche opened in August 2004 with an initial intake of some 60 children. Some 120 children aged 2-6 years are now enrolled at the crèche which is staffed by 5 teachers. The crèche has 4 classrooms, a central service area and is fully equipped with a playground adjacent. During the year, the Trust funded the salary of the principal, a remedial teacher, a music therapist and cleaner.

One of the challenges, however, is to provide transport for the children in this deeply rural area where there is no public transport and most of these young children would otherwise need to walk very long distances to attend the crèche. In response to this, the Trust’s 1.3 ton truck was fitted with a demountable cab and is utilised to transport some 90 children every day from 7 sites to the crèche. Another donor, Thembanathi ([www.thembanathi.org](http://www.thembanathi.org)), has made funds available for the transportation costs such as the wages for a driver.

The area that is covered by the Caregivers is a 50 square kilometres deeply rural area with limited public transport. In order to access orphaned children in the more remote areas, Sister Priscilla has established 4 “satellite” crèches which consist of pre-fabricated buildings supplied by the Homeplan Foundation and staffed by the Caregivers who live in these remote areas.

The children receive 3 meals a day at the crèches thereby improving their health significantly. The Trust indicated to the HCH that it will partly fund this feeding scheme at the crèche if there is a shortfall in funding from other sources.

## **THE HOLY CROSS CHILDREN'S TRUST**

### **OBJECTIVES, ACTIVITIES, ACHIEVEMENTS & PERFORMANCE FOR THE PUBLIC BENEFIT (CONTINUED)**

The primary purpose of having the children at the crèche is to allow them to play, be children and escape from the predicament they face as orphans and members of a child headed family. The crèche is thus a vital element in the total care "package" provided by the HCH. One of the unique features at the crèche is a visit 3 times a week by a music therapist who entertains and teaches the children: the participation of the children is a joy to behold! During the year, the music therapist joined the full time staff of the crèche and was subsequently promoted to the role of principal.

In addition, there is a satellite feeding centre for very young children and from there some 70 children are provided with 2 meals a day. The Trust pays the wages of a cook at the feeding centre.

#### **(f) The Hospice & Clinic**

The 40 bed hospice provides a sanctuary for the terminally ill members of the community and a place where they can die with dignity. There are no other similar facilities in the area. The clinic caters for the sick in the area and provides basic clinical needs and distributes medicines. It also diagnoses and refers terminally ill patients to the hospice and others that it cannot treat to clinics and hospitals that can. It is estimated that more than 60% of the clinic's patients are diagnosed with HIV/AIDS or HIV/AIDS/TB.

The hospice and clinic is staffed by 3 nurses and 2 assistants and periodically by Caregivers. In addition, a qualified doctor provides periodic cover.

#### **(g) Administration**

The scale and complexity of the Holy Cross programs initiated by Sister Priscilla has grown exponentially since the Trust has become involved with the HCH. The amount of data, returns, policies and procedures has also increased significantly. The administration of the HCH is carried out by 2 part-time staff.

### **3. FUND RAISING ACTIVITIES**

#### **(a) Funding Policy**

The Trust's funding policy is to have cash reserves at any point in time that would enable it to fund not less than 2 years of future commitments. Based on current outgoings and excluding any significant fundraising, the Trust should have cash reserves of some £40,000. The Trust had £50,696 in cash reserves at 31 March 2013.

## **THE HOLY CROSS CHILDREN'S TRUST**

### **OBJECTIVES, ACTIVITIES, ACHIEVEMENTS & PERFORMANCE FOR THE PUBLIC BENEFIT (CONTINUED)**

#### **(b) Fund raising**

In the past, the primary fund raising medium is a bi-annual event at the Royal Academy of Arts in conjunction with the London Original Print Fair where successful events were held in 2005, 2007 and 2009. Funds raised from this event are supplemented by donations from friends and colleagues of the Trustees and from donors that access the charity via its website. Discussions are underway with the organisers of the Print Fair to establish whether or not it is possible to continue this fundraising event in future.

In the current year, the Trust received donations of £4,187 (2012: £11,800) from 9 people. Last year, Euro 10,000 (£8.810) was donated by Stichting Benevolentia, a Netherlands based Trust supported by the Brenninkmeijer family, one of whose members is a Trustee.

The Trust maintains a website ([www.holycrosschildrenstrust.org](http://www.holycrosschildrenstrust.org)) that provides information on the Trust and a link to an on-line charitable donations service, Justgiving.com.

# THE HOLY CROSS CHILDREN'S TRUST

## STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trust is governed by a Deed of Trust entered in to on 20 November 2002. The Charitable Objects of the Trust are set out on page 3 of this report and the Powers of the Trustees generally provide the Trustees with the ability to do such things, within the law, as are necessary for the achievement of the Objects.

The names of the Trustees are set out on page 2 of this document. Apart from Dee Simond, who became a Trustee in April 2003 when Lisa Millard resigned, all Trustees have served since inception of the Trust in 2002. The Settlor of the Trust, Dennis Millard, has the power to appoint new or additional Trustees.

The Trustees meet periodically and as necessary. The administration and day-to-day management of the Trust has been delegated to the Chairman and Mrs. Millard by the Trustees.

At Trustee meetings, the Trustees

- review results against plans and forecasts
- receive a report on the activities of the HCH
- review and plan fund raising activities
- decide upon matters such as major disbursements and capital outlays, fund raising strategy, etc.

The Chairman and his wife, Mrs Paula Millard, are in contact with Sister Priscilla by telephone on a regular basis to monitor progress and deal with any issues affecting The Trust's interests. During the year under review, the Chairman and Mrs Millard travelled to South Africa on 4 occasions (2012: 4) to review, in situ, the HCH's activities, address the Caregivers and to participate in several of Sister Priscilla's programmes.

The activities of the HCH are directed and controlled by a local, independent Board of Trustees made up of leaders in the community that meets monthly. Sister Priscilla, who is answerable to the HCH Board, is responsible for the management of the HCH.

The key risks to which the Charity is exposed relate to the following:

- **Ability to fund ongoing commitments:** the experience to date is that, through personal contacts, donations and fund raising activities, the Trust has been able to raise sufficient funds to meet these on-going commitments. The Trust's primary fund raising event in the past has been at the Royal Academy in conjunction with the London Original

## THE HOLY CROSS CHILDREN'S TRUST

### STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Print Fair that is currently organised by a close friend of the Trustees.

The net proceeds of the event have accounted for some 20% of the total funds that the Trust has raised since inception in 2002. As there can be no guarantee that the Trust will be able to hold a function at the Royal Academy in the future, it is the policy of the Trustees to have sufficient cash reserves to fund at least 2 years of future commitments. In addition, it periodically reviews other types of fund raising activities. The Trust would also consider other major fundraising events to ensure continuity of funding.

- **Disbursement of allowances to Caregivers:** The Trust receives a monthly report from Sister Priscilla on the performance of the Caregivers and a requisition to pay their allowances. The Trust has set up a system and a process via a bank in South Africa to ensure that the allowances for the Caregivers are paid *directly* to each individual Caregiver's bank account and payment is acknowledged by the intended recipients.
- **Administration of the financial affairs of The Trust:** all disbursements are controlled appropriately and payments made directly to the providers of goods or services. All donations and bequests are acknowledged. The financial statements of the Trust are reviewed by an Independent Examiner. The Trustees believe that the processes and systems that are in place are adequate and fit for purpose.
- **Reliance on Sister Priscilla:** the HCH owes its success to the drive and dedication of Sister Priscilla. Recent experience has demonstrated that Sister is very hard to replace and it is recognised that currently there is no like-for-like successor. There is, however, an organisation, structure, staffing and local Board in place. This is kept under close review.
- **Risk of bank default:** During the year, sterling funds were held in an interest bearing account in the London branch of Nedbank, a wholly owned subsidiary of Old Mutual, one of South Africa's largest financial services companies and Rand funds with Standard Bank, South Africa's largest bank. Charitable trust funds do not benefit from the same protection as individual depositors in the UK nor South Africa from UK or South African government guarantees in the event of the failure of banks.

## THE HOLY CROSS CHILDREN'S TRUST

### FINANCIAL REVIEW

In the year ended 31 March 2013, the Trust received £4,340 (2012:£12,209) which arose from the following sources:

- *Donations*: amounting to £4,187 from friends and/or business colleagues of the Trustees and unsolicited donations and pledges via the website. (see note 1 to the Financial Statements)
- *Interest*: amounting to £153 on amounts at Standard Bank

In the year under review, the Trust outlaid £21,461 (2012:£15,594) for:

- *Caregivers allowances*: £19,047 (see note 3)
- *Vehicle insurance*: £583
- *Independent examiner's fees, website hosting and bank charges*; amounted to £1,831. All other administration costs of operating The Trust, as well as the services of the Trustees, are provided free of charge.

This resulted in a deficit for the year of £17,121 (Deficit 2012:£3,385).

The Net Assets of the Trust at 31 March 2013 amounted to £50,696 represented by monies deposited with banks and motor vehicles with a written down book value of £nil. The Trustees consider that the cash reserves of £50,696 are adequate and not excessive given the ongoing and long term commitments of The Trust.

**Signed on behalf of the Trustees this      day of                      2014**

**D H Millard – Chairman of Trustees & Settlor of Trust**

**B Fisher – Trustee & Secretary**

**THE HOLY CROSS CHILDREN'S TRUST**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2013**

**General Unrestricted**  
**- Income Funds -**  
Notes   2013   2012

	<u>£</u>	<u>£</u>
<b><u>INCOMING RESOURCES</u></b>		
<b>Voluntary Income</b>		
- Donations	1. <b>4 187</b>	11 800
<b>Other incoming resources</b>		
- Gift Aid Relief	2.    -	33
- Interest Received	<b>153</b>	376
		_____
<b>TOTAL INCOMING RESOURCES</b>	<b><u>4 340</u></b>	<b><u>12 209</u></b>
<b><u>RESOURCES EXPENDED</u></b>		
<b>Charitable Activities</b>		
- Holy Cross Hospice staff		
And Caregivers	3. <b>19</b>	<b>13 268</b>
<b>047</b>		
-                    Vehicle    insurance		_____ 656
<b>583</b>		
	<b>19</b>	13 924
<b>630</b>		
<b>Costs of generating funds</b>		

- Justgiving website <b>216</b>		219
- Bank charges, etc <b>739</b>		575
<b>Governance Costs</b>		
- Independent Examiner's Fees <b>876</b>		876
		_____
		_____
<b>TOTAL RESOURCES EXPENDED</b> <b>461</b>	<b>2 1</b>	<u>15 594</u>
<b>NET CASH (DEFICIT)/SURPLUS</b>		
<b>FOR THE YEAR</b> <b>121)</b>	<b>(17</b>	<b>(3 385)</b>
<b>Total Cash Funds brought forward</b> <b>817</b>	<b>67</b>	<u>71 202</u>
<b>TOTAL CASH FUNDS</b>		
<b>AT YEAR END</b>	<b>50 696</b>	<u>67 817</u>

**THE HOLY CROSS CHILDREN'S TRUST**

**BALANCE SHEET**

**AS AT 31 MARCH 2013**

		<u>2013</u>	<u>2012</u>
<b>FIXED ASSETS - TANGIBLE</b>			
Motor Vehicles	4.	-	-
<b>CURRENT ASSETS</b>			
Cash at bank			

- Nedbank Limited: London	5.	<b>32 216</b>	49 691
- Standard Bank of SA Limited: Durban	6.	<b>18 480</b>	18 126
		<u><b>50 696</b></u>	<u>67 817</u>
<b>TOTAL NET ASSETS AT 31 MARCH</b>		<u><b>50 696</b></u>	<u>67 817</u>

**Represented by:**

<b>UNRESTRICTED CHARITY FUNDS</b>		<u><b>50 696</b></u>	<u>67 817</u>
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**Signed on behalf of the Trustees this      day of                      2014**

**D H Millard – Chairman of Trustees & Settlor of Trust**

**B Fisher – Secretary & Trustee**

**THE HOLY CROSS CHILDREN'S TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2013**

**1. Donations**

The following donations were received in the year:

	Notes	2013	2012
		£	£
Private Individuals & organisations	a.	4 187	2 990
Bequests	b.	-	<u>8 810</u>
		4 187	11 800

a. Donations were from 9 donors, including Trustees (2012:8).

b. In 2012 from Stichting Benevolentia, a Netherlands based Trust supported by the Brenninkmeijer family, one of whose members is a Trustee, amounting to Euro 10,000.

**2. Gift Aid Relief**

H M Revenue and Customs made a payment of £33 in 2012 in respect of the refund of tax under the Gift Aid scheme administered by Just Giving website.

**3. Holy Cross Staff Salaries**

Caregivers: The average number of caregivers and crèche staff that received allowances for the period was 18 (2011: 12) and, at 31 March 2013 there were 15 caregivers being paid by The Trust with the balance of the caregiver contingent being either pro bono or in training. The average allowance was ZAR1054 (£87) per month (2012: ZAR1050/£92). The caregivers' allowances are paid by the Trust in to the bank account of each individual Caregiver via direct transfer from the Trust's account with the Standard Bank of South Africa, International branch.

**THE HOLY CROSS CHILDREN'S TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2013**

**4. Motor Vehicles**

(a) A second hand Toyota Corolla 1.6 litre motor vehicle was acquired by The Trust in March 2004 for £6,624 and registered in the name of the HCH for the use by Sister Priscilla or designated employees of the HCH. The vehicle was depreciated on a straight line basis at 25% per annum and the accumulated depreciation and net book value at year end was £6,624 and £nil. The estimated market value is c. £500.

(b) In September 2005, a new 1.3 ton KIA K2700 truck was acquired for £11,927 for the use by Sister Priscilla or designated employee of the HCH. The vehicle was depreciated on a straight line basis at 25% per annum and the accumulated depreciation and net book value at year end was £10,436 and £nil respectively. The estimated market value is c. £2,000.

In the event that Sister Priscilla is removed from the HCH against her will, the HCH is obliged, if requested by The Trust, to transfer ownership of the vehicles back to The Trust. The Trust is responsible for the insurance of the vehicles but not for their running costs.

**5. Nedbank – London**

Nedbank Limited – London (previously named Fairbairn Private Bank Limited) is a wholly owned subsidiary of Old Mutual, one of South Africa's largest financial services companies. The Trust holds both Sterling and Euro accounts.

**6. Standard Bank of SA Limited – Durban**

In order to directly pay the Caregivers' and other staff's allowances and other periodic, specific bequests to the HCH, and to minimise bank charges, the Trust maintains a South African Rand denominated bank account with the Non-Residents Durban branch of the Standard Bank of SA Ltd. However, under current South African Exchange Control Regulations, a non-South African Trust cannot operate a bank account. As a consequence, an interest bearing account in the name of one of the Trustees, Mrs P Millard, was opened to facilitate the aforementioned payments. The Trust is, however, the sole beneficiary of this bank account.

**THE HOLY CROSS CHILDREN'S TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2013**

**8. Basis of Accounting**

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" published in March 2005 and applicable accounting standards.

**9. Taxation**

As a charity the Trust is exempt from taxation on income and gains falling within Section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

**10. Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the net surplus for the year.

The average sterling rate of exchange used for the year was ZAR12.12 (2012: R11.87) and at 31 March 2013 was ZAR14.00 (2012:ZAR12.33). The Euro rate at 31 March 2013 was 1.210 (2012: 1.135).

**THE HOLY CROSS CHILDREN'S TRUST  
REPORT BY THE INDEPENDENT EXAMINER  
FOR THE YEAR ENDED 31 MARCH 2013**

I report on the financial statements of the Trust for the year ended 31 March 2013, which are set out on pages two to seventeen.

**Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the financial statements under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commissioner under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

**Basis of independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commissioner. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that, in any material respect, the requirements:
  - (a) to keep accounting records in accordance with section 130 of the 2011 Act; and
  - (b) to prepare financial statements which accord with the accounting records and to comply with the accounting requirements of the 2011 Act have not been met; or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

N M Smith ACA, CTA  
Villars Hayward LLP  
Chartered Accountants  
Boston House  
Henley-on-Thames  
RG9 1DY

Date:

2014