

THE MCLEAN TRUST
(Registration number IT9711)
ANNUAL FINANCIAL STATEMENTS
for the year ended 29 February 2012

Harris Dowden & Fontaine
Chartered Accountants (S.A.)
Registered Auditors
Issued 15 June 2015

THE MCLEAN TRUST
FINANCIAL STATEMENTS
for the year ended 29 February 2012

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

Contents	Page
Report of the independent auditors	2
Balance sheet	3
Income statement	4
Notes to the financial statements	5 - 11

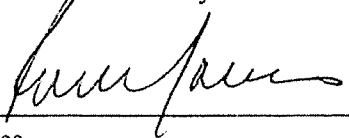
Approval

The trustees are responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information. The auditors are responsible to report on the fair presentation of the financial statements. The financial statements have been prepared in accordance with generally accepted accounting practice and in the manner required by the Companies Act, 1973.

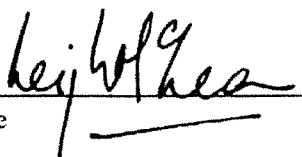
The trustees are also responsible for the trust's system of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the trustees to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The financial statements have been prepared on the going concern basis, since the trustees have every reason to believe that the trust has adequate resources in place to continue in operation for the foreseeable future.

The financial statements which appear on pages 3 to 11 were approved by the trustees on 15 June 2015 and signed on their behalf by:



Trustee



Trustee



REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE MCLEAN TRUST

We have audited the annual financial statements of THE McLEAN TRUST, which comprise the balance sheet as at 28 February 2012, and the income statement, for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Trustees Responsibility for the annual financial statements

The trustees are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with statements of 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the 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 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.

Emphasis of Matter

It is not feasible for the trust to institute accounting controls over collections from donations prior to the initial entry of these collections in the accounting records. Accordingly, it was impractical for us to extend our examination beyond the receipts actually recorded.

In our opinion, except for the matter set out in the preceding paragraph, the annual financial statements present fairly, in all material respects, the financial position of THE McLEAN TRUST as at 28 February 2012, and its financial performance for the year then ended in accordance with generally accepted accounting practice.

**Harris Dowden & Fontaine
Chartered Accountants (S.A.)
Registered Auditors**

THE MCLEAN TRUST
BALANCE SHEET
as at 29 February 2012

	Notes	2012 R	2011 R
Assets			
Non-current assets			
Fixed assets	2	6	6
Investments	3	107 495	132 219
		<u>107 501</u>	<u>132 225</u>
Current assets			
Bank balances		60 555	30 404
Total assets		<u><u>168 056</u></u>	<u><u>162 629</u></u>
Reserves and liabilities			
Reserves			
Reserve	4	100 000	100 000
Capital account	5	180 392	162 565
Revenue account	6	(278 602)	(267 792)
		<u>1 790</u>	<u>(5 227)</u>
Current liabilities			
Accounts payable		16 003	8 000
Donations in advance		150 263	159 856
		<u>166 266</u>	<u>167 856</u>
Total equity and liabilities		<u><u>168 056</u></u>	<u><u>162 629</u></u>

THE MCLEAN TRUST
INCOME STATEMENT
for the year ended 29 February 2012

	Note	2012 R	2011 R
Income			
Dividends received		6 603	7 392
Interest received - current account		220	374
		<u>6 823</u>	<u>7 766</u>
Total income		<u>6 823</u>	<u>7 766</u>
Expenditure			
Auditors' remuneration		8 000	11 762
Bank charges		6 933	7 183
Legal expenses		-	2 742
Total expenditure		<u>14 933</u>	<u>21 687</u>
		(8 110)	(13 921)
Net Contribution towards Phedisang Project	9	<u>(2 700)</u>	<u>(8 628)</u>
Net surplus/(deficit)		<u>(10 810)</u>	<u>(22 549)</u>
Transfer to non-distributable reserve		-	39 603
Accumulated loss for year		<u>(10 810)</u>	<u>(62 152)</u>

THE MCLEAN TRUST
NOTES TO THE FINANCIAL STATEMENTS
at 29 February 2012

1 Basis of preparation

The principal accounting policies of the Trust, which are set out below are consistent with those applied in the previous year.

1.1 Investments

Marketable securities are carried at cost less amounts written off.

Adjustments are made to cost only where, in the opinion of the trustees, the investment is impaired. Where an investment has been impaired, it is recognised as an expense in the period in which the impairment is identified.

1.2 Fixed assets

All fixed assets are initially recorded at cost and any impairment in value.

Assets are depreciated to a nominal value in the year of acquisition.

1.3 Going concern

These financial statements have been prepared on the basis of a going concern as the Trustees are of the opinion that the increase in the value of investments together with the Reserve for the Phedisang Project will result in an excess of assets over liabilities.

	2012 R			2011 R		
	Cost / valuation	2012 Accumulated depreciation	Carrying value	Cost / valuation	2011 Accumulated depreciation	Carrying value
<i>Owned assets</i>						
Office equipment	9 904	9 898	6	9 904	9 898	6

The carrying amounts of fixed assets can be reconciled as follows:

	Carrying value at beginning of year	Carrying value at end of year
2012		
<i>Owned assets</i>		
Office equipment	6	6

THE MCLEAN TRUST
NOTES TO THE FINANCIAL STATEMENTS
at 29 February 2012

	2012	2011
	R	R
3. Investments		
Listed shares at cost	<u>107 495</u>	<u>132 219</u>
Market value of listed shares	<u>149 974</u>	<u>186 088</u>
The trust held investments in the following companies:		
	<i>Number of ordinary shares</i>	
	2012	2011
Listed		
BHP Billiton PLC	224	224
MTN Group	348	533
African Banks Investments	1 200	1 710
In terms of the latest accounting practice (IAS 39) investments in listed companies should be shown at their market value at the balance sheet date. The Trustees are of the opinion that this would not add value to the financial statements. The required information is fully disclosed in the notes to the financial statements.		
4. Reserve		
Reserve required in order to continue operating the Phedisang Project if there are no further incoming funds		
Opening balance	100 000	250 000
Transfer to Phedisang expenditure - note 9	-	(150 000)
Closing balance	<u>100 000</u>	<u>100 000</u>
5. Capital account		
Balance at beginning of year	162 562	123 262
Movement during year:		
- Surplus arising from disposal of investments	<u>17 830</u>	<u>39 303</u>
Balance at end of year	<u>180 392</u>	<u>162 565</u>
6. Taxation		
No provision has been made for 2012 taxation as the trust is exempt in terms of Section 10 of the Income Tax Act.		
7. Revenue Account		
Balance at beginning of year	(267 792)	(240 987)
Excess of income over expenditure for the year	(10 810)	(22 549)
Grants in Aid (Note 8)	-	(4 256)
Balance at end of year	<u>(278 602)</u>	<u>(267 792)</u>

THE MCLEAN TRUST
NOTES TO THE FINANCIAL STATEMENTS
at 29 February 2012

	2012 R	2011 R
8. Grants in Aid		
Sizanani Projects	<u> -</u>	<u> 4 256</u>

THE MCLEAN TRUST
NOTES TO THE FINANCIAL STATEMENTS
at 29 February 2012

	2012 R	2011 R
9. Contribution - Phedisang Project		
Income - source		
Deferred income brought forward	159 856	221 623
South African Individuals	<u>31 821</u>	<u>24 694</u>
Debit orders	104 400	106 700
Monthly	11 400	11 900
Single donations	66 286	65 950
Less: Deferred to carried forward (see below)	<u>(150 265)</u>	<u>(159 856)</u>
South African Corporates	50 000	105 000
Donations for special expenditure on projects	-	54 850
International	<u>159 414</u>	<u>386 876</u>
	401 091	793 043
Net proceeds own fundraising activities	-	2 776
Food donations in kind	<u>161 468</u>	<u>116 261</u>
	<u>562 559</u>	<u>912 080</u>
Expenditure		
Operational costs - Limpopo (to beneficiaries: food, prep)		
Food, fuel and preparation thereof	299 125	701 500
Less: Transfer from reserve - see note 4	<u>-</u>	<u>(150 000)</u>
Food, fuel and preparation thereof	299 125	551 500
Computers in Limpopo	3 553	32 877
Salaries	176 556	158 876
Costs for volunteers incl. food,accomodation & travel	46 254	42 692
Travel to Limpopo -visits & monitoring	-	45 647
Fundraising costs incl. newsletter	1 075	2 800
Repairs and maintenance	1 520	2 244
Admin and committee expenses	24 472	9 858
Board & Jhb office admin & travel	-	48 677
Bank charges	4 466	15 861
Student support	8 238	9 676
	<u>565 259</u>	<u>920 708</u>
Net surplus/(deficit)	<u>(2 700)</u>	<u>(8 628)</u>
<p>The South African government pays a major portion of the funding of Phedisang. This includes the cost of food and stipends for the workers at the Phedisang centres.. This income and expenditure is no longer reflected in these accounts.</p>		
<p>The project took delivery of foodstuffs during the year kindly donated by Tiger Brands.</p>		
Deferred Income		
South African Individuals		
Single donations	21 500	26 864
South African Corporates	31 500	30 992
International	<u>97 265</u>	<u>102 000</u>
Total	<u>150 265</u>	<u>159 856</u>

THE MCLEAN TRUST
NOTES TO THE FINANCIAL STATEMENTS
at 29 February 2012

Phedisang - Corporate Donors

DRA Projects SA (Pty) Ltd
 Dennis Williams Designs
 L.C.T.Solutions
 LE Corder Consultants
 Michelle Clifford & Associates

South African Donors

Bill & Jill Alexander	Bellew family
Christopher Bennett	Ann Bernstein
Russell Boltman	
Noel Bunn	Teresa Bunn
Hugh Corder	Lucy Eaton Corder
Mark & Clare Cresswell	Michael Crossley
Jean Davies	Roland & Caron Elferink
David Ferguson	Susan Ferguson
Alastair Franklin	Alec Freund
Kathryn Gawith	Helen Harding
Vanessa Hendricks	Bronwen Jones
Richard Lascaris	Mpho Letlape
Michele Magwood	Samantha Manning
Diana Melck	Harry Melck
Brian & Caron Mosehla	Meryl O'Mahoney
Michael & Kathie O'Malley	David Oxenham
Margaret Richards	Victoria Ross
Mike & Birgit Sankey	Greg Sheppard
Paul Theron	Debbie Vintcent
Clare MacKenzie	Wynne Westaway
Darryl Wright	Fiona Wynne-Jones
Richard & Liz Steyn	Susan MacKenzie
Andrew & Sarah Reckling	

International Donors

Linda Berlot	Jacqueline Monique Ferreira
Hans & Brigitte Tornberg	

**THE MCLEAN TRUST
NOTES TO THE FINANCIAL STATEMENTS
at 29 February 2012**

In - Kind Donations and Volunteers

In - Kind Donations

Tiger Brands Ltd - basic food-stuffs, delivered
 Aurum Institute - Johannesburg office accomodation
 Webber Wentzel - all legal services
 Roedean School - shoes
 Else Marais - clothes
 Darryl Wright - Christmas presents
 Errol Quarto - Books
 Mrs Giles Davis - Clothes

Hoedspruit Farmers - surplus produce

Blyde Citrus Group
 Frank Boetl
 Olifants River Estate
 Richmond Estate
 Unifrutti Blyderivier

Volunteers

Nick Redding US Peace Corps 3/04/2008 to 29/03/2010
 Wendy Kingston US Peace Corps 25/03/2010 to March 2012
 Christy Hotard US Peace Corp 15/10/2006 to 15/09/2008

Current Volunteers

Heather Bellew general assistance
 Giles Davis accounting
 Roland Elferink website maintenance

Roedean School Visit 04 - 10 August 2011

Tara Ellis, Sarah Reeves, Sheila Lubega, Carla Kluth, Khensani Khoza, Caitlin Williams,
 Rose Buckland, Boitumelo Molotsi, Mattie Landman, Catherine Byrne, Rosa Elk,
 Natasha Arenstein, Romana Dascoo, Yuka Vorster, Yerma van Wyngaardt, Sandiswa Sondzaba,
 Nikita Naik

**THE MCLEAN TRUST
NOTES TO THE FINANCIAL STATEMENTS
at 29 February 2012**

Trustees

The following were the trustees of the trust during the year under review:

L S McLean
P L A Davis
P J Ramsey

Board of the Phedisang Project

The following were board members during the year under review:

Dr Paul Davis
Maria Kgabo
Edwin Letty
Ledile Mphahlele
Pru Ramsey
Leigh McLean

Phedisang is run as an integral part of The McLean Trust. The separate Board manages Phedisang, giving long-term direction and supervising operations.