

THE MCLEAN TRUST
(Registration number IT9711)
ANNUAL FINANCIAL STATEMENTS
for the year ended 28 February 2014

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

**THE MCLEAN TRUST
FINANCIAL STATEMENTS
for the year ended 28 February 2014**

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 - 10

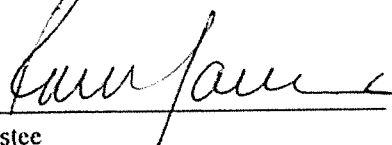
Approval

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.

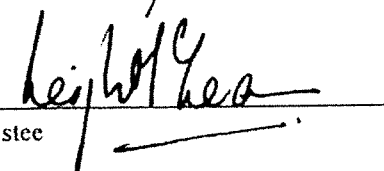
The trustees are also responsible for the trust's system of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and 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.

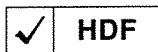
The financial statements which appear on pages 3 to 10 were approved by the trustees on 12 May 2015 and signed on their behalf by:



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 2014, 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 2014, 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 28 February 2014

	Notes	2014 R	2013 R
Assets			
Non-current assets			
Fixed assets	2	164 774	6
Investments	3	107 495	107 495
		<u>272 269</u>	<u>107 501</u>
Current assets			
Accounts receivable		114 200	86 000
Bank balances		31 349	45 976
		<u>145 549</u>	<u>131 976</u>
Total assets		<u><u>417 818</u></u>	<u><u>239 477</u></u>
Reserves and liabilities			
Reserves			
Reserve	4	100 000	100 000
Capital account	5	184 587	180 392
Revenue account	6	(134 255)	(289 113)
		<u>150 332</u>	<u>(8 721)</u>
Current liabilities			
Accounts payable		32 000	24 004
Donations in advance		235 486	224 194
		<u>267 486</u>	<u>248 198</u>
Total equity and liabilities		<u><u>417 818</u></u>	<u><u>239 477</u></u>

THE MCLEAN TRUST
INCOME STATEMENT
for the year ended 28 February 2014

	Note	2014 R	2013 R
Income			
Dividends received		4 629	6 463
Interest received - cash on call		-	96
Interest received - current account		339	167
Lotto grant for purchase of motor vehicle		164 768	-
		<u>169 736</u>	<u>6 726</u>
Total income		<u>169 736</u>	<u>6 726</u>
Expenditure			
Auditors' remuneration		8 000	8 000
Bank charges		1 567	6 811
Motor vehicle expenses		4 724	-
		<u>14 291</u>	<u>14 811</u>
		155 445	(8 085)
Net Contribution towards Phedisang Project	9	<u>(587)</u>	<u>(2 426)</u>
Net surplus/(deficit)		<u>154 858</u>	<u>(10 511)</u>

THE MCLEAN TRUST
NOTES TO THE FINANCIAL STATEMENTS
at 28 February 2014

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.

	2014 R			2013 R		
	Cost / valuation	2014 Accumulated depreciation	Carrying value	Cost / valuation	2013 Accumulated depreciation	Carrying value
<i>Owned assets</i>						
Motor vehicles	164 768	-	164 768	-	-	-
Office equipment	9 904	9 898	6	9 904	9 898	6
	<u>174 672</u>	<u>9 898</u>	<u>164 774</u>	<u>9 904</u>	<u>9 898</u>	<u>6</u>

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

2014	Carrying value at beginning of year	Additions	Carrying value at end of year
<i>Owned assets</i>			
Motor vehicles	-	164 768	164 768
Office equipment	6	-	6
	<u>6</u>	<u>164 768</u>	<u>164 774</u>

THE MCLEAN TRUST
NOTES TO THE FINANCIAL STATEMENTS
at 28 February 2014

	2014 R	2013 R
3. Investments		
Listed shares at cost	<u>107 495</u>	<u>107 495</u>
Market value of listed shares	<u>157 591</u>	<u>160 945</u>
The trust held investments in the following companies:		
	<i>Number of ordinary shares</i>	
	2014	2013
Listed		
BHP Billiton PLC	224	224
MTN Group	348	348
African Bank Investments	1 200	1 200
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	<u>100 000</u>	<u>100 000</u>
Closing balance	<u>100 000</u>	<u>100 000</u>
5. Capital account		
Balance at beginning of year	180 392	180 392
Movement during year:		
- Surplus arising from disposal of investments	<u>4 195</u>	<u>-</u>
Balance at end of year	<u>184 587</u>	<u>180 392</u>
6. Taxation		
No provision has been made for 2014 taxation as the trust is exempt in terms of Section 10 of the Income Tax Act.		
7. Revenue Account		
Balance at beginning of year	(289 113)	(278 602)
Excess of income over expenditure for the year	<u>154 858</u>	<u>(10 511)</u>
Balance at end of year	<u>(134 255)</u>	<u>(289 113)</u>

THE MCLEAN TRUST
NOTES TO THE FINANCIAL STATEMENTS
at 28 February 2014

	2014	2013
	R	R
8. Contribution - Phedisang Project		
Income - source		
Deferred income from 2012/2013	224 197	150 265
South African Individuals	<u>(114 566)</u>	<u>(104 588)</u>
Debit orders	100 000	102 100
Monthly	11 400	10 900
Single donations	9 520	6 609
Less: Deferred to 2013/2014 (see below)	<u>(235 486)</u>	<u>(224 197)</u>
South African Corporates	5 600	37 500
Lotto Grant	243 377	-
International	<u>-</u>	<u>206 565</u>
	358 608	289 742
Net proceeds own fundraising activities	1 287	-
Food donations in kind	<u>228 791</u>	<u>215 317</u>
	<u>588 686</u>	<u>505 059</u>
Expenditure		
Operational costs - Limpopo		
Food, fuel and preparation thereof	301 182	240 385
Computers in Limpopo	5 859	46 933
Salaries	188 804	153 221
Costs for volunteers incl. food,accomodation & travel	-	4 892
Travel to Limpopo -visits & monitoring	55 583	27 521
Fundraising costs incl. newsletter	5 115	2 352
Repairs and maintenance	937	2 484
Admin and committee expenses	15 945	13 625
Bank charges	9 801	6 958
Student support	<u>6 047</u>	<u>9 114</u>
	<u>589 273</u>	<u>507 485</u>
Net surplus/(deficit)	<u>(587)</u>	<u>(2 426)</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> <p>The Trust received a grant from Lotto, in terms of which a motor vehicle was purchased, the unfettered use of which is made available to the Phedisang project at no direct cost.</p>		
Deferred Income		
South African Individuals		
Single donations	68 000	51 240
South African Corporates	1 500	26 000
Lotto Grant	165 986	-
International	<u>-</u>	<u>146 957</u>
Total	<u>235 486</u>	<u>224 197</u>

THE MCLEAN TRUST
NOTES TO THE FINANCIAL STATEMENTS
at 28 February 2014

9. Phedisang - Corporate Donors

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

South African Donors

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

International Donors

Linda Berlot	Jacqueline Monique Ferreira
--------------	-----------------------------

**THE MCLEAN TRUST
NOTES TO THE FINANCIAL STATEMENTS
at 28 February 2014**

In - Kind Donations and Volunteers

In - Kind Donations

Tiger Brands Ltd - basic food-stuffs, delivered
Dennis Williams Designs - Johannesburg office accomodation
Rhodean School - shoes
Laurissa Venter Schamm - clothes
Webber Wentzel - all legal services

Hoedspruit Farmers - surplus produce

Frank Boetl

Volunteers

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

Current Volunteers

Heather Bellew	general assistance
Giles Davis	accounting
Roland Elferink	website maintenance

Roedean School Visit 16 - 21 October 2013

Alex De Noy, Alex Plakas, Emma Kruger, Hannah Human, Isabella Briar, Isabella La Grange, Isioma Umunna, Kate Reeves, Lenka van Wyngaardt, Nicola Stipinovich, Nina Lang, Nomfundo Kwini, Nompilo Sibisi, Rabia Omar, Rumbi Shitto, Shelby Labuschagne
Tsholofelo Marishane

THE MCLEAN TRUST
NOTES TO THE FINANCIAL STATEMENTS
at 28 February 2014

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

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