

**THE MAIZE TRUST**  
**(Registration number IT8214/98)**  
**Annual Financial Statements**  
**for the year ended 30 June 2019**



**THE**  
**ASHTON**  
**CA (SA) GROUP INC.**

# The Maize Trust

(Registration number IT8214/98)

Annual Financial Statements for the year ended 30 June 2019

## General Information

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**Type of trust**

Non-trading trust

**Trustees**

Dr TJ Hewu (Replaced 24 May)  
Ms N Mahlali (Replaced 24 May)  
Dr SS Ndlungwane  
Dr JL Purchase  
Mr BC Schoonwinkel  
Mr DJM Mathews  
Ms ME Mabe (Appointed 24 May)  
Mr Z Ngejane (Appointed 24 May)

**Business address**

The Grain Building  
477 Witherite Road  
The Willows  
Pretoria  
0040

**Bankers**

ABSA

**Auditors**

The Ashton CA (SA) Group Inc  
Chartered Accountants (S.A.)  
Registered Auditors

**Trust registration number**

IT8214/98

# The Maize Trust

(Registration number IT8214/98)

Annual Financial Statements for the year ended 30 June 2019

## Index

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

	<b>Page</b>
Trustees' Responsibilities and Approval	3
Independent Auditors' Report	4 - 5
Trustees' Report	6
Statement of Financial Position	7
Statement of Comprehensive Income	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Accounting Policies	11 - 12
Notes to the Annual Financial Statements	13 - 18
The following supplementary information does not form part of the annual financial statements and is unaudited:	
Detailed Income Statement	19

# The Maize Trust

(Registration number IT8214/98)

Annual Financial Statements for the year ended 30 June 2019

## Trustees' Responsibilities and Approval

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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 Standards. 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 Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

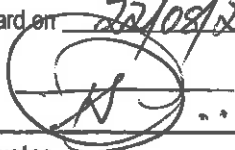
The trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the Trust and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the board sets standards for internal 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 trustees have reviewed the trust's cash flow forecast for the year to 30 June 2019 and, in the light of this review and the current financial position, they are satisfied that the trust has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors 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 auditors and their report is presented on page 4.

The annual financial statements set out on pages 6 to 19, which have been prepared on the going concern basis, were approved by the board on 22/08/2019 and were signed on its behalf by:



Trustee



Trustee

Pretoria



THE  
**ASHTON**  
CA (SA) GROUP INC.  
REGISTERED ACCOUNTANTS  
AND AUDITORS

## Independent Auditors' Report

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To the trustees of The Maize Trust

### Opinion

We have audited the Financial Statements of The Maize Trust, as set out on pages 7 to 18, which comprise the Statement of Financial Position as at 30 June 2019, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and the notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the Financial Statements present fairly, in all material respects, the financial position of The Maize Trust as at 30 June 2019, and its financial performance and its cash flows for the year ended in accordance with the International Financial Reporting Standards.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are independent of the trust in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B) (IESBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code in accordance with other ethical requirements applicable to performing audits in South Africa. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of trustees for the Financial Statements

The trustees are responsible for the preparation and fair presentation of these Financial Statements in accordance with the international Financial Reporting Standards, and for such internal control as the trustees determine is necessary to enable the preparation of Financial Statements that are free from material misstatements, whether due to fraud or error.

In preparing the Financial Statements, the trustees are responsible for assessing the trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the trust or to cease operations, or have no realistic alternative but to do so.

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#### Address

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Ashlea Gardens, 0181  
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Tel: +27 (012) 460 3050  
Fax: +27 (012) 460 1263  
E-mail: [karin@ashtongroup.co.za](mailto:karin@ashtongroup.co.za)

#### Directors

A. Robberts B.Compt (Hons) CA (SA) RA  
H.J. Windell B.Compt (Hons) CA (SA) RA  
W. Delpont B.Compt (Hons) CA (SA) RA

#### Professional Assistants

C.E. Möller B.Com (PGDA) CA (SA)  
A. Deyssel Professional Accountant (SA) B.Com CIMA  
T.C. Moyo Professional Accountant (SA) B.Com Acc Sci

## **Auditor's responsibilities for the audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or errors, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustee.
- Conclude on the appropriateness of the trustee's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events and conditions that may cast significant doubt on the trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. Hence future events or conditions may cause the trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and what the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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**The Ashton CA (SA) Group Inc**  
**Andre Robberts**  
**Director**  
**Chartered Accountants (SA)**  
**Registered Auditors**

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**Pretoria**

# The Maize Trust

(Registration number IT8214/98)

Annual Financial Statements for the year ended 30 June 2019

## Trustees' Report

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The trustees have pleasure in submitting their report on the annual financial statements of The Maize Trust for the year ended 30 June 2019.

### 1. Trustees

The trustees in office at the date of this report are as follows:

#### Trustees

Dr T.J. Hewu (Replaced 24 May)

Ms N. Mahlali (Replaced 24 May)

Dr S.S. Ndlungwane

Dr J.L. Purchase

Mr B.C. Schoonwinkel

Mr D.J.M. Mathews

Ms M.E. Mabe (Appointed 24 May)

Mr Z. Ngejane (Appointed 24 May)

### 2. 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.

### 3. 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 borrowing facilities 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.

### 4. Subsidiaries

The Maize trust holds a 100% shareholding of the issued shares of Grain Building (Pty) Ltd.

# The Maize Trust

(Registration number IT8214/98)

Annual Financial Statements for the year ended 30 June 2019

## Statement of Financial Position as at 30 June 2019

Figures in Rand	Note(s)	2019	2018
<b>Assets</b>			
<b>Non-Current Assets</b>			
Investments in subsidiaries	2	250,156,522	250,156,522
Investments	3	780,185,781	825,097,179
		<u>1,030,342,303</u>	<u>1,075,253,701</u>
<b>Current Assets</b>			
Cash and cash equivalents	4	8,629,597	21,762,730
<b>Total Assets</b>		<u>1,038,971,900</u>	<u>1,097,016,431</u>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Trust capital	5	319,234,732	319,234,732
Accumulated surplus		683,463,803	742,342,607
		<u>1,002,698,535</u>	<u>1,061,577,339</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	10	92,661	21,953
Provisions	7	36,180,704	35,417,139
		<u>36,273,365</u>	<u>35,439,092</u>
<b>Total Equity and Liabilities</b>		<u>1,038,971,900</u>	<u>1,097,016,431</u>



## The Maize Trust

(Registration number IT8214/98)

Annual Financial Statements for the year ended 30 June 2019

### Statement of Comprehensive Income

Figures in Rand	Note(s)	2019	2018
Profit on sale of investments and other income		14,615,140	8,044,581
Operating expenses		(3,662,852)	(3,505,346)
<b>Surplus/ (Loss) before investment revenue, allocations to beneficiaries, fair value adjustments and asset management fees</b>		<b>10,952,288</b>	<b>4,539,235</b>
Investment revenue - Interest & Dividends		34,680,384	32,172,858
Allocations to beneficiaries	8	(58,495,697)	(50,265,559)
Fair value adjustments	11	(42,977,883)	41,818,540
Asset management fees	3	(3,037,896)	(3,295,531)
<b>Surplus/(loss) for the year</b>		<b>(58,878,804)</b>	<b>24,969,543</b>
Other comprehensive income		-	-
<b>Total comprehensive income/(loss) for the year</b>		<b>(58,878,804)</b>	<b>24,969,543</b>

## The Maize Trust

(Registration number IT8214/98)

Annual Financial Statements for the year ended 30 June 2019

### Statement of Changes in Equity

Figures in Rand	Trust capital	Accumulated surplus	Total equity
<b>Balance at 01 July 2017</b>	<b>319,234,732</b>	<b>717,373,064</b>	<b>1,036,607,796</b>
Surplus for the year	-	24,969,543	24,969,543
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>24,969,543</b>	<b>24,969,543</b>
<b>Balance at 01 July 2018</b>	<b>319,234,732</b>	<b>742,342,607</b>	<b>1,061,577,339</b>
Deficit for the year	-	(58,878,804)	(58,878,804)
Other comprehensive income	-	-	-
<b>Total comprehensive deficit for the year</b>	<b>-</b>	<b>(58,878,804)</b>	<b>(58,878,804)</b>
<b>Balance at 30 June 2019</b>	<b>319,234,732</b>	<b>683,463,803</b>	<b>1,002,698,535</b>
Note(s)	5		

# The Maize Trust

(Registration number IT8214/98)

Annual Financial Statements for the year ended 30 June 2019

## Statement of Cash Flows

Figures in Rand	Note(s)	2019	2018
<b>Cash flows from operating activities</b>			
Cash used in operations	13	(3,487,528)	(2,496,520)
Interest income		806	1,056
Dividends received		7,585,721	7,585,721
<b>Net cash from operating activities</b>		<b>4,098,999</b>	<b>5,090,257</b>
<b>Cash flows from investing activities</b>			
Investment withdrawals		40,500,000	51,248,900
Payments to beneficiaries		(57,732,133)	(47,424,633)
<b>Net cash from investing activities</b>		<b>(17,232,133)</b>	<b>3,824,267</b>
<b>Total cash movement for the period</b>		<b>(13,133,134)</b>	<b>8,914,524</b>
Cash at the beginning of the period		21,762,730	12,848,206
<b>Total cash at end of the period</b>	4	<b>8,629,596</b>	<b>21,762,730</b>

# The Maize Trust

(Registration number IT8214/98)

Annual Financial Statements for the year ended 30 June 2019

## 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. The annual financial statements have been prepared on the historical cost basis, except for the measurement of investment properties and certain financial instruments at fair value, 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 Investments in subsidiaries

Investments in subsidiaries are carried at cost less any accumulated impairment losses.

#### 1.2 Financial instruments

##### Initial measurement

Financial instruments are initially measured at the transaction price. This includes transaction costs, except for financial instruments which are measured at fair value through surplus or deficit.

##### Financial instruments at amortised cost

Debt instruments, as defined in 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 the end of 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 so, an impairment loss is recognised.

##### Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably are measured at cost less impairment. This includes equity instruments held in unlisted investments.

All financial assets whose fair value cannot otherwise be measured reliably, and which do not meet the criteria to be designated as an instrument measured at amortised cost, are measured at cost less impairment.

##### Financial instruments at fair value

All other financial instruments are measured at fair value through profit and loss.

#### 1.3 Impairment of assets

The trust assesses at each reporting date whether there is any indication that an asset may be impaired.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

#### 1.4 Provisions and contingencies

Provisions are recognised when:

- the Trust has an obligation at the reporting date as a result of a past event;
- it is probable that the Trust will be required to transfer economic benefits in settlement; and
- the amount of the obligation can be estimated reliably.

# **The Maize Trust**

(Registration number IT8214/98)

Annual Financial Statements for the year ended 30 June 2019

## **Accounting Policies**

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### **1.5 Revenue**

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Dividends are recognised, in surplus or deficit, when the Trust's right to receive payment has been established.

### **1.6 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

### **1.7 Trade and other receivables**

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

### **1.8 Trade and other payables**

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

# The Maize Trust

(Registration number IT8214/98)

Annual Financial Statements for the year ended 30 June 2019

## Notes to the Annual Financial Statements

Figures in Rand

12 Months  
ended 30 June  
2019

12 Months  
ended 30 June  
2018

### 2. Investments in subsidiaries

Name of subsidiary	Principal place of business	% Holding at 30 June 2019	% Holding at 30 June 2018	Carrying amount at 30 June 2019	Carrying amount at 30 June 2018
Grain Building (Pty) Ltd	RSA	100.00 %	100.00 %	250,156,522	250,156,522

This investment is shown at cost less accumulated impairment charges.

The directors of Grain Building (Pty) Ltd are appointed by the trustees of The Maize Trust.

### 3. Investments

#### At cost

Investment deposit	1,772,302	1,500,000
The investment, together with accrued interest, calculated at commercial bank call rates, is collectable within a period of 5 years since inception.		

#### At fair value

Allan Gray Ltd	410,051,944	444,353,510
Book value - R 395 267 861		
Foord Asset Management		264,978,261
Coronation Fund Managers	114,763,490	114,265,408
Book value - R 93 927 927		
Investec	253,598,045	
Book value - R 253 829 949		
	<u>778,413,479</u>	<u>823,597,179</u>
<b>Total other financial assets</b>	<b>780,185,781</b>	<b>825,097,179</b>

#### Non-current assets

At cost	1,772,302	1,500,000
At fair value through profit or loss	778,413,479	823,597,179
	<u>780,185,781</u>	<u>825,097,179</u>

#### Asset management fees paid

Allan Gray Ltd	2,117,115	2,207,854
Foord Asset Management (Pty) Ltd	839,310	1,087,677
Investec Asset Management	81,471	
	<u>3,037,896</u>	<u>3,295,531</u>

Asset management fees relating to Coronation Fund Managers are included in the fair value adjustment of the underlying investment.

## The Maize Trust

(Registration number IT8214/98)

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand

	12 Months ended 30 June 2019	12 Months ended 30 June 2018
<b>4. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Bank balances	R 8,629,597	R 21,762,730
<b>5. Trust Capital</b>		
Trust Capital consist of donations received from the Maize Board.		
- Received 2000	244,128,772	244,128,772
- Received 2000	15,000,000	15,000,000
- Received 2001	5,000,000	5,000,000
- Received 2006	25,000,000	25,000,000
- Received 2010	30,105,960	30,105,960
	<u>319,234,732</u>	<u>319,234,732</u>
<b>6. Funding recovered from beneficiaries</b>		
Grain Farmer Development Association	-	961,938
<b>7. Provisions</b>		
The following allocations were approved by the Trustees, but have not been paid at the end of the period and are made up as follow:		
Agricultural Research Council	3,828,179	6,204,265
Bursary Scheme	423,039	454,178
Bureau for Food and Agricultural Policy	82,000	1,821,311
Cape Peninsula University of Technology	144,960	212,160
CA Coordination	1,432,034	1,030,555
CA Farmer Innovation Programme	5,155,078	2,866,237
Grain Farmer Development Association	6,005,898	8,112,664
Grain SA	5,564,715	2,877,247
Grain SA - Farmer Development Programme	3,886,534	2,532,411
Mahlathini Development Foundation	-	114,000
National Agricultural Marketing Council	298,091	406,407
North West University	304,544	257,831
Southern African Grain Laboratory	3,051,716	1,876,218
South African Grain Information Service	5,485,356	6,049,387
Sandy Soils Development Committee	196,643	184,268
Sansor	87,917	-
University of Stellenbosch	80,000	314,000
University of Pretoria	154,000	104,000
	<u>36,180,704</u>	<u>35,417,139</u>

## The Maize Trust

(Registration number IT8214/98)

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand

	12 Months ended 30 June 2019	12 Months ended 30 June 2018
<b>8. Net allocations approved during the year by the trustees</b>		
Agricultural Research Council	5,028,153	6,248,298
Bureau for Food and Agricultural Policy	(621,000)	245,050
Bursary Scheme	797,607	755,195
CA Coordination	1,414,059	1,972,823
CA Farmer Innovation Programme	8,385,398	-
Cape Peninsula University of Technology	362,401	530,401
Grain Farmer Development Association	10,805,830	9,985,868
Grain SA	3,317,211	4,410,876
Grain SA - Farmer Development Programme	9,404,820	8,152,318
Mahlathini Development Foundation	-	114,000
Maize Forum	216,258	205,488
Mycotoxin Coordination	97,151	109,458
National Agricultural Marketing Council	174,200	373,525
National Chamber of Milling- Recalculation of allocation	-	(400,000)
North West University	1,405,939	-
Sandy Soils Development Committee	983,217	921,341
Sansor	551,585	-
South African Grain Information Service	10,480,306	10,990,403
Southern African Grain Laboratory	5,231,562	4,665,515
University of Pretoria	176,000	200,000
University of Stellenbosch	285,000	785,000
	<b>58,495,697</b>	<b>50,265,559</b>
Approved during the year (as above)	58,495,697	50,265,559
Unpaid allocations at the end of the previous year (as per note 7)	35,417,139	32,576,413
	<b>93,912,836</b>	<b>82,841,972</b>
Allocations paid during the year (as per note 9)	(57,732,131)	(47,424,833)
	<b>36,180,704</b>	<b>35,417,139</b>



# The Maize Trust

(Registration number IT8214/98)

Annual Financial Statements for the year ended 30 June 2019

## Notes to the Annual Financial Statements

Figures in Rand

	12 Months ended 30 June 2019	12 Months ended 30 June 2018
<b>9. Actual payments to beneficiaries</b>		
Agricultural Research Council	7,404,239	3,672,219
Bureau for Food and Agricultural Policy	1,118,312	2,423,832
Bursary Scheme	828,748	547,488
CA Coordination	1,012,580	942,269
Cape Peninsula University of Technology	429,601	650,401
Grain Farmer Development Association	12,912,596	6,725,490
Grain SA	7,446,851	2,517,675
Grain SA - Farmer Development Programme	7,330,143	11,612,282
Mahlathini Development	114,000	123,000
Maize Forum	216,258	205,488
Mycotoxin Coordination	97,151	109,458
National Agricultural Marketing Council	282,516	200,975
North West University	1,359,226	257,831
SANSOR	463,668	-
South African Grain Information Service	11,044,337	10,302,396
Sandy Soils Development Committee	970,842	872,817
Southern African Grain Laboratory	4,056,063	5,089,906
Tshwane University of Technology	-	186,106
University of Pretoria	200,000	200,000
University of Stellenbosch	445,000	785,000
	<u>57,732,131</u>	<u>47,424,633</u>
<b>10. Trade and other payables</b>		
Trade payables	<u>92,661</u>	<u>21,953</u>
<b>11. Fair value adjustments</b>		
Investments	<u>(42,977,883)</u>	<u>41,818,540</u>
<b>12. Auditors' remuneration</b>		
Fees	<u>157,147</u>	<u>146,832</u>

## The Maize Trust

(Registration number IT8214/98)

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand

	12 Months ended 30 June 2019	12 Months ended 30 June 2018
<b>13. Cash used in operations</b>		
Surplus/(Loss) for the period	(58,878,804)	24,969,543
<b>Adjustments for:</b>		
Allocations to beneficiaries	58,495,697	50,265,559
Asset management fees	3,037,896	3,295,531
Dividends received	(20,982,415)	(16,984,397)
Interest received	(13,697,969)	(15,188,461)
Investment charges	104,616	26,205
Fair value adjustment	42,977,883	(41,818,540)
Profit on sale of shares	(14,615,140)	(7,082,643)
<b>Changes in working capital:</b>		
Trade and other payables	70,708	20,683
	<u>(3,487,528)</u>	<u>(2,496,520)</u>

#### 14. Related parties

##### Relationships

The Maize Trust holds membership in SAGIS and GFADA.

The Maize Trust holds 100% of the issued shares of Grain Building (Pty) Ltd.

##### Related party transactions

##### Dividends received

Grain Building (Pty) Ltd

7,585,721

7,585,721

#### 15. Risk Management

The Trust's investment activities expose it to a variety of financial risks.

**Interest rate risk:** As the Trust has significant interest-bearing assets, the Trust's income and operating cash flows are substantially dependant on changes in market interest rates.

**Market performance and currency risk:** The Trust is exposed to equity securities risk and foreign currency risk, because of investments held by the Trust and classified on the balance sheet as fair value through profit or loss. To manage its price risk arising from investments in equity securities, the trust diversifies its portfolio into local and foreign currency. Funds available for investments has been distributed between three reputable asset manager companies with diversified risk strategies. The Trust also appointed an investment advisor.

# The Maize Trust

(Registration number IT8214/98)

Annual Financial Statements for the year ended 30 June 2019

## Notes to the Annual Financial Statements

Figures in Rand

12 Months  
ended 30 June  
2019

12 Months  
ended 30 June  
2018

### 16. Trustees fees

#### 12 Months Ended 30 June 2019

	Allowances	Reimbursements	Total
TJ Hewu	35,499	29,132	64,631
N Mahlali	52,454	16,899	69,353
SS Ndlungwane	157,714	147,453	305,167
JL Purchase (paid to employer)	42,396	-	42,396
BC Schoonwinkel	62,930	57,496	120,426
DJM Mathews	89,622	87,743	177,365
ME Mabe	31,874	1,096	32,970
Z Ngejane	83,532	128,518	212,050
	<u>556,021</u>	<u>468,337</u>	<u>1,024,358</u>

#### 12 Months Ended 30 June 2018

	Allowances	Reimbursements	Total
TJ Hewu	58,488	81,070	139,558
N Mahlali	42,014	7,044	49,058
SS Ndlungwane	87,674	61,038	148,712
JL Purchase (paid to employer)	39,616	-	39,616
BC Schoonwinkel	52,864	67,018	119,882
DJM Mathews	62,290	59,204	121,494
ME Mabe	20,120	715	20,835
Z Ngejane	37,998	92,182	130,180
	<u>401,064</u>	<u>368,271</u>	<u>769,335</u>

## The Maize Trust

(Registration number IT8214/98)

Annual Financial Statements for the year ended 30 June 2019

### Detailed Income Statement

Figures in Rand	Note(s)	2019	2018
<b>Income</b>			
Dividends received		20,982,415	16,984,397
Funding recovered from beneficiaries	6	-	961,938
Interest received		13,697,969	15,188,461
Profit on sale of investments		14,615,140	7,082,643
		<u>49,295,524</u>	<u>40,217,439</u>
<b>Operating expenses</b>			
Accounting fees		(99,796)	(94,803)
Administration costs		(1,749,953)	(1,725,619)
Audit fees	12	(157,147)	(146,832)
Bank charges		(111,841)	(88,490)
Computer expenses		-	(8,907)
Conference costs		(71,613)	(178,781)
Insurance		(86,786)	(72,382)
Professional fees		(19,416)	(56,028)
Remuneration - Investment advisor		(273,992)	(260,506)
Travel and accommodation		(61,050)	(96,808)
Trustees fees	16	(1,024,358)	(769,335)
Website costs		(6,900)	(6,855)
		<u>(3,662,852)</u>	<u>(3,505,346)</u>
<b>Surplus before allocations to beneficiaries, fair value adjustments and asset management fees</b>		<b>45,632,672</b>	<b>36,712,093</b>
Allocations to beneficiaries	8	(58,495,697)	(50,265,559)
Fair value adjustments	11	(42,977,883)	41,818,540
Asset Management fees	3	(3,037,896)	(3,295,531)
		<u>(104,511,476)</u>	<u>(11,742,550)</u>
<b>Surplus/(loss) for the period</b>		<b>(58,878,804)</b>	<b>24,969,543</b>