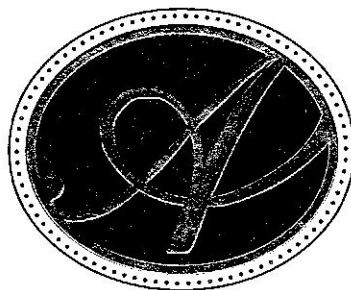


THE MAIZE TRUST
(Registration number T8214/98)
FINANCIAL STATEMENTS
for the 6 months ended 31 December 2003



ASHTON

THE MAIZE TRUST
FINANCIAL STATEMENTS
for the 6 months ended December 2003

Country of incorporation	South Africa
Type of trust	Non-trading trust
Trustees	Mr HJ Botma Mr CK Ferreira Dr. RP Mohlahlane Mr LA Makenete Mr JK Peele Mr L Wolthers Mr JF de Villiers
Business address	1188 Woodlands Drive Queenswood Pretoria 0186
Bankers	ABSA
Auditors	Ashton Chartered Accountants Inc. Chartered Accountants (S.A.) Registered Accountants and Auditors
Registration	T8214/98

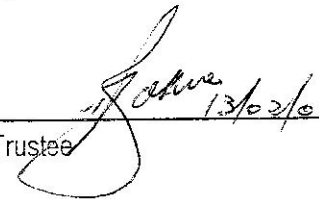
THE MAIZE TRUST
FINANCIAL STATEMENTS
for the 6 months ended December 2003

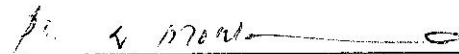
The reports and statements set out below comprise the financial statements presented to trustees:

Index	Page
Report of the independent auditors	3
Report of the trustees	4
Balance sheet	5
Income statement	6
Cash flow statement	7
Notes to the financial statements	8 - 12

Approval

The financial statements which appear on pages 4 to 12 were approved by the trustees on 13 February 2004 and signed on their behalf.


Trustee


Trustee



ASHTON

CHARTERED ACCOUNTANTS INC

Ashton House, 51 Lebombo St,
Ashlea Gardens, 0181
PO Box 35555, Menlo Park, 0102
Tel: +27 (012) 460 3050
Tel: +27 (012) 460 0367
Fax: +27 (012) 346 1269
E-mail: info@ashtongroup.co.za

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

We have audited the annual financial statements of The Maize Trust set out on pages 4 to 12 for the 6 months ended 31 December 2003. These financial statements are the responsibility of the trust's trustees. Our responsibility is to express an opinion on these financial statements based on our audit.

Scope

We conducted our audit in accordance with statements of South African Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatements. An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

Audit opinion

In our opinion, the financial statements fairly present, in all material respects, the financial position of the trust at 31 December 2003 and the results of its operations and cash flows for the 6 months then ended in accordance with South African Statements of Generally Accepted Accounting Practice, and in the manner required by the Companies Act in South Africa.

Ashton Chartered Accountants Inc.
Chartered Accountants (S.A.)
Registered Accountants and Auditors

Pretoria
13 February 2004

**THE MAIZE TRUST
REPORT OF THE TRUSTEES
for the 6 months ended December 2003**

The trustees present their report for the 6 months ended 31 December 2003. This report forms part of the audited financial statements.

1. General review

The trust's business and operations and the results thereof are clearly reflected in the attached financial statements. No material fact or circumstance has occurred between the accounting date and the date of this report.

2. Statements of responsibility

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 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 6 months 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.

3. Trustees

The trustees of the trust during the accounting period and up to the date of this report were as follows:

Dr. RP Mohlahlane
Mr CK Ferreira
Mr HJ Botma
Mr JF de Villiers
Mr JK Peele
Mr L Wolthers
Mr LA Makenete

Pretoria

13 February 2004

THE MAIZE TRUST
BALANCE SHEET
as at December 2003

	Notes	31 December 2003 R	30 June 2003 R
Assets			
Non-current assets			
Investments	2	381,571,183	351,212,726
		6,492,321	2,962,993
Current assets			
Debtors	6	618,741	1,675,331
Cash and cash equivalents		5,873,580	1,287,662
Total assets		<u>388,063,504</u>	<u>354,175,719</u>
Equity and liabilities			
Capital and reserves			
		387,775,977	353,963,733
Donations	8	264,128,772	264,128,772
Non-distributable reserve	4	124,649,337	93,189,123
Accumulated loss		(1,002,132)	(3,354,162)
Current liabilities			
Trade and other payables	7	287,527	211,986
Total equity and liabilities		<u>388,063,504</u>	<u>354,175,719</u>

THE MAIZE TRUST
INCOME STATEMENT
for the 6 months ended December 2003

	6 months ended 31 December 2003 R	12 months ended 30 June 2003 R
Income	19,026,234	19,818,134
Dividends received	3,176,432	9,642,061
Interest received	4,349,802	10,176,073
Profit on realisation of investment	11,500,000	-
Total income	19,026,234	19,818,134
Expenditure	1,876,137	3,341,461
Administrators fees	305,539	604,488
Audit fees- Under provision previous years	7,140	2,980
Auditors' remuneration	18,000	30,830
Bank charges	2,620	4,153
Conference costs	49,043	22,653
Insurance	5,940	5,940
Interest (SARS prior years)	9,179	-
Investment costs- Asset Manager Fees	1,293,716	1,789,147
Legal expenses	8,550	12,149
Maize Forum Costs	-	14,986
Maintenance of ex Maize Board Archives	-	571,689
Remuneration- Investment advisor	66,747	101,822
Trustees emoluments	109,663	180,624
Net surplus before payments to beneficiaries	17,150,097	16,476,673
Payments to beneficiaries	9 (14,798,067)	(27,166,069)
Net (shortage)/surplus after payments to beneficiaries for 6 months	2,352,030	(10,689,396)
Retained surplus at beginning of 6 months	(3,354,162)	7,335,234
(Accumulated shortage)/Retained surplus at end of 6 months	(1,002,132)	(3,354,162)

THE MAIZE TRUST
CASH FLOW STATEMENT
for the 6 months ended December 2003

	Notes	6 months ended 31 December 2003 R	12 months ended 30 June 2003 R
Cash flows from operating activities		3,484,161	(9,206,867)
Cash generated by/(utilised in) operating activities	14.1	10,765,173	(1,858,932)
Interest received		4,349,802	10,176,073
Interest paid		(9,179)	-
Dividends received		3,176,432	9,642,061
Allocations to beneficiary		(14,798,067)	(27,166,069)
Cash flows from investing activities			
Revaluation surplus on investments		31,460,214	(17,058,612)
Investments		(30,358,457)	18,831,212
Increase/(decrease) in cash and cash equivalents		4,585,918	(7,434,267)
Cash and cash equivalents at beginning of the period	14.2	1,287,662	8,721,929
Cash and cash equivalents at end of the period	14.2	5,873,580	1,287,662

THE MAIZE TRUST
NOTES TO THE FINANCIAL STATEMENTS
at December 2003

1 Basis of preparation

The financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice. The financial statements are prepared under the historical cost convention as modified by the revaluation of certain property, plant and equipment, marketable securities and investment properties.

1.1 Revenue recognition

Interest and dividends on cash and investments are recognised on an accrual basis. Interest received on investments managed by external Asset Managers are recognised after taking interest paid by such, on operating accounts, into account.

1.2 Investments

Listed investments are stated at market value.

Unlisted investments are stated at Trustees valuation.

Unrealised surpluses resulting from the revaluation of investments are treated as non-distributable reserves.

	2003 R	2003 R
2. Investments		
Unlisted shares at cost- SAGIS	1	1
Allan Gray Limited (Cost - R143 564 420; Original Cost R120 000 000)	184,217,265	169,872,568
Prudential Asset Managers (Cost - R120 000 000)	-	181,340,157
Foord Asset Management (Cost - R102 942 454)	98,339,581	-
Oasis Asset Management Ltd (Cost - R103 000 379)	99,014,336	-
	<u>381,571,183</u>	<u>351,212,726</u>
Market value of listed shares	381,571,183	351,212,725
Trustees' valuation of unlisted shares	1	1
	<u>381,571,184</u>	<u>351,212,726</u>

The original cost of the investment managed by the Asset Managers was an amount of R240 000 000.

3. Contingent liabilities

A contingent liability exist for allocations that were approved subject to certain conditions. The liability as at 31 December 2003 amounts to R2,470,102 (2003-R11,494,588). Refer to note 10.

The trustees are in the process of determining The Trusts liability for RSC levies. If found to be liable the amount owing could be approximately R 173,487.

THE MAIZE TRUST
 NOTES TO THE FINANCIAL STATEMENTS
 at December 2003

	2003 R	2003 R
4. Non-distributable reserve		
Balance at beginning of year	93,189,123	110,247,735
Movement during year:		
- Revaluation of Investment Surplus	31,460,214	(17,058,612)
Balance at end of year	<u>124,649,337</u>	<u>93,189,123</u>
5. Investment income		
Interest income		
- Interest received	4,349,802	10,176,073
Dividend income		
- Dividends received from listed companies	3,176,432	9,642,061
	<u>7,526,234</u>	<u>19,818,134</u>
6. Debtors		
Prudential Asset Managers	-	841,793
Prepaid Expenses	-	54,020
Allan Gray Asset Managers	297,666	779,518
Foord Asset Managers	104,907	-
Oasis Asset Managers	216,167	-
	<u>618,740</u>	<u>1,675,331</u>
7. Creditors		
Ashton Chartered Accountants Inc.	18,000	14,520
Prudential Asset Managers	6,840	51,864
Allan Gray Asset Managers	88,820	79,929
SARS- PAYE	-	5,669
Foord Asset Managers	46,713	-
Oasis Asset Managers	67,154	-
MGX Outsourcing- Scanning	60,000	60,000
	<u>287,527</u>	<u>211,982</u>
8. Donations		
Donations consist of advances received from the Maize Board		
- Received 1999	244,128,772	244,128,772
- Received 2000	15,000,000	15,000,000
- Received 2001	5,000,000	5,000,000
	<u>264,128,772</u>	<u>264,128,772</u>

THE MAIZE TRUST
 NOTES TO THE FINANCIAL STATEMENTS
 at December 2003

9. Actual payments to beneficiaries

	2003 R	2003 R
Nu Farmer and African	378,816	402,942
Approved allocations up to 30 June 2003	-	402,942
Approved in the 6 months ended December 2003	378,816	-
SAGIS	1,390,119	3,065,380
Approved allocations up to 30 June 2003	-	3,065,380
Approved in the 6 months ended December 2003	1,390,119	-
Grain SA	6,709,713	9,232,489
Approved allocations up to 30 June 2003	4,817,765	9,232,489
Approved in the 6 months ended December 2003	1,891,948	-
Agricultural Research Council	4,835,788	11,540,416
Approved allocations 2002 and prior	-	6,704,629
Approved allocations up to 30 June 2003	4,835,788	4,835,787
SA Grain Laboratory	-	809,884
Approved allocation up to 30 June 2003	-	809,884
Limpast	-	749,800
Approved allocation up to 30 June 2003	-	749,800
CSIR	350,000	773,500
Approved allocations up to 30 June 2003	-	773,500
Approved in the 6 months ended December 2003	350,000	-
Agri Inspec- Approved 2003	-	56,660
NAMM- Approved 2003	-	52,695
SACOTA- Approved 2003	-	100,000
University of Cape Town- Approved 2002	622,000	-
Medical Research Council - Approved 2003	511,632	-
Climatic and Agricultural Bulletin- Approved 2001	-	155,000
AMT (Pty) Ltd- Approved 2003	-	263,550
	<u>14,798,067</u>	<u>27,166,069</u>

THE MAIZE TRUST
 NOTES TO THE FINANCIAL STATEMENTS
 at December 2003

	2003 R	2003 R
10. Allocations approved during the year by the trustees		
Agricultural Research Council	-	9,671,575
Nu Farmer and African Entrepreneur	378,816	329,412
SAGIS	3,152,820	3,065,381
SA Grain Laboratory	-	809,884
Grain South Africa	1,891,948	9,635,529
Limpast	-	749,800
CSIR	350,000	1,355,500
Agri Inspect	-	56,658
NAMM	-	52,695
SACOTA	-	100,000
Medical Research Council	-	637,032
AMT (Pty) Ltd	-	263,550
	<u>5,773,584</u>	<u>26,727,016</u>

The payment of the allocations as approved by the Board of Trustees during the year are subject to certain terms and conditions as set out in the Trust Deed and the Norms and Procedures of the Trust.

Reconciliation of approved payments and amounts outstanding is as follows:

Approved during the 6 months ended 30 December 2003	5,773,584
Unpaid allocations up to 30 June 2003	<u>11,494,585</u>
	17,268,169
Allocations paid during the 6 months ended 31 December 2003	<u>(14,798,067)</u>
	<u>2,470,102</u>

As referred to in note 3 the following allocations were approved by the Trustees in the past and have not been paid on 31 December and is made up as follows:

SAGIS	1,762,702	-
Climatic and Agricultural Bulletin	-	-
University of Cape Town	-	622,000
Agricultural Research Council	-	4,835,788
Grain SA	-	4,817,765
Medical Research Council	125,400	637,032
CSIR	<u>582,000</u>	<u>582,000</u>
	<u>2,470,102</u>	<u>11,494,585</u>

11. Taxation

No provision for taxation has been made for 2003 as the trust is exempted from income tax in terms of the provisions of section 10 (1)(cA)(i) of the SA Income Tax Act. SARS reviewed this exemption with the introduction of new legislation and the Trust must reapply to qualify for the exemption. The application is currently in progress.

THE MAIZE TRUST
 NOTES TO THE FINANCIAL STATEMENTS
 at December 2003

12. Risk management

The Trust instituted the following control measures to minimise risks pertaining to listed companies:

- Funds available for investment has been distributed between three reputable asset managers companies;
- An investment advisor to The Trust has been appointed.

13. Fair values

The carrying amount of cash and cash investments and accounts payable were used in the determination of fair value.

14. Notes to the cash flow statement

	2003 R	2003 R
<i>14.1 Cash generated by/(utilised in) operating activities</i>		
Net profit	17,150,097	16,476,673
Adjustments for:		
Investment income	(7,526,234)	(19,818,134)
Finance costs	9,179	-
	<u>9,633,042</u>	<u>(3,341,461)</u>
Movements in working capital		
Decrease in accounts receivable	1,056,590	1,405,979
Increase in accounts payable	75,541	76,550
	<u>10,765,173</u>	<u>(1,858,932)</u>
<i>14.2 Cash and cash equivalents</i>		
Cash and cash equivalents consist of cash on hand and balances with banks. Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:		
Cash and cash equivalents	<u>5,873,580</u>	<u>1,287,662</u>