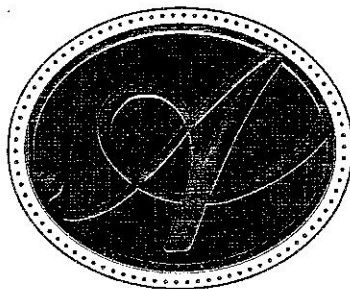


THE MAIZE TRUST
(Registration number IT8214/98)
FINANCIAL STATEMENTS
for the 6 months ended 31 December 2006



ASHTON

**THE MAIZE TRUST
FINANCIAL STATEMENTS
for the period ended 31 December 2006**

Country of incorporation	South Africa
Type of trust	Non-trading trust
Trustees	Mr JDM Minnaar Mr CK Ferreira Dr. RP Mohlahlane Mr WM Ngxekana Mr JK Peele Mr JF de Villiers
Business address	1187 Cobham Drive Queenswood Pretoria 0186
Bankers	ABSA
Auditors	Ashton Chartered Accountants Inc. Chartered Accountants (S.A.) Registered Accountants and Auditors
Registration	IT8214/98

THE MAIZE TRUST
FINANCIAL STATEMENTS
for the period ended 31 December 2006

The reports and statements set out below comprise the financial statements presented to the 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 - 13

The following supplementary schedules do not form part of the financial statements, and are unaudited.


Detailed income statement	14
---------------------------	----

Approval

The financial statements which appear on pages 4 to 14 were approved by the trustees on 07 February 2007 and signed on their behalf.



Trustee



Trustee

Pretoria
07 February 2007



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 interim financial statements of The Maize Trust set out on pages 4 to 13 for the period ended 31 December 2006. 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 International Standards on Auditing. 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 2006 and the results of its operations and cash flows for the year ended therein accordance with South African Statements of Generally Accepted Accounting Practice, and in the manner required by the Companies Act in South Africa.

Supplementary information

The supplementary schedules set out on page 14 do not form part of the annual financial statements and are presented as additional information. We have not audited these schedules and accordingly we do not express an opinion on them.

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

Pretoria
07 February 2007

**THE MAIZE TRUST
REPORT OF THE TRUSTEES
for the period ended 31 December 2006**

The trustees present their report for the period ended 31 December 2006. 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 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.

3. Trustees

The trustees of the trust at the date of this report were as follows:

Dr. RP Mohlalane
Mr CK Ferreira
Mr JDM Minnaar
Mr WM Ngxekana
Mr JK Peele
Mr JF de Villiers

**THE MAIZE TRUST
BALANCE SHEET
30 June 2007**

	Notes	31 December 2006 R	30 June 2006 R
Assets			
Non-current assets			
Investments	2	791,337,206	680,386,530
Current assets			
Cash and cash equivalents		6,739,192	5,089,087
Total assets		<u>798,076,398</u>	<u>685,475,617</u>
Equity and liabilities			
Capital and reserves			
Donations	4	289,128,772	289,128,772
Distributable reserve		461,338,815	371,602,396
Current liabilities		47,608,811	24,744,449
Trade and other payables		589	61,186
Provisions	6	47,608,222	24,683,263
Total equity and liabilities		<u>798,076,398</u>	<u>685,475,617</u>

THE MAIZE TRUST
 INCOME STATEMENT
 for the period ended 31 December 2006

	Notes	6 months ended 31 December 2006 R	12 months ended 30 June 2006 R
Income		131,961,903	187,932,847
Operating costs		<u>733,926</u>	<u>1,482,393</u>
Operating income		131,227,977	186,450,454
Investment income		<u>226,802</u>	<u>3,609,765</u>
Income		<u><u>131,454,779</u></u>	<u><u>190,060,219</u></u>

THE MAIZE TRUST
CASH FLOW STATEMENT
for the period ended 31 December 2006

	31 December 2006 R	30 June 2006 R
	Notes	
Cash flows from operating activities	112,600,781	183,779,238
Cash receipts from customers	679,311	13,520,720
Cash paid to suppliers and employees	153,413,028	219,286,288
Cash generated by operating activities	154,092,339	232,807,008
Interest received	226,802	2,402,975
Dividends received	-	1,206,790
Allocations to beneficiary	(41,718,360)	(52,637,535)
	10.1	
Cash flows from investing activities		
Investments	(110,950,676)	(208,171,604)
Increase/(decrease) in cash and cash equivalents	1,650,105	(24,392,366)
Cash and cash equivalents at beginning of the period	5,089,087	29,481,453
	10.2	
Cash and cash equivalents at end of the period	6,739,192	5,089,087
	10.2	

THE MAIZE TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the period ended 31 December 2006

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 only when payments are received from the fund managers.

1.2 Investments

Investments are reflected at market value, after making provision for any anticipated losses. Investments are classified as held-for-trading financial assets, with changes in market values accounted for in profit or loss.

Unlisted investments are stated at Trustees valuation.

1.3 Financial instruments

Financial instruments carried on the balance sheet include cash and bank balances, investments, receivables, trade creditors. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Receivables

Trade receivables are carried at original invoice amount, less provision made for the impairment of these receivables. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of expected cash flows, discounted at market rate of interest for similar borrowings.

Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, and investments in money market instruments.

Trade and other payables

Trade and other liabilities originated by the group are stated at amortised cost.

Financial Assets

Loans originated by the enterprise are measured at amortised cost. Any change in the carrying amount of these financial assets is taken into account in determining operating profit.

Financial Liabilities

Other liabilities are measured at amortised cost. Any change in the carrying amount of these financial liabilities is taken into account determining operating profit.

THE MAIZE TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the period ended 31 December 2006

	31 December	30 June
	2006	2006
	R	R
2. Investments		
Unlisted shares at cost- SAGIS Allan Gray Limited (Book value - R241 206 210)	1 402,153,336	1 342,614,588
Foord Asset Management (Book value - R103 458 945)	203,506,597	177,570,311
Oasis Asset Management Ltd (Book value - R106 590 584)	<u>185,677,271</u>	<u>160,201,630</u>
	<u>791,337,205</u>	<u>680,386,530</u>
Market value of listed shares	791,337,205	680,386,529
Trustees' valuation of unlisted shares	<u>1</u>	<u>1</u>
	<u><u>791,337,206</u></u>	<u><u>680,386,530</u></u>
The original cost of the investment managed by the Asset Managers was an amount of R240 000 000.		
During the period under review investments were realised to the value of R 21 000 000.		
Asset Management Fees paid		
Allan Gray Ltd	935,791	921,862
Foord Asset Management (Pty) Ltd	431,814	408,344
Oasis Asset Management Ltd	<u>699,040</u>	<u>656,958</u>
	<u><u>2,066,645</u></u>	<u><u>1,987,164</u></u>
3. Funding recovered from beneficiaries		
Grain SA	-	9,613,310
SA Poultry Association	-	260,868
Buhle Farmers Academy	-	31,703
University of Free State	<u>11,227</u>	<u>-</u>
	<u><u>11,227</u></u>	<u><u>9,905,881</u></u>
4. 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
- Received 2006	<u>25,000,000</u>	<u>25,000,000</u>
	<u><u>289,128,772</u></u>	<u><u>289,128,772</u></u>

THE MAIZE TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the period ended 31 December 2006

5. Actual payments to beneficiaries

	31 December 2006 R	30 June 2006 R
SAGAS	6,600	120,000
SAGIS	1,975,423	3,462,397
Grain SA	6,112,101	7,754,665
Agricultural Research Council	4,108,345	13,482,550
SA Grain Laboratory	789,811	1,239,476
Limpast	359,547	887,967
CSIR	372,400	303,331
University of Pretoria	11,461	208,000
University of Cape Town	353,520	464,513
University of Free State	-	275,579
Medical Research Council	-	32,000
Buhle Farmers Academy	148,690	226,788
Generic Marketing Campaign	167,200	-
Dr WJ van der Walt	24,500	12,600
No-Till Club	295,708	152,270
University of Stellenbosch	-	45,320
NAFU SA	492,800	492,800
New Farmer and African Entrepreneur	-	19,759
SIQ (Pty) Ltd	3,575,294	4,264,830
	<u>18,793,401</u>	<u>33,149,515</u>

THE MAIZE TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the period ended 31 December 2006

	31 December	30 June
	2006	2006
	R	R
6. Allocations approved during the period by the trustees		
Agricultural Research Council	170,547	19,389,248
- Approved	170,547	19,501,321
- Recalculation of allocations	-	(112,073)
Nu Farmer and African Entrepreneur	-	19,760
- Approved	-	290,424
- Recalculation of allocations	-	(270,664)
SAGIS	4,564,598	3,960,922
University of The Free State	-	(9,975)
- Recalculation of allocations	-	(9,975)
SA Grain Laboratory	74,697	1,155,590
- Approved	74,697	1,184,662
- Recalculation of allocations	-	(29,072)
University of Pretoria	22,922	260,000
Grain South Africa	3,213,063	19,532,589
Limpast	-	898,868
CSIR	931,000	(25,000)
- Approved	931,000	-
- Recalculation of allocations	-	(25,000)
Buhle Farmers Academy	-	469,293
- Approved	-	550,984
- Recalculation of allocations	-	(81,691)
Dr WJ van der Walt	49,000	-
Generic Marketing Campaign	25,764,434	-
University of Cape Town	-	262,616
SAGAS	13,200	120,000
NAFU SA	-	985,600
- Approved	-	1,000,000
- Recalculation of allocations	-	(14,400)
Medical Research Council	-	40,000
No-Till Club	642,181	190,338
SIQ (Pty) Ltd	6,272,718	5,331,036
University of Stellenbosch	-	56,650
	41,718,360	52,637,535

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

Reconciliation of approved payments and amounts outstanding is as follows:

Approved during the period	41,718,360	52,637,535
Unpaid allocations at end of period	24,683,263	5,490,581
	66,401,623	58,128,116
Allocations paid during the period	(18,793,401)	(33,444,853)
Unpaid allocations at end of period	47,608,222	24,683,263

THE MAIZE TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the period ended 31 December 2006

The following allocations were approved by the Trustees in the past but have not been paid at the end of the period and is made up as follows:

	December 2006 R	June 2006 R
- SA Grain Laboratory	140,637	855,751
SAGAS	6,600	-
- University of Cape Town	933,882	1,287,402
- Agricultural Research Council	1,968,890	5,906,698
- Grain SA	8,878,886	11,777,924
- University of Free State	122,026	122,026
- Generic Marketing Campaign Dr WJ van der Walt	25,597,234 24,500	- -
- SAGIS	4,532,225	1,943,051
- Buhle Farmers Academy	433,997	582,687
- Limpast	179,775	539,321
- NAFU SA	-	492,800
- Medical Research Council	8,000	8,000
No-Till Club	384,542	38,068
- University of Pretoria	63,461	52,000
- University of Stellenbosch	11,330	11,330
SIQ (Pty) Ltd	3,763,631	1,066,207
CSIR	558,600	-
	<u>47,608,222</u>	<u>24,683,263</u>

7. Taxation

No provision for taxation has been made for 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 reapplied to qualify for the exemption. The application is currently under consideration.

8. Risk management

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

- Funds available for investment have been distributed between three reputable asset manager companies;
- An investment adviser to the Trust has been appointed.

9. Fair values

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

THE MAIZE TRUST
 NOTES TO THE FINANCIAL STATEMENTS
 for the period ended 31 December 2006

10. Notes to the cash flow statement

	31 December	30 June
	2006	2006
	R	R
<i>10.1 Cash generated by operating activities</i>		
Net profit	131,454,779	190,060,219
Adjustments for:		
Investment income	(226,802)	(3,609,765)
Movement in provisions	22,924,959	19,192,682
Donations received	-	25,000,000
	<u>154,152,936</u>	<u>230,643,136</u>
Movements in working capital		
Decrease in accounts receivable	-	2,308,455
Decrease in accounts payable	(60,597)	(144,583)
	<u>154,092,339</u>	<u>232,807,008</u>
<i>10.2 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>6,739,192</u>	<u>5,089,087</u>

THE MAIZE TRUST
DETAILED INCOME STATEMENT
for the period ended 31 December 2006

	Notes	31 December 2006 R	30 June 2006 R
Income		132,188,705	191,542,612
Dividends received		-	1,206,790
Fair value adjustments		131,950,676	178,026,666
Interest received		226,802	2,402,975
Funding recovered from beneficiaries	4	11,227	9,906,181
Total income		132,188,705	191,542,612
Expenditure		733,926	1,482,393
Administrators fees		360,767	656,718
Advertising		14,548	-
Audit fees- Under provision previous years		-	10,646
Auditors' remuneration		31,350	28,500
Bank charges		947	1,976
Conference costs		30,580	69,275
Forensic Auditors Remuneration		-	38,327
Communication strategy expenses		7,840	56,000
Insurance		57,035	55,215
Legal expenses		-	9,701
Maize Forum Costs		-	41,220
RSC - levies		-	671
Remuneration- Investment advisor		78,123	188,147
Trustees emoluments		152,736	325,997
Net surplus before allocations to beneficiaries		131,454,779	190,060,219
Allocations to beneficiaries	6	(41,718,360)	(52,637,535)
Net surplus after allocations to beneficiaries for year		89,736,419	137,422,684
Retained surplus at beginning of year		371,602,396	234,179,712
Retained surplus at end of year		<u>461,338,815</u>	<u>371,602,396</u>