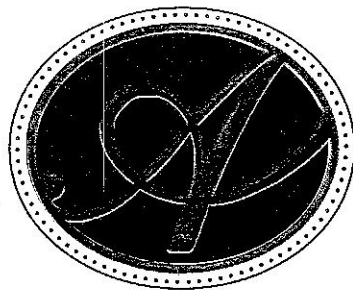


THE MAIZE TRUST
(Registration number IT8214/98)
FINANCIAL STATEMENTS
for the 6 months ended 31 December 2007



ASHTON

THE MAIZE TRUST
FINANCIAL STATEMENTS
for the 6 months ended 31 December 2007

Country of incorporation South Africa

Type of trust Non-trading trust

Trustees

Mr JDM Minnaar
Mr CK Ferreira
Ms LThahane
Mr WM Ngxekana
Mr JK Peele
Mr JF de Villiers

Business address 1187 Cobham Drive
Queenswood
Pretoria
0186

Bankers ABSA

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

Registration IT8214/98

THE MAIZE TRUST
FINANCIAL STATEMENTS
for the 6 months ended 31 December 2007

Page 2

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 - 14

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

Detailed income statement	15
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Approval

The financial statements which appear on pages 4 to 15 were approved by the trustees on 22 February 2008 and signed on their behalf.

Trustee

Trustee

Pretoria

22 February 2008



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 accompanying financial statements of THE MAIZE TRUST, which comprise the trustees' report, the balance sheet as at 31 December 2007, the income statement and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 4 to 14.

Trustees' Responsibility for the Financial Statements

The trust's trustees are responsible for the preparation and fair presentation of these financial statements in accordance with South African Statements of Generally Accepted Accounting Practice. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with 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 auditors' judgement, including the assessment of the risks of material misstatement of the 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 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 the trustees, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the trust as of 31 December 2007, and of its financial performance and its cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice.

Supplementary Information

We draw your attention to the fact that with the supplementary information set out on page 15 does not form part of the financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

The Ashton CA (SA) Group
Registered Auditors

Directors: A Robberts B.Compt (Hons) CA (SA) RAA, D vd M Viljoen B.Com (Acc) (Hons) CA (SA) RAA,
N J van der Walt B.Com (Hons) CA (SA) RAA, H J Windell B.Com (Hons) CA (SA) RAA,
Reg. No. 2001/001616/21

THE MAIZE TRUST
REPORT OF THE TRUSTEES
for the 6 months ended 31 December 2007

The trustees present their report for the period ended 31 December 2007. 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.

**THE MAIZE TRUST
BALANCE SHEET
31 December 2007**

	Notes	31 December 2007 R	30 June 2007 R
Assets			
Non-current assets			
Investments	2	836,976,573	842,919,533
Current assets			
Cash and cash equivalents		16,440,755	18,816,382
Total assets		<u>853,417,328</u>	<u>861,735,915</u>
Equity and liabilities			
Capital and reserves			
Donations		815,837,912	814,866,321
Distributable reserve	4	289,128,772	289,128,772
		526,709,140	525,737,549
Current liabilities			
Trade and other payables		37,579,416	46,869,594
Provisions	6	26,548	63,357
		37,552,868	46,806,237
Total equity and liabilities		<u>853,417,328</u>	<u>861,735,915</u>

THE MAIZE TRUST
 INCOME STATEMENT
 for the 6 months ended 31 December 2007

	6 Months ended 31 December 2007 R	12 Months ended 30 June 2007 R
Income		
Operating costs	21,510,917	221,463,959
Operating income	<u>6,753,155</u>	<u>1,516,282</u>
Investment income	14,757,762	219,947,677
Income	<u>548,863</u>	<u>520,806</u>
	<u>15,306,625</u>	<u>220,468,483</u>

Notes

THE MAIZE TRUST
CASH FLOW STATEMENT
for the 6 months ended 31 December 2007

	Notes	31 December 2007 R	30 June 2007 R
Cash flows from operating activities			
Cash generated by operating activities		(8,318,587)	176,260,299
Interest received	9.1	5,467,584	242,072,823
Allocations to beneficiary		548,863	520,806
		(14,335,034)	(66,333,330)
Cash flows from investing activities			
Investments		5,942,960	(162,533,004)
(Decrease)/increase in cash and cash equivalents		(2,375,627)	13,727,295
Cash and cash equivalents at beginning of the year		18,816,382	5,089,087
Cash and cash equivalents at end of the year		16,440,755	18,816,382

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.

	31 December 2007 R	30 June 2007 R
2. Investments		
Unlisted shares at cost- SAGIS	1	1
Allan Gray Limited (Book value - R 305 996 050)		
- Value at beginning of period	427,119,611	425,680,723
- Fair value adjustment	425,680,723	342,614,588
Investment withdrawals of R 10 750 000 were made during the period under review.	1,438,888	83,066,135
Foord Asset Management (Book value - R 120 120 736)		
- Value at beginning of period	214,612,711	220,101,128
- Fair value adjustment	220,101,128	177,570,311
Investment withdrawals of R 5 375 000 were made during the period under review.	(5,488,417)	42,530,817
Oasis Asset Management Ltd (Book value - R 109 653 296)		
- Value at beginning of period	195,244,249	197,137,682
- Fair value adjustment	197,137,682	160,201,630
Investment withdrawals of R 5 375 000 were made during the period under review.	(1,893,433)	36,936,052
Market value of listed shares	836,976,573	842,919,533
Trustees' valuation of unlisted shares	836,976,572	842,919,532
	1	1
	836,976,573	842,919,533
Asset Management Fees paid		
Allan Gray Ltd	1,354,347	2,297,275
Foord Asset Management (Pty) Ltd	517,192	1,723,099
Oasis Asset Management Ltd	800,308	1,479,671
	2,671,847	5,500,045

	31 December	30 June
	2007	2007
	R	R
3. Funding recovered from beneficiaries		
Grain SA	-	867,728
No-Till Club	-	-
University of Free State	10,917	-
Agricultural Research Council	-	11,227
	-	52,000
	<u>10,917</u>	<u>930,955</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	25,000,000	25,000,000
	<u>289,128,772</u>	<u>289,128,772</u>

5. Actual payments to beneficiaries

	31 December 2007 R	30 June 2007 R
SAGAS	-	6,600
SAGIS	2,173,460	4,239,589
Grain SA	6,664,175	11,336,200
Agricultural Research Council	4,540,414	9,451,008
SA Grain Laboratory	913,045	1,669,832
Limpast	436,600	359,547
CSIR	372,400	372,400
University of Pretoria	160,000	74,923
University of Cape Town	361,061	579,241
University of Free State	122,026	-
Medical Research Council	-	8,000
Buhle Farmers Academy	395,196	298,152
Generic Marketing Campaign	3,082,375	7,203,549
Dr WJ van der Walt	12,000	49,000
Bursary Scheme	128,595	129,274
No-Till Club	535,166	552,068
University of Stellenbosch	256,348	-
NAFU SA	-	492,800
Pilot Project - Black Emerging Farmers	3,315,807	-
SIQ (Pty) Ltd	-	7,338,924
WTO Dispute Project	119,734	49,248
	<u>23,588,403</u>	<u>44,210,356</u>

	31 December 2007 R	30 June 2007 R
6. Allocations approved during the period by the trustees		
Agricultural Research Council	30,894	10,308,591
Grain South Africa	(30,513)	14,408,768
- Approved	2,132,722	14,408,768
- Recalculation of allocations	(2,163,235)	-
SAGIS	5,615,008	4,548,340
- Approved	5,693,350	-
- Recalculation of allocations	(78,342)	-
SA Grain Laboratory	734,639	1,701,367
University of Pretoria	160,000	22,922
CSIR	-	931,000
Limpast	-	911,726
Bursary Scheme	983,297	258,547
- Approved	983,976	258,547
- Recalculation of allocations	(679)	-
Buhle Farmers Academy	66,340	426,088
Dr WJ van der Walt	24,000	49,000
Generic Marketing Campaign	-	25,764,435
University of Cape Town	-	25,200
SAGAS	-	13,200
University of Stellenbosch	410,059	-
- Approved	412,600	-
- Recalculation of allocations	(2,541)	-
No-Till Club	678,310	642,181
SIQ (Pty) Ltd	-	6,272,717
Pilot Project - Black Emerging Farmers	5,000,000	-
WTO Dispute Project	663,000	49,248
	<u>14,335,034</u>	<u>66,333,330</u>

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 year period	14,335,034	66,333,330
Unpaid allocations at end of previous period	<u>46,806,237</u>	<u>24,683,263</u>
Allocations paid during the period	61,141,271	91,016,593
Unpaid allocations at end of period	(23,588,403)	(44,210,356)
	<u>37,552,868</u>	<u>46,806,237</u>

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:

	31 December 2007 R	30 June 2007 R
SA Grain Laboratory	708,880	887,285
SAGAS	6,600	6,600
University of Cape Town	372,300	733,362
Agricultural Research Council	2,254,760	6,764,281
Grain SA	8,155,803	14,850,492
University of Free State	-	122,025
Generic Marketing Campaign	15,478,510	18,560,885
Bursary Scheme	983,975	129,275
SAGIS	5,693,350	2,251,799
Buhle Farmers Academy	381,767	710,623
Limpast	654,900	1,091,500
Dr WJ van der Walt	12,000	-
WTO Dispute Project	543,266	-
No-Till Club	271,324	128,180
University of Stellenbosch	165,040	11,330
Pilot Project - Black Emerging Farmers	1,684,194	-
CSIR	186,200	558,600
	<u>37,552,868</u>	<u>46,806,237</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.

THE MAIZE TRUST
 NOTES TO THE FINANCIAL STATEMENTS
 for the 6 months ended 31 December 2007

9. Notes to the cash flow statement

	31 December	30 June
	2007	2007
	R	R
<i>9.1 Cash generated by operating activities</i>		
Net profit	15,306,625	220,468,483
Adjustments for:		
Investment income	(548,863)	(520,806)
Movement in provisions	(9,253,369)	22,122,974
	<u>5,504,393</u>	<u>242,070,651</u>
Movements in working capital		
(Decrease)/increase in accounts payable	(36,809)	2,172
	<u>5,467,584</u>	<u>242,072,823</u>

THE MAIZE TRUST
DETAILED INCOME STATEMENT
for the 6 months ended 31 December 2007

	Notes	6 Months ended 31 December 2007 R	12 Months ended 30 June 2007 R
Income			
Fair value adjustments		22,059,780	221,984,765
Interest received		-	162,533,004
Profits withdrawn from investments		548,863	520,806
Funding recovered from beneficiaries		21,500,000	58,000,000
Total income	3	10,917	930,955
		22,059,780	221,984,765
Expenditure			
Administrators fees		6,753,155	1,516,282
Advertising		391,547	755,781
Auditors' remuneration		39,449	14,548
Bank charges		32,205	63,555
Conference costs		1,096	1,914
Communication strategy expenses		17,781	59,209
Insurance		-	8,923
Legal expenses		57,035	60,401
Maize Forum Costs		43,930	80,547
Fair value adjustments		15,933	24,083
Remuneration- Investment advisor		5,942,961	-
Trustees emoluments		84,522	161,166
		126,696	286,155
Net surplus before allocations to beneficiaries		15,306,625	220,468,483
Allocations to beneficiaries	6	(14,335,034)	(66,333,330)
Net surplus after allocations to beneficiaries for year		971,591	154,135,153
Retained surplus at beginning of year		525,737,549	371,602,396
Retained surplus at end of year		<u>526,709,140</u>	<u>525,737,549</u>