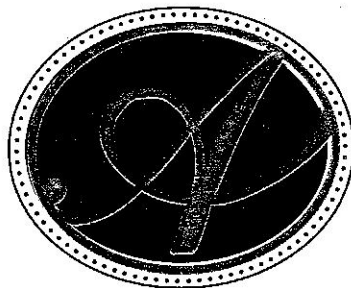


THE MAIZE TRUST
(Registration number IT8214/98)
Financial statements
for the 6 months ended 31 December 2009



ASHTON

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 months ended 31 December 2009

General Information

Type of trust	Non-trading trust
Trustees	Mr CK Ferreira Mr JDM Minnaar Ms L Thahane 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.)
Trust registration number	IT8214/98

The Maize Trust

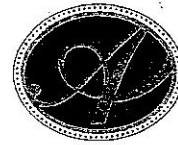
(Registration number IT8214/98)

Financial Statements for the 6 months ended 31 December 2009

Index

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

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The following supplementary information does not form part of the financial statements and is unaudited:	
Detailed Income statement	16



ASHTON GROUP

REGISTERED ACCOUNTANTS
AND AUDITORS

Ashton House, 51 Lebombo St,
Ashlea Gardens, 0181
PO Box 1620, Groenkloof, 0027
Tel: +27 (012) 460 3050
Fax: +27 (012) 460 1263
E-mail: karin@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 2009, the income statement, the statement of changes in equity and cash flow statement for the 6 months then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 5 to 15.

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, and in the manner required by the Companies Act of South Africa, 1973. 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 2009, and of its financial performance and its 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 of South Africa, 1973.

Supplementary Information

We draw your attention to the fact that the supplementary information set out on page 16 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

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 months ended 31 December 2009

Trustees' Responsibilities and Approval

The trustees are required to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the trust as at the end of the financial 6 months and the results of its operations and cash flows for the period then ended, in conformity with South African Statements of Generally Accepted Accounting Practice. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice 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. 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 financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

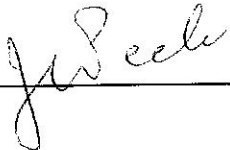
The trustees have reviewed the trust's cash flow forecast for the 6 months to 30 June 2009 and, in the light of this review and the current financial position, they are satisfied that the trust has or has access to adequate resources to continue in operational existence for the foreseeable future.

Although the board are primarily responsible for the financial affairs of the trust, they are supported by the trust's external auditors.

The external auditors are responsible for independently reviewing and reporting on the trust's financial statements. The financial statements have been examined by the trust's external auditors and their report is presented on page 3.

The financial statements set out on pages 5 to 16, which have been prepared on the going concern basis, were approved by the board on 22 February 2010 and were signed on its behalf by:

Trustee



Trustee



Pretoria

22 February 2010

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 months ended 31 December 2009

Trustees' Report

The trustees submit their report for the 6 months ended 31 December 2009.

1. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

2. Post balance sheet events

The trustees are not aware of any matter or circumstance arising since the end of the financial 6 months.

3. Trustees

The trustees of the trust during the 6 months and to the date of this report are as follows:

Name
Mr CK Ferreira
Mr JDM Minnaar
Ms L Thahane
Mr WM Ngxekana
Mr JK Peele
Mr JF de Villiers

4. Auditors

The Ashton CA (SA) Group will continue in office for the next financial period.

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 months ended 31 December 2009

Balance Sheet

Figures in Rand	Note(s)	31 December 2009	30 June 2009
Assets			
Non-Current Assets			
Investments	2	830,743,669	690,528,883
Current Assets			
Cash and cash equivalents		26,405,558	17,831,315
Total Assets		857,149,227	708,360,198
Equity and Liabilities			
Equity			
Donations	4	319,208,152	289,128,772
Accumulated surplus		473,279,118	379,921,027
		792,487,270	669,049,799
Liabilities			
Current Liabilities			
Trade and other payables		32,140,009	4,253
Provisions	7	32,521,948	39,306,146
		64,661,957	39,310,399
Total Equity and Liabilities		857,149,227	708,360,198

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 months ended 31 December 2009

Income Statement

Figures in Rand	Note(s)	6 Months	12 Months
		ended	ended
		31 December	30 June 2009
		2009	
Income		18,221,663	89,831,609
Operating expenses		(1,046,952)	(2,346,776)
		17,174,711	87,484,833
Investment revenue		13,785,230	37,086,208
Fair value adjustments		81,590,178	(166,748,744)
Allocations to beneficiaries		(17,424,719)	(52,694,769)
Asset management fees		(1,767,309)	(3,645,666)
Surplus/(Deficit) for the period		93,358,091	(98,518,138)

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 months ended 31 December 2009

Statement of Changes in Equity

Figures in Rand	Trust capital	Accumulated surplus	Total equity
Balance at 01 July 2008	289,128,772	478,439,165	767,567,937
Changes in equity			
Surplus/(Deficit) for the period	-	(98,518,138)	(98,518,138)
Total changes	-	(98,518,138)	(98,518,138)
Balance at 01 July 2009	289,128,772	379,921,027	669,049,799
Changes in equity			
Surplus/(Deficit) for the period	-	93,358,091	93,358,091
Donations received	30,079,380	-	30,079,380
Total changes	30,079,380	93,358,091	123,437,471
Balance at 31 December 2009	319,208,152	473,279,118	792,487,270

Note(s)

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 months ended 31 December 2009

Cash Flow Statement

Figures in Rand	Note(s)	6 Months	12 Months
		ended	ended
		31 December	30 June 2009
		2009	
Cash flows from operating activities			
Cash generated from (used in) operations	9	124,116,447	(87,288,583)
Interest income		9,713,200	17,942,338
Dividends received		4,072,030	19,143,870
Asset management fees paid		(1,767,309)	(3,645,665)
Net cash from operating activities		136,134,368	(53,848,040)
Cash flows from investing activities			
Movement in investments		(140,214,786)	115,990,844
Allocations to beneficiaries		(17,424,719)	(52,694,769)
Net cash from investing activities		(157,639,505)	63,296,075
Cash flows from financing activities			
Donations received		30,079,380	-
Total cash movement for the period		8,574,243	9,448,035
Cash at the beginning of the period		17,831,315	8,383,280
Total cash at end of the period		26,405,558	17,831,315

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 months ended 31 December 2009

Accounting Policies

1. Presentation of Financial Statements

The financial statements have been prepared in accordance with South African Statements of Generally Accepted Accounting Practice. The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below.

These accounting policies are consistent with the previous period.

1.1 Financial instruments

Initial recognition

The trust classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial assets and financial liabilities are recognised on the trust's balance sheet when the trust becomes party to the contractual provisions of the instrument.

Fair value determination

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the trust establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

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.

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.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term.

Investments are measured initially and subsequently at fair value, gains and losses arising from changes in fair value are included in profit or loss for the period.

1.2 Provisions and contingencies

Provisions are recognised when:

- the trust has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

1.3 Revenue

Interest is recognised, in profit or loss, using the effective interest rate method.

Dividends are recognised, in profit or loss, when the trust's right to receive payment has been established.

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 months ended 31 December 2009

Notes to the Financial Statements

Figures in Rand	31 December 2009	30 June 2009
2. Investments		
At fair value		
Investec Bank Limited	-	13,096,043
Funds held in trust account, for future use of purchasing and erection of a building to be used by grain service organisations.		
Prescient Management Company	57,809,277	76,028,301
Allan Gray Ltd	452,106,290	395,122,806
Book value - R 382 510 726.		
Foord Asset Management	213,828,001	181,975,766
Book value - R 149 826 359.		
	723,743,568	666,222,916
At cost		
Unlisted shares at cost - SAGIS	1	1
Unlisted shares at cost - Grain Building (Pty) Ltd	107,000,100	24,305,966
	107,000,101	24,305,967
Total other financial assets	830,743,669	690,528,883
Non-current assets		
At fair value through profit or loss	723,743,568	666,222,916
At cost	107,000,101	24,305,967
	830,743,669	690,528,883
Asset management fees paid		
Allan Gray Ltd	1,262,070	2,341,156
Foord Asset Management (Pty) Ltd	505,239	748,012
Oasis Asset Management Ltd	-	556,498
	1,767,309	3,645,666
3. Funding recovered from beneficiaries		
Emerging Farmers Assistance	-	711,846
Generic Marketing Campaign	9,240	-
WTO Dispute Project - Hewlett Foundation	-	124,146
Agricultural Research Council	-	278,095
	9,240	1,114,087

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 months ended 31 December 2009

Notes to the Financial Statements

Figures in Rand	31 December 2009	30 June 2009
4. Donations		
Donations consist of advances 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	30,079,380	-
	319,208,152	289,128,772
5. Actual payments to beneficiaries		
SAGAS	-	6,600
SAGIS	3,000,897	5,956,157
Grain SA	12,858,593	13,887,591
Agricultural Research Council	2,643,731	18,622,523
SA Grain Laboratory	30,712	1,626,703
Limpast	-	1,049,917
CSIR	-	186,200
University of Cape Town	334,138	711,577
University of Free State	10,157	-
Mycotoxin Workshop	60,915	85,024
Buhle Farmers Academy	550,667	450,781
Generic Marketing Campaign	564,148	11,348,923
Dr WJ van der Walt	26,550	27,570
Bursary Scheme	327,342	633,243
No-Till Club	586,060	721,722
University of Stellenbosch	382,600	361,107
SIQ (Pty) Ltd	148,787	761,617
WTO Dispute Project	35,326	304,652
Emerging Farmers Assistance	2,648,293	3,967,333
	24,208,916	60,709,240

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 months ended 31 December 2009

Notes to the Financial Statements

Figures in Rand	31 December 2009	30 June 2009
6. Allocations approved during the year by the trustees		
Agricultural Research Council	12,657,377	23,956,937
- Approved	12,657,377	23,996,872
- Recalculation of allocations	-	(39,935)
Grain South Africa	2,879,639	13,742,906
- Approved	3,483,893	15,712,907
- Recalculation of allocations	(604,254)	(1,970,001)
SAGIS	329,254	6,407,166
- Approved	329,254	6,407,166
SA Grain Laboratory	102,882	1,243,423
- Approved	102,882	1,543,072
- Recalculation of allocations	-	(299,649)
Bursary Scheme	38,627	916,945
- Approved	38,627	916,945
Buhle Farmers Academy	(330,530)	514,627
- Approved	-	991,442
- Recalculation of allocations	(330,530)	(476,815)
Dr WJ van der Walt	26,950	25,950
Generic Marketing Campaign	(1,039,121)	(1,855,000)
- Recalculation of allocations	(1,039,121)	(1,855,000)
University of Cape Town	2,400	1,250,951
- Approved	2,400	1,375,052
- Recalculation of allocations	-	(124,101)
Limpast	(455,854)	1,287,471
- Approved	-	1,287,471
- Recalculation of allocations	(455,854)	-
University of Stellenbosch	382,600	403,484
- Approved	382,600	413,000
- Recalculation of allocations	-	(9,516)
No-Till Club	732,575	732,575
WTO Dispute Project	(660,531)	-
- Recalculation of allocations	(660,531)	-
Mycotoxin Workshop	100,000	100,000
Emerging Farmers Assistance	2,648,293	3,967,333
University of Free State	10,157	-
	17,424,719	52,694,769

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 (as above)	17,424,719	52,694,769
Unpaid allocations at end of previous year (as per note 7)	39,306,146	47,320,617
	56,730,864	100,015,386
Allocations paid during the year (as per note 5)	(24,208,916)	(60,709,240)
Unpaid allocations at end of year (as per note 7)	32,521,948	39,306,146

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 months ended 31 December 2009

Notes to the Financial Statements

Figures in Rand	31 December 2009	30 June 2009
7. Provisions		
The following allocations were approved by the Trustees but have not been paid at the end of the period and is made up as follows:		
SA Grain Laboratory	689,399	617,229
University of Cape Town	331,738	663,476
Agricultural Research Council	15,683,131	5,669,485
Grain SA	6,911,016	16,889,968
Generic Marketing Campaign	202,474	1,805,741
Bursary Scheme	664,751	953,467
SAGIS	6,343,068	9,014,711
Buhle Farmers Academy	200,443	1,081,642
Limpast	-	455,854
Dr WJ van der Walt	10,780	10,380
WTO Dispute Project	-	695,857
No-Till Club	293,030	146,515
University of Stellenbosch	185,818	185,818
Mycotoxin Workshop	54,060	14,976
SIQ (Pty) Ltd	952,240	1,101,027
	32,521,948	39,306,146

8. 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.

9. Cash generated from (used in) operations

Surplus (deficit) before taxation	93,358,091	(98,518,138)
Adjustments for:		
Allocations to beneficiaries	17,424,719	52,694,769
Asset management fees	1,767,309	3,645,666
Dividends received	(4,072,030)	(19,143,870)
Interest received	(9,713,200)	(17,942,338)
Movements in provisions	(6,784,198)	(8,014,471)
Changes in working capital:		
Trade and other payables	32,135,756	(10,201)
	124,116,447	(87,288,583)

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 months ended 31 December 2009

Notes to the Financial Statements

Figures in Rand

31 December
2009

30 June 2009

10. 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 dependent of changes in market interest rates.

Market performance and currency risk

The trust is exposed to equity securities risk, as well as foreign currency risk because of investments held by the trust and classified on the balance sheet as at 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 investment have been distributed between three reputable asset manager companies. The trust also has an investments advisor.

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 months ended 31 December 2009

Detailed Income statement

Figures in Rand	Note(s)	6 Months ended 31 December 2009	12 Months ended 30 June 2009
Income			
Profit on sale of investments		18,212,423	88,717,522
Funding recovered from beneficiaries (as per note 3)		9,240	1,114,087
Dividend revenue		4,072,030	19,143,870
Interest received		9,713,200	17,942,338
		32,006,893	126,917,817
Operating expenses			
Accounting fees		(15,960)	(79,800)
Advertising		(2,394)	-
Audit fees		(45,714)	(86,184)
Bank charges		(22,277)	(54,204)
Professional fees		(28,836)	(19,714)
Administrators fees		(557,579)	(981,530)
Remuneration - Investment advisor		(77,748)	(183,768)
Trustees emoluments		(166,568)	(336,491)
Conference costs		(36,976)	(103,379)
Maize Forum costs		-	(122,783)
Maize Board costs		(6,725)	-
Insurance		(65,000)	(63,366)
Legal expenses		(6,668)	(286,467)
Communication strategy expenses		-	(16,210)
Travel - local		(14,507)	(12,880)
		(1,046,952)	(2,346,776)
Operating surplus before fees, adjustments and allocations		30,959,941	124,571,041
Fair value adjustments		81,590,178	(166,748,744)
Allocations to beneficiaries (as per note 6)		(17,424,719)	(52,694,769)
Asset Management fees (as per note 2)		(1,767,309)	(3,645,666)
		62,398,150	(223,089,179)
Net surplus after allocations to beneficiaries		93,358,091	(98,518,138)