

THE MAIZE TRUST
(Registration number IT8214/98)
Financial Statements
for the 6 Months ended 31 December 2016



THE
ASHTON
CA (SA) GROUP

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2016

General Information

Type of trust

Non-trading trust

Trustees

Dr TJ Hewu
Ms N Mahlati
Mr SS Ndlungwane
Dr JL Purchase
Mr C Schoonwinkel
Mr DJM Mathews

Business address

The Grain Building
477 Witherite Road
The Willows
Pretoria
0040

Bankers

ABSA

Auditors

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

Trust registration number

IT8214/98

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2016

Index

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

Index	Page
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 Financial Statements	13 - 18
The following supplementary information does not form part of the financial statements and is unaudited:	
Detailed Income Statement	19

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2016

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 the International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the financial statements.

The 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.

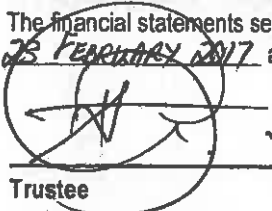
The trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the Trust and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the board sets standards for internal 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.

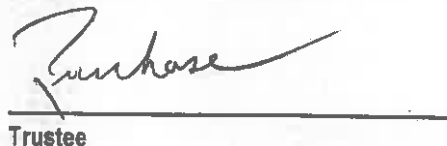
The trustees are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control 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 2017 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 financial statements. The financial statements have been examined by the Trust's external auditors and their report is presented on page 4.

The financial statements set out on pages 6 to 19, which have been prepared on the going concern basis, were approved by the board on ~~23 FEBRUARY 2017~~ and were signed on its behalf by:


Trustee


Trustee

Pretoria

23 February 2017



THE
ASHTON
CA (SA) GROUP

REGISTERED ACCOUNTANTS
AND AUDITORS

Ashton House, 51 Lebombo Road,
Ashlea Gardens, 0181
PO Box 1620, Groenkloof, 0027
Tel: +27 (012) 460 3050
Fax: +27 (012) 460 1263
E-mail: karin@ashtongroup.co.za

Independent Auditor's Report

To the trustees of The Maize Trust

Opinion

We have audited the Financial Statements of The Maize Trust set out on pages 7 to 13, which comprise the Statement of Financial Position as at 31 December 2016, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the 6 months then ended, and 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 31 December 2016, and its financial performance and cash flows for the 6 months then ended in accordance with 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 Statements 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 and 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.

Other information

The Trustees are responsible for the other information. The other information comprises the Trustee's report and detailed income statement, which we obtained prior to the date of this report. Other information does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report

Responsibilities of the trustees for the Financial Statements

The trustees are responsible for the preparation and fair presentation of the Financial Statements in accordance with 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 misstatement, 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.

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 error, 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 in 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 trustee'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 trustees' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or 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, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, 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 whether 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.

The Ashton CA (SA) Group Inc
Willie Delpont
Director
Chartered Accountants (SA)
Registered Auditors

23 February 2017

Ashlea House
51 Lebombo Street
Ashlea Gardens
Pretoria
0181

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2016

Trustees' Report

The trustees have pleasure in submitting their report on the financial statements of The Maize Trust for the 6 months ended 31 December 2016.

1. Trustees

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

Trustees

Dr TJ Hewu

Ms N Mahlali

Mr SS Ndlungwane

Dr JL Purchase

Mr C Schoonwinkel

Mr DJM Mathews

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 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. Legislation

The Minister of Agriculture, Forestry and Fisheries has published the Marketing of Agricultural Products Amendment Bill in Government Gazette No. 36562, Notice 610 dated 14 June 2013. Should this legislation be passed, certain provisions contained in this publication could have an influence on the business model implemented by the Trust. The Trustees are currently having discussions with the Minister to obtain a greater understanding of how the proposed Bill will be implemented.

5. Subsidiaries

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

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2016

Statement of Financial Position as at 31 December 2016

Figures in Rand	Note(s)	31 December 2016	30 June 2016
Assets			
Non-Current Assets			
Investments in subsidiaries	2	241 635 712	241 635 712
Investments	3	804 534 105	841 646 680
		<u>1 046 169 817</u>	<u>1 083 282 392</u>
Current Assets			
Trade and other receivables	4	8 520 810	6 846 073
Cash and cash equivalents	5	12 640 871	101 987 306
		<u>21 161 681</u>	<u>108 833 379</u>
Total Assets		<u>1 067 331 498</u>	<u>1 192 115 771</u>
Equity and Liabilities			
Equity			
Donations	6	319 234 732	319 234 732
Accumulated surplus		706 374 500	747 523 043
		<u>1 025 609 232</u>	<u>1 066 757 775</u>
Liabilities			
Current Liabilities			
Trade and other payables	11	-	90 005 708
Provisions	8	41 722 266	35 352 288
		<u>41 722 266</u>	<u>125 357 996</u>
Total Equity and Liabilities		<u>1 067 331 498</u>	<u>1 192 115 771</u>

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2016

Statement of Comprehensive Income

Figures in Rand	Note(s)	6 Months Ended 31 December 2016	12 Months Ended 30 June 2016
Profit/(loss) on sale of investments and other income		1 029 268	11 716 085
Operating expenses		(2 828 599)	(3 466 903)
Surplus/ (Loss) before investment revenue, allocations to beneficiaries, fair value adjustments and asset management fees		(1 799 331)	8 249 182
Investment revenue - Interest & Dividends		12 575 388	26 711 225
Allocations to beneficiaries	9	(35 731 997)	(40 968 068)
Fair value adjustments	11	(14 341 630)	42 680 312
Asset management fees	2	(1 850 973)	(5 190 469)
Surplus/(loss) for the period		(41 148 543)	31 482 182
Other comprehensive income			
Total comprehensive income/(loss) for the period		(41 148 543)	31 482 182

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2016

Statement of Changes in Equity

	Trust capital	Accumulated surplus	Total equity
Figures in Rand			
Balance at 01 July 2015	319 234 732	716 040 861	1 035 275 593
Surplus for the year	-	31 482 182	31 482 182
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	31 482 182	31 482 182
Balance at 01 July 2016	319 234 732	747 523 043	1 066 757 775
Deficit for the 6 Months	-	(41 148 543)	(41 148 543)
Other comprehensive income	-	-	-
Total comprehensive deficit for the 6 Months	-	(41 148 543)	(41 148 543)
Balance at 31 December 2016	319 234 732	706 374 500	1 025 609 232
Note(s)	6		

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2016

Statement of Cash Flows

Figures in Rand	Note(s)	6 Months Ended 31 December 2016	12 Months Ended 30 June 2016
Cash flows from operating activities			
Cash (used in) generated from operations	14	(101 451 428)	118 348 240
Interest income		6 821 261	13 936 730
Dividends received		5 754 127	12 774 495
Asset management fees paid		(1 850 973)	(5 190 470)
Net cash from operating activities		(90 727 013)	139 868 995
Cash flows from investing activities			
Investment withdrawals		36 340 266	157 820 000
Movement in investments		772 309	(161 740 696)
Allocations to beneficiaries		(35 731 997)	(40 968 068)
Net cash from investing activities		1 380 578	(44 888 764)
Total cash movement for the period		(89 346 435)	94 980 231
Cash at the beginning of the period		101 987 306	7 007 076
Total cash at end of the period	5	12 640 871	101 987 307

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2016

Accounting Policies

1. Presentation of Financial Statements

The financial statements have been prepared in accordance with the International Financial Reporting Standards. The 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

In the trust's separate financial statements, 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.

1.5 Revenue

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

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2016

Accounting Policies

1.5 Revenue (continued)

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)

Financial Statements for the 6 Months ended 31 December 2016

Notes to the Financial Statements

Figures in Rand

6 Months Ended
31 December
2016

12 Months
Ended 30 June
2016

2. Investments in subsidiaries

Name of subsidiary	Principal place of business	% Holding at 31 December 2016	% Holding at 30 June 2016	Carrying amount at 31 December 2016	Carrying amount at 30 June 2016
Grain Building (Pty) Ltd	RSA	100.00 %	100.00 %	241 635 712	241 635 712

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

Unlisted shares at cost - SAGIS
SAGL

The full amount of this investment, together with accrued interest, is repayable within a period of 5 years.

	1	1
	1 500 000	
	<u>1 500 001</u>	<u>1</u>

At fair value

Allan Gray Ltd

Book value - R 372 342 893.

Prescient Management Company

Foord Asset Management

Book value - R 192 409 733.

Coronation Fund Managers

Book value - R 111 164 556.

	426 808 396	443 360 171
		1 094 605
	264 428 403	282 455 750
	111 797 305	114 736 153
	<u>803 034 104</u>	<u>841 646 679</u>
	<u>804 534 105</u>	<u>841 646 680</u>

Total other financial assets

The fair values of listed or quoted investments are based on the quoted market price at reporting period date.

Non-current assets

At cost

At fair value through profit or loss

	1 500 001	1
	803 034 104	841 646 679
	<u>804 534 105</u>	<u>841 646 680</u>

Asset management fees paid

Allan Gray Ltd

Foord Asset Management (Pty) Ltd

Prescient Management Company

	1 251 771	2 433 712
	549 388	2 013 697
	49 814	743 060
	<u>1 850 973</u>	<u>5 190 469</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)

Financial Statements for the 6 Months ended 31 December 2016

Notes to the Financial Statements

Figures in Rand

	6 Months Ended 31 December 2016	12 Months Ended 30 June 2016
4. Trade and other receivables		
Grain Building (Pty) Ltd	8 520 810	6 846 073
5. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	12 640 871	101 987 306
6. 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	30 105 960	30 105 960
	<u>319 234 732</u>	<u>319 234 732</u>
7. Funding recovered from beneficiaries		
GFADA	662 913	1 132 821
8. Provisions		
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	7 540 862	4 884 084
Bursary Scheme	489 003	403 874
BFAP	3 986 260	6 675 732
Cape Peninsula University	1 163 102	332 701
CA Coordination	669 827	938 353
Dr WJ van der Walt	-	12 380
GFADA	4 743 688	2 779 610
Grain SA	2 684 137	6 825 006
Grain SA - Farmer Development Programme	3 414 072	3 825 867
Mahlathini Development	-	44 700
NAMC	233 857	233 857
National Chamber of Milling	400 000	400 000
SA Grain Laboratory	1 852 626	397 921
SAGIS	12 276 975	6 660 396
Sandy Soils Development Committee	271 488	81 701
TUT	651 369	186 106
University of Cape Town	102 000	212 000
University of Kwazulu Natal	144 000	144 000
University of Stellenbosch	1 099 000	314 000
	<u>41 722 266</u>	<u>35 352 288</u>

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2016

Notes to the Financial Statements

Figures in Rand	6 Months Ended 31 December 2016	12 Months Ended 30 June 2016
9. Allocations approved during the year by the trustees		
Agricultural Research Council	2 656 779	11 334 333
BFAP	-	-
Bursary Scheme	574 132	835 980
CA Coordination	614 871	29 927
Cape Peninsula University	830 401	941 752
Dr WJ van der Walt	-	30 950
GFADA	5 401 213	6 949 025
Grain SA	(113 652)	6 671 629
- Approved	150 000	6 697 879
- Recalculation of allocations	(263 653)	(26 250)
Grain SA - Farmer Development Programme	6 983 286	-
- Approved	8 535 179	-
- Recalculation of allocations	(1 551 893)	-
Hilton Lambert	-	125 400
Mahlathini Development	(15 000)	89 400
Mycotoxin Coordination	-	106 779
NAMC	-	381 587
Maize Forum	161 283	-
SA Grain Laboratory	5 503 583	1 137 971
SAGIS	10 183 122	9 949 563
Sandy Soils Development Committee	678 719	408 507
TUT	465 264	465 264
University of Cape Town	(110 000)	365 000
- Approved	-	365 000
- Recalculation of allocations	(110 000)	-
University of Kwazulu Natal	-	360 000
University of Stellenbosch	785 000	785 000
	35 731 997	40 968 068
Approved during the year (as above)	35 731 997	40 968 068
Unpaid allocations at the end of the previous year (as per note 8)	35 352 288	51 093 178
	71 084 285	92 061 246
Allocations paid during the year (as per note 10)	(29 362 019)	(56 708 958)
	41 722 266	35 352 288

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2016

Notes to the Financial Statements

Figures in Rand

	6 Months Ended 31 December 2016	12 Months Ended 30 June 2016
10. Actual payments to beneficiaries		
Agricultural Research Council	-	11 312 707
BFAP	3 739 473	1 691 793
Bursary Scheme	489 003	979 089
CA Coordination	883 396	554 044
Cape Peninsula University	-	950 364
Dr WJ van der Walt	12 380	24 440
GFADA	3 437 136	4 169 415
Grain SA	9 148 326	3 340 603
Grain SA - Farmer Development Programme	2 273 974	16 650 637
Hilton Lambert	-	125 400
Mycotoxin Coordination	82 996	106 779
North West University	-	68 332
SA Grain Laboratory	4 048 877	3 343 674
SAGIS	4 566 542	10 474 510
Sandy Soils Development Committee	488 933	420 385
TUT	-	811 222
University of Cape Town	-	153 000
University of Stellenbosch	-	1 124 134
NAMC	-	147 730
Maize Forum	161 283	-
University Of Kwazulu Natal	-	216 000
Mahlatini Development	29 700	44 700
	<u>29 362 019</u>	<u>56 708 958</u>
11. Trade and other payables		
Trade payables	-	5 708
Coronation Fund Managers	-	90 000 000
	-	<u>90 005 708</u>
12. Fair value adjustments		
Investments	(14 341 630)	42 680 312
13. Auditors' remuneration		
Fees	71 400	139 400

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2016

Notes to the Financial Statements

Figures in Rand	6 Months Ended 31 December 2016	12 Months Ended 30 June 2016
14. Cash (used in) generated from operations		
(Deficit) surplus before taxation	(41 148 543)	31 482 182
Adjustments for:		
Allocations to beneficiaries	35 731 997	40 968 068
Asset management fees	1 850 973	5 190 469
Dividends received	(5 754 127)	(12 774 495)
Interest received	(6 821 261)	(13 936 730)
Movements in provisions	6 369 978	(15 740 891)
Changes in working capital:		
Trade and other receivables	(1 674 737)	(6 846 073)
Trade and other payables	(90 005 708)	90 005 710
	<u>(101 451 428)</u>	<u>118 348 240</u>

15. Related parties

Relationships

The Maize Trust holds membership in SAGIS.

Related party balances and transactions with entities over which the trust has control, joint control or significant influence

Related party balances

Amounts included in receivables regarding related parties

Grain Building (Pty) Ltd	8 520 810	6 846 073
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16. 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)

Financial Statements for the 6 Months ended 31 December 2016

Notes to the Financial Statements

Figures in Rand

	6 Months Ended 31 December 2016	12 Months Ended 30 June 2016	
17. Trustees fees			
6 Months Ended 31 December 2016			
	Allowances	Reimbursements	Total
JF De Villiers (paid to employer)	10 130	-	10 130
TJ Hewu	125 170	22 986	148 156
N Mahlali	31 256	5 983	37 239
SS Ndlungwane	91 495	58 287	149 782
JL Purchase (paid to employer)	19 428	708	20 136
BC Schoonwinkel	38 422	24 001	62 423
DJM Mathews	28 176	26 762	54 938
	<u>344 077</u>	<u>138 727</u>	<u>482 804</u>
12 Months Ended 30 June 2016			
	Allowances	Reimbursements	Total
JF De Villiers (paid to employer)	41 779	1 083	42 862
TJ Hewu	65 847	107 221	173 068
N Mahlali	52 935	14 988	67 923
SS Ndlungwane	113 285	117 995	231 280
JL Purchase (paid to employer)	22 510	-	22 510
BC Schoonwinkel	26 517	36 250	62 767
DJM Mathews	15 757	16 066	31 823
KPN Daly (ex trustee)	21 520	43 018	64 538
CK Ferreira (ex trustee)	21 520	11 470	32 990
JK Peele (ex trustee)	25 824	33 966	59 790
	<u>407 494</u>	<u>382 057</u>	<u>789 551</u>

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2016

Detailed Income Statement

Figures in Rand	Note(s)	6 Months Ended 31 December 2016	12 Months Ended 30 June 2016
Income			
Dividends received		5 754 127	12 774 495
Funding recovered from beneficiaries	7	662 913	1 132 821
Interest received		6 821 261	13 936 730
Profit/(loss) on sale of investments		366 355	10 393 161
Sundry Income		-	190 103
		<u>13 604 656</u>	<u>38 427 310</u>
Operating expenses			
Accounting fees		(47 876)	(82 991)
Administration costs		(908 977)	(1 515 157)
Audit fees	13	(71 400)	(139 400)
Bank charges		(58 540)	(118 429)
Computer expenses		(5 245)	(6 436)
Conference costs		(35 259)	(70 758)
Insurance		(68 421)	(73 671)
Membership fees		-	(100)
Printing and stationery		(1 995)	(6 936)
Professional fees		(948 328)	(282 417)
Remuneration - Investment advisor		(119 269)	(229 537)
Travel and accommodation		(77 635)	(62 600)
Trustees fees	17	(482 804)	(789 551)
Website costs		(2 850)	(88 920)
		<u>(2 828 599)</u>	<u>(3 466 903)</u>
Surplus before allocations to beneficiaries, fair value adjustments and asset management fees		10 776 057	34 960 407
Allocations to beneficiaries	9	(35 731 997)	(40 968 068)
Fair value adjustments	12	(14 341 630)	42 680 312
Asset Management fees	3	(1 850 973)	(5 190 469)
		<u>(51 924 600)</u>	<u>(3 478 225)</u>
Surplus/(loss) for the period		(41 148 543)	31 482 182