

THE MAIZE TRUST
(Registration number IT8214/98)
Financial statements
for the 6 Months ended 31 December 2018



THE
ASHTON
CA (SA) GROUP INC.

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2018

General Information

Type of trust

Non-trading trust

Trustees

Dr TJ Hewu
Ms N Mahlati
Dr SS Ndlungwane
Dr JL Purchase
Mr BC Schoonwinkel
Mr DJM Mathews
Ms ME Mabe (Nominated)
Mr Z Ngejane (Nominated)

Business address

The Grain Building
477 Witherite Road
The Willows
Pretoria
0040

Bankers

ABSA

Auditors

The Ashton CA (SA) Group Inc
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 2018

Index

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

	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 2018

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.

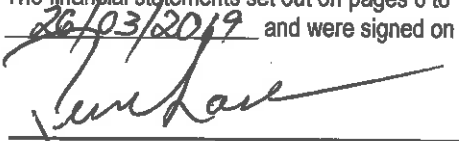
The trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the Trust and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the board sets standards for internal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

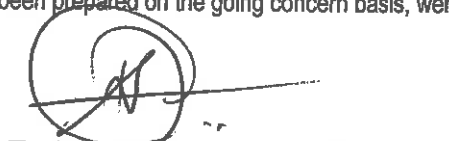
The trustees have reviewed the trust's cash flow forecast for the 6 months to 30 June 2019 and, in the light of this review and the current financial position, they are satisfied that the trust has or has access to adequate resources to continue in operational existence for the foreseeable future.

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 26/03/2019 and were signed on its behalf by:



Trustee



Trustee

Pretoria



THE
ASHTON
CA (SA) GROUP INC.
REGISTERED ACCOUNTANTS
AND AUDITORS

Independent Auditors' Report

To the trustees of The Maize Trust

Opinion

We have audited the Financial Statements of The Maize Trust, as set out on pages 7 to 18, which comprise the Statement of Financial Position as at 31 December 2018, 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 the 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 2018, and its financial performance and its cash flows for the 6 months ended in accordance with the 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 Statement 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 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.

Responsibilities of trustees for the Financial Statements

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

Address

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

Directors

A. Robberts B.Compt (Hons) CA (SA) RA
H.J. Windell B.Compt (Hons) CA (SA) RA
W. Delport B.Compt (Hons) CA (SA) RA

Professional Assistants

C.E. Möller B.Com (PGDA) CA (SA)
A. Deysel Professional Accountant (SA) B.Com CIMA
T.C. Moyo Professional Accountant (SA) B.Com Acc Sci

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 errors, 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 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 trust'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 trustee's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events and 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, modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. Hence 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 what 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
Andre Robberts
Director
Chartered Accountants (SA)
Registered Auditors

Pretoria

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2018

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 2018.

1. Trustees

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

Trustees

Dr TJ Hewu

Ms N Mahlali

Dr SS Ndlungwane

Dr JL Purchase

Mr BC Schoonwinkel

Mr DJM Mathews

Ms ME Mabe (Nominated)

Mr Z Ngejane (Nominated)

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.

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 2018

Statement of Financial Position as at 31 December 2018

Figures in Rand	Note(s)	6 Months ended 31 December 2018	12 Months ended 30 June 2018
Assets			
Non-Current Assets			
Investments in subsidiaries	2	250,156,522	250,156,522
Investments	3	765,465,206	825,097,179
		<u>1,015,621,728</u>	<u>1,075,253,701</u>
Current Assets			
Cash and cash equivalents	4	8,786,909	21,762,730
Total Assets		<u>1,024,408,637</u>	<u>1,097,016,431</u>
Equity and Liabilities			
Equity			
Trust capital	5	319,234,732	319,234,732
Accumulated surplus		661,162,376	742,342,607
		<u>980,397,108</u>	<u>1,061,577,339</u>
Liabilities			
Current Liabilities			
Trade and other payables	10	38,860	21,953
Provisions	7	43,972,669	35,417,139
		<u>44,011,529</u>	<u>35,439,092</u>
Total Equity and Liabilities		<u>1,024,408,637</u>	<u>1,097,016,431</u>

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2018

Statement of Comprehensive Income

Figures in Rand	Note(s)	6 Months ended 31 December 2018	12 Months ended 30 June 2018
Profit on sale of investments and other income		1,616,664	8,044,581
Operating expenses		(1,695,462)	(3,505,346)
Surplus/ (Loss) before investment revenue, allocations to beneficiaries, fair value adjustments and asset management fees		(78,798)	4,539,235
Investment revenue - Interest & Dividends		21,928,514	32,172,858
Allocations to beneficiaries	8	(47,484,621)	(50,265,559)
Fair value adjustments	11	(53,959,128)	41,818,540
Asset management fees	3	(1,586,198)	(3,295,531)
Surplus/(loss) for the year		(81,180,231)	24,969,543
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		(81,180,231)	24,969,543

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2018

Statement of Changes in Equity

Figures in Rand	Trust capital	Accumulated surplus	Total equity
Balance at 01 July 2017	319,234,732	717,373,064	1,036,607,796
Surplus for the year	-	24,969,543	24,969,543
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	24,969,543	24,969,543
Balance at 01 July 2018	319,234,732	742,342,607	1,061,577,339
Deficit for the 6 Months	-	(81,180,231)	(81,180,231)
Other comprehensive income	-	-	-
Total comprehensive deficit for the 6 Months	-	(81,180,231)	(81,180,231)
Balance at 31 December 2018	319,234,732	661,162,376	980,397,108
Note(s)	5		

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2018

Statement of Cash Flows

Figures in Rand	Note(s)	6 Months ended 31 December 2018	12 Months ended 30 June 2018
Cash flows from operating activities			
Cash used in operations	13	(1,632,622)	(2,496,520)
Interest income		172	1,056
Dividends received		7,585,721	7,585,721
Net cash from operating activities		5,953,271	5,090,257
Cash flows from investing activities			
Investment withdrawals		20,000,000	51,248,900
Payments to beneficiaries		(38,929,092)	(47,424,633)
Net cash from investing activities		(18,929,092)	3,824,267
Total cash movement for the period		(12,975,821)	8,914,524
Cash at the beginning of the period		21,762,730	12,848,206
Total cash at end of the period	4	8,786,909	21,762,730

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2018

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

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 instruments 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.

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2018

Accounting Policies

1.5 Revenue

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

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 2018

Notes to the Financial Statements

Figures in Rand

6 Months ended
31 December
2018

12 Months
ended 30 June
2018

2. Investments in subsidiaries

Name of subsidiary	Principal place of business	% Holding at 31 December 2018	% Holding at 30 June 2018	Carrying amount at 31 December 2018	Carrying amount at 30 June 2018
Grain Building (Pty) Ltd	RSA	100.00 %	100.00 %	250,156,522	250,156,522

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

Investment deposit

1,500,000

1,500,000

The investment, together with accrued interest, calculated at commercial bank call rates, is collectable within a period of 5 years since inception.

At fair value

Allan Gray Ltd

412,280,921

444,353,510

Book value - R 380 960 150

Foord Asset Management

241,205,925

264,978,261

Book value - R 192 383 519

Coronation Fund Managers

110,478,360

114,265,408

Book value - R 98 249 927

763,965,206

823,597,179

Total other financial assets

765,465,206

825,097,179

Non-current assets

At cost

1,500,000

1,500,000

At fair value through profit or loss

763,965,206

823,597,179

765,465,206

825,097,179

Asset management fees paid

Allan Gray Ltd

1,072,180

2,207,854

Foord Asset Management (Pty) Ltd

514,018

1,087,677

1,586,198

3,295,531

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 2018

Notes to the Financial Statements

Figures in Rand	6 Months ended 31 December 2018	12 Months ended 30 June 2018
4. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	R 8,786,909	R 21,762,730
5. 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>
6. Funding recovered from beneficiaries		
Grain Farmer Development Association	-	961,938
7. 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	6,838,679	6,204,265
Bursary Scheme	978,300	454,178
Bureau for Food and Agricultural Policy	719,020	1,821,311
Cape Peninsula University of Technology	462,561	212,160
CA Coordination	533,252	1,030,555
Grain Farmer Development Association	9,691,656	8,112,664
Grain SA	5,324,857	5,743,484
Grain SA - Farmer Development Programme	3,886,534	2,532,411
Mahlathini Development Foundation	-	114,000
National Agricultural Marketing Council	554,682	406,407
North West University	562,376	257,831
Southern African Grain Laboratory	1,876,218	1,876,218
South African Grain Information Service	10,667,024	6,049,387
Sandy Soils Development Committee	393,287	184,268
Sansor	445,223	-
University of Stellenbosch	759,000	314,000
University of Pretoria	280,000	104,000
	<u>43,972,669</u>	<u>35,417,139</u>

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2018

Notes to the Financial Statements

Figures in Rand

	6 Months ended 31 December 2018	12 Months ended 30 June 2018
8. Allocations approved during the year by the trustees		
Agricultural Research Council	4,125,625	6,248,298
- Approved	4,651,592	6,248,298
- Recalculation of allocations	(525,967)	-
Bureau for Food and Agricultural Policy	-	245,050
Bursary Scheme	744,339	755,195
CA Coordination	-	1,972,823
Cape Peninsula University of Technology	250,401	530,401
Grain Farmer Development Association	14,491,588	9,985,868
- Approved	15,014,745	9,985,868
- Recalculation of allocations	(523,157)	-
Grain SA	3,639,686	4,410,876
- Approved	4,666,016	4,613,022
- Recalculation of allocations	(1,026,330)	(202,146)
Grain SA - Farmer Development Programme	9,716,334	8,152,318
- Approved	9,716,334	9,059,289
- Recalculation of allocations	-	(906,971)
Mahlathini Development Foundation	-	114,000
Maize Forum	216,258	205,488
Mycotoxin Coordination	77,800	109,458
National Agricultural Marketing Council	430,791	373,525
National Chamber of Milling- Recalculation of allocation	-	(400,000)
North West University	1,405,939	-
Sandy Soils Development Committee	983,217	921,341
Sansor	445,223	-
South African Grain Information Service	10,034,404	10,990,403
Southern African Grain Laboratory	302,016	4,665,515
University of Cape Town	-	-
University of Pretoria	176,000	200,000
- Approved	200,000	200,000
- Recalculation of allocations	(24,000)	-
University of Stellenbosch	445,000	785,000
	47,484,621	50,265,559
Approved during the year (as above)	47,484,621	50,265,559
Unpaid allocations at the end of the previous year (as per note 7)	35,417,139	32,576,413
	82,901,760	82,841,972
Allocations paid during the year (as per note 9)	(38,929,092)	(47,424,833)
	43,972,669	35,417,139

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2018

Notes to the Financial Statements

Figures in Rand	6 Months ended 31 December 2018	12 Months ended 30 June 2018
9. Actual payments to beneficiaries		
Agricultural Research Council	3,491,211	3,672,219
Bureau for Food and Agricultural Policy	1,102,292	2,423,832
Bursary Scheme	220,219	547,488
CA Coordination	497,303	942,269
Cape Peninsula University of Technology	-	650,401
Grain Farmer Development Association	12,912,596	6,725,490
Grain SA	5,090,378	2,517,675
Grain SA - Farmer Development Programme	7,330,143	11,612,282
Mahlathini Development	114,000	123,000
Maize Forum	216,258	205,488
Mycotoxin Coordination	77,800	109,458
National Agricultural Marketing Council	282,516	200,975
North West University	1,101,395	257,831
South African Grain Information Service	5,416,767	10,302,396
Sandy Soils Development Committee	774,198	872,817
Southern African Grain Laboratory	302,016	5,089,906
Tshwane University of Technology	-	186,106
University of Pretoria	-	200,000
University of Stellenbosch	-	785,000
	<u>38,929,092</u>	<u>47,424,633</u>
10. Trade and other payables		
Trade payables	<u>38,860</u>	<u>21,953</u>
11. Fair value adjustments		
Investments	<u>53,959,128</u>	<u>958,571</u>
12. Auditors' remuneration		
Fees	<u>76,245</u>	<u>146,832</u>

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2018

Notes to the Financial Statements

Figures in Rand	6 Months ended 31 December 2018	12 Months ended 30 June 2018
13. Cash used in operations		
Surplus/(Loss) for the period	(81,180,231)	24,969,543
Adjustments for:		
Allocations to beneficiaries	47,484,621	50,265,559
Asset management fees	1,586,198	3,295,531
Dividends received	(13,987,709)	(16,984,397)
Interest received	(7,940,805)	(15,188,461)
Investment charges	45,933	26,205
Fair value adjustment	53,959,128	(41,818,540)
Profit on sale of shares	(1,616,664)	(7,082,643)
Changes in working capital:		
Trade and other payables	16,907	20,683
	<u>(1,632,622)</u>	<u>(2,496,520)</u>

14. Related parties

Relationships

The Maize Trust holds membership in SAGIS and GFADA.

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

Related party transactions

Dividends received

Grain Building (Pty) Ltd	7,585,721	7,585,721
--------------------------	-----------	-----------

15. 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 2018

Notes to the Financial Statements

Figures in Rand

6 Months ended
31 December
2018

12 Months
ended 30 June
2018

16. Trustees fees

6 Months Ended 31 December 2018

	Allowances	Reimbursements	Total
TJ Hewu	5,415	4,543	9,958
N Mahlali	28,089	4,871	32,960
SS Ndlungwane	64,463	55,046	119,509
JL Purchase (paid to employer)	19,222	-	19,222
BC Schoonwinkel	26,053	26,804	52,857
DJM Mathews	23,286	20,516	43,802
ME Mabe	15,631	552	16,183
Z Ngejane	28,400	67,536	95,936
	210,559	179,868	390,427

12 Months Ended 30 June 2018

	Allowances	Reimbursements	Total
TJ Hewu	58,488	81,070	139,558
N Mahlali	42,014	7,044	49,058
SS Ndlungwane	87,674	61,038	148,712
JL Purchase (paid to employer)	39,616	-	39,616
BC Schoonwinkel	52,864	67,018	119,882
DJM Mathews	62,290	59,204	121,494
ME Mabe	20,120	715	20,835
Z Ngejane	37,998	92,182	130,180
	401,064	368,271	769,335

The Maize Trust

(Registration number IT8214/98)

Financial Statements for the 6 Months ended 31 December 2018

Detailed Income Statement

Figures in Rand	Note(s)	6 Months ended 31 December 2018	12 Months ended 30 June 2018
Income			
Dividends received		13,987,709	16,984,397
Funding recovered from beneficiaries	6	-	961,938
Interest received		7,940,805	15,188,461
Profit on sale of investments		1,616,664	7,082,643
		<u>23,545,178</u>	<u>40,217,439</u>
Operating expenses			
Accounting fees		(50,802)	(94,803)
Administration costs		(855,471)	(1,725,619)
Audit fees	12	(76,245)	(146,832)
Bank charges		(48,800)	(88,490)
Computer expenses		-	(8,907)
Conference costs		(40,322)	(178,781)
Insurance		(82,825)	(72,382)
Professional fees		(8,932)	(56,028)
Remuneration - Investment advisor		(136,275)	(260,506)
Travel and accommodation		(1,913)	(96,808)
Trustees fees	16	(390,427)	(769,335)
Website costs		(3,450)	(6,855)
		<u>(1,695,462)</u>	<u>(3,505,346)</u>
Surplus before allocations to beneficiaries, fair value adjustments and asset management fees		21,849,716	36,712,093
Allocations to beneficiaries	8	(47,484,621)	(50,265,559)
Fair value adjustments	11	(53,959,128)	41,818,540
Asset Management fees	3	(1,586,198)	(3,295,531)
		<u>(103,029,947)</u>	<u>(11,742,550)</u>
Surplus/(loss) for the period		(81,180,231)	24,969,543