

# THE MAIZE TRUST

Reg no. IT8214/98

**c/o L&L Agricultural Services**

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25 November 2015

## **17<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MAIZE TRUST**

### **ADDRESS BY THE CHAIRPERSON OF THE BOARD OF TRUSTEES**

#### **MR. J.K. (KARABO) PEELE**

Ladies and Gentlemen, it is an honour for me to address you and to welcome you to this 16<sup>th</sup> Annual General Meeting of the Maize Trust.

#### **Reflection on the Objectives of the Trust**

The objectives of the Trust are simple and to the point, namely to fund projects and actions that are to benefit the industry with regard to:

- 1) Market and Production related research;
- 2) Market information; and
- 3) Market access.

#### **Financial Management**

The funding of important industry projects has increased over the years and the Trust is currently spending approximately R60 million per annum on funding that is directly aimed at the improvement of the maize industry.

The investments of the Trust have always been managed prudently and with great care, which resulted in very good returns and a steadily growing asset value.

This is done in line with the Trust's policy to be an evergreen Trust, which is to be maintained to the advantage of the maize industry. Funding by the Trust is annually limited to a maximum of 6% of the Trust's total asset value, in order to achieve this policy and goal.

The costs of the Trust are strictly managed and are kept as low as possible. This confirms the fiduciary responsibility of all the Trustees that have been appointed to the Trust over time.

When the Trust's operational costs are compared to its annual income, it is clear that the financial management of the Trust is done very conservatively.

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TRUSTEES: Mr. J.K. Peele (Chairperson)(outgoing), Mr. J.F. de Villiers (Vice-Chairperson),  
Ms. K.P.N. Daly (outgoing), Mr. C.K. Ferreira (outgoing), Dr. T.J. Hewu, Dr. J.L. Purchase.  
REPLACEMENT TRUSTEES: Ms. N. Mahlali, Mr. S.S. Ndlungwane, Mr. B.C. Schoonwinkel  
ADMINISTRATORS: L&L Agricultural Services.

Over the years the Trust has endeavoured to identify and implement new initiatives in conjunction to the normal funding of projects that could benefit the industry. There are several successful initiatives that have been launched by the Trust since its inception, which have all benefitted the maize industry and have often created opportunities and benefits for the other grains and oilseeds industries.

### **Bursary Scheme**

The Trust's bursary scheme is very successful and 14 MSc and 6 PhD students have already completed their studies with Maize Trust bursaries since 2007. A further 3 MSc and 1 PhD bursary student will be completing their studies at the end of 2014.

Most of these bursary students that have completed their studies have found employment in agriculture or related fields in South Africa.

Six internships have since 2010 been funded by the Trust and enquiries are frequently received for further interns to be funded. The internship programme is aimed at providing experience to bursary students until they get employment opportunities.

### **The past financial year**

In 2013/2014 the Trust paid an amount of R45,5 million to beneficiaries. An additional amount of R52 million was also approved by the Trustees during the year for payment to beneficiaries after year-end.

The total donations of R319 million from the Maize Board to the Trust currently relates to an asset value of R1,1 billion.

Transformation assistance by the Trust over its existence exceeds 23% of the Trust's total annual funding. In this particular financial year approximately 32% of the Trust's funding was allocated to transformation projects. The balance of the Trust's funding was spent on research projects, projects related to the collection and dissemination of market information, other industry activities and the transfer of technology.

The Trust also took a decision to invest more into fixed property, as this has proved to be a sustainable and solid investment over time.

### **Monitoring Measures**

The performance of beneficiaries is monitored through appropriate progress reports and physical visits when deemed appropriate. In some instances monitoring is done by means of interaction through coordinators appointed by the Trust. In 2014 four of the large beneficiaries have been visited by the Trustees and a visit to the three Asset Managers of the Trust is scheduled to take place in November

### **Board of Trustees**

Continuation in the matters of the Trust is extremely important to ensure the correct functioning of the Trust. During the past financial year there were no changes to the Trustees and the composition of the Board of Trustees remains as follows:

