



# 2024

## Annual Financial Statements





# Financial reporting

## General information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	To achieve a policy, legislative and governance framework, which is widely supported and which will allow the mining industry to convert the country's abundant mineral resources into wealth for the benefit of South Africa. Minerals Council South Africa is a non-profit organisation.
Registered office	7th Floor Rosebank Towers 19 Biermann Ave Rosebank
Business address	7th Floor Rosebank Towers 19 Biermann Ave Rosebank
Bankers	ABSA Nedbank First National Bank
Auditors	Forvis Mazars Chartered Accountants (S.A.) Registered Auditors
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the constitution of Minerals Council South Africa and IFRS for SMEs® Accounting Standard.
Preparer	The annual financial statements were internally compiled by: Juanita Broderick – Financial Manager under the supervision of Harry Groenewald – Senior Executive – Finance and Administration.
Issued	26 March 2025



# Mining Matters



1. African Rainbow Minerals – Ferrous: Black Rock  
2. Bushveld Minerals – Bushveld Vanchem

# Contents

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

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# Board's responsibilities and approval

The Board of Minerals Council South Africa (hereafter “the Minerals Council” or “Council”), is responsible for the maintenance of 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 annual financial statements fairly present the state of affairs of the Council as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the IFRS for SMEs Accounting Standard and the constitution of the Minerals Council South Africa. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the IFRS for SMEs Accounting Standard and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Board acknowledges that it is ultimately responsible for the system of internal financial control established by the Council and places considerable importance on maintaining a strong control environment. To enable the Board 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 Council and all employees are required to maintain the highest ethical standard in ensuring the Council business is conducted in a manner that in all reasonable circumstance is above reproach. The focus of risk management in the Council is on identifying, assessing, managing and monitoring all known forms of risk across the Council. While operating risk cannot be fully eliminated, the Council endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Board is 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 Board has reviewed the Council's cash flow forecast for the two years to 31 December 2026 and, in the light of this review and the current financial position, it is satisfied that the Council 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 Council's financial statements. The financial statements have been examined by the Council's external auditors and their report is presented on pages 3 to 4.

The external auditors were given unrestricted access to all financial records and related data, including minutes of all meetings of the members, the Board and committees of the Board. The Board believes that all representations made to the independent auditors during their audit are valid and appropriate.

The annual financial statements set out on pages 5 to 18, which have been prepared on the going concern basis, were approved by the Board on 26 March 2025 and were signed on its behalf by:

**Mr M Mthenjane**  
Chief Executive Officer

**Mr P Dunne**  
President

# Independent auditors' report

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**forvis**  
**mazars**

## Independent auditor's report

To the Members of Minerals Council South Africa

### Opinion

We have audited the annual financial statements of Minerals Council South Africa set out on pages 5 to 18, which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Minerals Council South Africa as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with IFRS for SMEs® Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Constitution of Minerals Council South Africa.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 Council in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA 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. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Minerals Council South Africa Annual Financial Statements for the year ended 31 December 2024", which includes the "Detailed Income Statement" and the Appendix A – Project Funds". The 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.

### Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS for SMEs Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Constitution of Minerals Council South Africa, and for such internal control as the directors 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 directors are responsible for assessing the Council'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 directors either intend to liquidate the Council 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 ISAs 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 ISAs, 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 Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Council'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 Council 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 directors 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.

*Forvis Mazars*

**Forvis Mazars**

**Partner: Ephraem Sibanda**

**Registered Auditor**

**Date: 08 April 2025**

**Johannesburg**

# Statements of financial position

as at 31 December 2024

	Notes	2024 R	2023 R
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	1,054,909	1,139,211
Other financial assets	3	10,952,159	4,865,532
Other investments		218,027	223,574
Investments and term deposits	4	46,905,495	42,333,449
		<b>59,130,590</b>	48,561,766
<b>Current assets</b>			
Trade and other receivables	5	44,249,666	51,931,507
Other financial assets	3	5,198,155	8,956,292
Cash and cash equivalents	6	192,543,360	201,990,406
		<b>241,991,181</b>	262,878,205
<b>Total assets</b>		<b>301,121,771</b>	311,439,971
<b>Equity and liabilities</b>			
<b>Capital and reserves</b>			
Project funds	7	50,686,432	46,114,386
Retained income		14,668,493	8,302,623
		<b>65,354,925</b>	54,417,009
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Other financial liability	3	10,952,159	4,865,532
<b>Current liabilities</b>			
Trade and other payables	8	219,616,532	236,835,268
Loans from related parties	9	-	6,365,870
Other financial liabilities	3	5,198,155	8,956,292
		<b>224,814,687</b>	252,157,430
<b>Total liabilities</b>		<b>235,766,846</b>	257,022,962
<b>Total equity and liabilities</b>		<b>301,121,771</b>	311,439,971



# Statements of comprehensive income

for the year ended 31 December 2024

	Notes	2024 R	2023 R
Revenue	10	165,646,368	157,691,539
Other income	11	7,581,879	2,844,071
Administrative and operating expenditure	12	(190,417,805)	(174,759,114)
Depreciation and amortisation		(371,664)	(328,408)
<b>Operating deficit</b>	17	<b>(17,561,222)</b>	(14,551,912)
Investment revenue	18	17,561,800	14,622,959
Finance costs	19	(578)	(71,047)
<b>Surplus/(deficit) for the year</b>		<b>-</b>	-
Project income	7	58,834,120	60,000,100
Additional project income	7	6,761,040	3,761,022
Project expenditure	7	(61,023,114)	(74,838,494)
<b>Increase/(decrease) in project funding</b>		<b>4,572,046</b>	(11,077,372)
<b>Total comprehensive income for the year</b>		<b>4,572,046</b>	(11,077,372)



# Statements of changes in equity

for the year ended 31 December 2024

	Project funds R	Retained income R	Total funds R
<b>Balance at 1 January 2023</b>	57,191,758	8,302,623	65,494,381
Decrease in project funds	(11,077,372)	-	(11,077,372)
<b>Balance at 1 January 2024</b>	<b>46,114,386</b>	<b>8,302,623</b>	<b>54,417,009</b>
Increase in project funds	<b>4,572,046</b>	-	<b>4,572,046</b>
Related party loan	-	<b>6,365,870</b>	<b>6,365,870</b>
<b>Balance at 31 December 2024</b>	<b>50,686,432</b>	<b>14,668,493</b>	<b>65,354,925</b>
Note	7		



# Statements of cash flows

for the year ended 31 December 2024

	Notes	2024 R	2023 R
<b>Cash flows from operating activities</b>			
Cash (used in) generated from operations	13	(26,170,781)	52,268,661
Finance costs		(578)	(71,047)
<b>Net cash from operating activities</b>		<b>(26,171,359)</b>	52,197,614
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(305,822)	(336,755)
Proceeds on sale of property, plant and equipment		3,001	5,000
Movement in financial assets		(2,328,490)	2,758,359
(Increase)/Decrease in investments and term deposits		(4,572,046)	11,077,372
Interest received		17,561,800	14,622,959
<b>Net cash from investing activities</b>		<b>10,358,443</b>	28,126,935
<b>Cash flows from financing activities</b>			
Repayment of external debt		-	(1,345,929)
Movement in loans from related parties		6,365,870	-
<b>Net cash from financing activities</b>		<b>6,365,870</b>	(1,345,929)
<b>Total cash movement for the year</b>		<b>(9,447,046)</b>	78,978,620
Cash at the beginning of the year		201,990,406	123,011,786
<b>Total cash at end of the year</b>	6	<b>192,543,360</b>	201,990,406

# Accounting policies

## 1. Basis of preparation and summary of material accounting policies

The principal accounting policies and basis of accounts used are in all material respects consistently applied. The annual financial statements have been prepared in accordance with the historic cost basis, except for certain financial instruments that are stated at fair value and these policies conform with IFRS for SMEs Accounting Standard.

### 1.1 Revenue recognition

Revenue represents contributions from members, administration fees and interest income. Contributions are recognised when invoiced and consist of contributions for operating costs and capital expenditure, collected in line with the yearly approved budget.

### 1.2 Administration fees

Administration fees are earned in respect of services provided to associated entities. Interest income is accrued on an effective yield basis.

### 1.3 Project income

Project income represents contributions from members of specific projects.

### 1.4 Project expenditure

Project expenditure relates to expenditure incurred on projects approved by the Board.

### 1.5 Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment, which are as follows:

Item	Average useful life (years)
Furniture and fixtures	5–10
Motor vehicles	5
Computer equipment	3–5

### 1.6 Financial instruments

#### Initial recognition and measurement

Basic financial instruments are recognised initially when the Council becomes a party to the contractual provisions of the instruments.

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

Basic financial instruments are measured initially at fair value, including transaction costs for those that are not at fair value through profit or loss.

#### Basic financial instruments

Cash and cash equivalents  
Trade and other receivables  
Other financial liabilities  
Trade and other payables

#### Subsequent measurement

Basic financial assets are subsequently measured at amortised cost.

Basic financial liabilities are subsequently measured at amortised cost.

#### Derecognition

Financial assets are derecognised when the rights to receive the cash flows have expired or have been transferred and the Council has transferred substantially all risks and rewards of ownership. The Council derecognises a financial liability (or a part of a financial liability) when it is extinguished, i.e. when the obligation specified in the contract is discharged, cancelled or expires.

#### Trade and other receivables

Trade and other receivables are classified as basic financial assets at amortised cost.

#### Cash and cash equivalents

Cash and cash equivalents are classified as basic financial assets at amortised cost.

#### Trade and other payables

Trade and other payables are classified as basic financial liabilities at amortised cost.



## Accounting policies *continued*

### 1. Basis of preparation and summary of material accounting policies (*continued*)

#### 1.7 Impairment of property, plant and equipment

At each reporting date the Council assesses 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.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

#### 1.8 Interest received

Interest received comprises interest earned on call deposits and investment accounts, held with banking institutions.

#### 1.9 Other investments

Other investments consist of gold coins and medallions. These investments are carried at cost and are not held for capital appreciation. It was initially held as collectors' items but can be chosen as a long service award by the employees, depending on the year of service.

#### 1.10 Investments

Unlisted investments comprise shares in related companies and are stated at cost. Other investments comprise monies invested to fund liabilities and projects which are stated at cost. Term deposits are held at financial institutions at the most effective rates.

#### 1.11 Significant judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with IFRS for SMEs Accounting Standard requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

##### Judgements in applying accounting policies

##### Residual value and useful life

The Council depreciates its assets over their estimated useful lives taking into account residual values, which are re-assessed on an annual basis. The actual lives and residual values of these assets can vary depending on a variety of factors.

Technological innovation, product life cycles and maintenance programmes all impact the useful lives and residual values of the assets. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal value.

##### Nature of change in estimate of tangible assets-assessment of residual values and useful lives

The basis of these estimates takes into account the following assumptions:

1. The consideration of the average useful lives of the assets including technological obsolescence.
2. Estimated selling values at the end of the asset's useful life.
3. Whether or not there is a second-hand market for the sale of the assets at the end of their useful lives.
4. Planned future capital expenditure and effects on budgets.

No adjustments, for residual values or useful lives, have been made in the 2024 financial year.

##### Furniture and fixtures

These assets have been in use for 10 years and are still considered to be in good condition and can last another 10 years. The useful life was revised to 20 years with NIL residual values assigned. This is consistent with the prior year.

##### IT equipment

These assets have been in use for five years, due to technological obsolescence and ongoing use, the useful lives have been revised to 10 years and minimal amounts have been allocated as residual values for items such as laptops, expected to be realised at the end of their useful lives. This is consistent with the prior year.

**Computer software**

Computer software is subject to technological obsolescence and is renewed on an annual basis, the maximum period considered to be the useful life is two years with no estimates being made for residual values as there is no market for second-hand software. This is consistent with the prior year.

**Trade receivables**

The Council assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the Council makes judgements as to whether there is observable data indication a measurable decrease in the estimated future cash flows from a financial asset.

**1.12 Related Parties**

A related party is related to an entity if any of the following situations apply to it:

Individual control: The party is controlled or significantly influenced by a member of key management personnel or by a person who controls the entity.

Key management: The party is a member of an entity's or its parent's key management personnel.

The party is an entity that is controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly or any individual referred to in key management above.

**1.13 Borrowing costs**

Borrowing costs are recognised as an expense in the period in which they are incurred.

**1.14 Retirement benefits**

The policy of the Council, subject to the rules of the Momentum Funds At Work Umbrella Fund, is to provide retirement benefits for its employees. Payments to the defined contribution fund are expensed as they fall due.

**1.15 Long-term incentive plan**

The investment is recognised when shares are purchased and the liability at the time awards are granted.



# Notes to the annual financial statements

## 2. Property, plant and equipment

	2024			2023		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	730,600	(409,858)	320,742	736,530	(373,741)	362,789
Computer equipment	1,725,473	(991,306)	734,167	1,467,425	(691,003)	776,422
<b>Total</b>	<b>2,456,073</b>	<b>(1,401,164)</b>	<b>1,054,909</b>	<b>2,203,955</b>	<b>(1,064,744)</b>	<b>1,139,211</b>

### Reconciliation of property, plant and equipment – 2024

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	362,789	47,774	(18,460)	(71,361)	320,742
Computer equipment	776,422	258,048	-	(300,303)	734,167
	<b>1,139,211</b>	<b>305,822</b>	<b>(18,460)</b>	<b>(371,664)</b>	<b>1,054,909</b>

### Reconciliation of property, plant and equipment – 2023

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	373,394	60,820	(5,391)	(66,034)	362,789
Computer equipment	762,861	275,935	-	(262,374)	776,422
	<b>1,136,255</b>	<b>336,755</b>	<b>(5,391)</b>	<b>(328,408)</b>	<b>1,139,211</b>

## 3. Other financial assets/(liabilities)

Employees participate in a long-term incentive plan (LTIP). The REMCO at its sole discretion decides who will be included in the scheme for each year's awards. The intention is to include senior executives, head and deputy heads of departments, and other key specialists and talent as recommended by the CEO. Participation in the scheme is not guaranteed.

The LTIP consists of shares in two portfolios: Satrix 40 and Satrix RESI shares.

### Satrix 40 shares

The Satrix 40 shares are part of a previous LTIP. The awards under this scheme have vested. Shares are liquidated and paid on the request of the employee. The investment shall be disposed of upon demand from employees; hence the classification of both the investment and liability as current.

### Satrix RESI shares

The Minerals Council introduced a new LTIP in 2017. The awards vest over a three-year period starting at the end of the year following the period of review.

A cash value is awarded to participants which is used to purchase Satrix RESI units. On vesting of the awards, the sale of units provides cash for the payment to the participants. The vesting is a forced vesting and the value of any particular year is subject to the performance of that year.

The investment is recognised when shares are purchased and the liability at the time awards are granted. The liability is expected to vest as follows: current liability R5,198,155. Non-current liability R10,952,159.

### Money Market

The Money Market investment consist of access amounts held on the above investments.

#### 2024

Description	Investment	Non-current assets	Non-current liabilities	Current assets	Current liabilities
Short-term financial assets	Satrix 40	-	-	1,251,301	-
Other liabilities	Satrix 40	-	-	-	(1,251,301)
Other financial assets	Satrix RESI	10,952,159	-	-	-
Other financial liability	Satrix RESI	-	(10,952,159)	-	-
Short-term financial assets	Money Market	-	-	3,946,854	-
Other liability	Money Market	-	-	-	(3,946,854)
		<b>10,952,159</b>	<b>(10,952,159)</b>	<b>5,198,155</b>	<b>(5,198,155)</b>

**2023**

Description	Investment	Non-current assets	Non-current liabilities	Current assets	Current liabilities
Short-term financial assets	Satrix 40	-	-	1,153,666	-
Other liabilities	Satrix 40	-	-	-	(1,153,666)
Other financial assets	Satrix RESI	4,865,532	-	-	-
Other financial liability	Satrix RESI	-	(4,865,532)	-	-
Other financial assets	Satrix RESI	-	-	3,846,184	-
Other financial liability	Satrix RESI	-	-	-	(3,846,184)
Short-term financial assets	Money Market	-	-	3,956,442	-
Other liability	Money Market	-	-	-	(3,956,442)
		4,865,532	(4,865,532)	8,956,292	(8,956,292)

**4. Investments and term deposits**

	2024 R	2023 R
Investments		
Rand Mutual Assurance Company Ltd	80	80
Four shares @ R20 each (2018: four shares @ R20 each)		
Term deposits:		
Advocacy for Occupational Health	944,242	534,669
Mine Water Management	3,732,729	582,965
Industry Repositioning	1,397,718	1,397,718
Fire Prevention Peer Review	1,011,002	1,011,002
Sustainable trade-offs between mining and agriculture	(69,500)	367,750
Minerals Council Certificates	4,228,883	4,205,572
Strat Part People-Centred	337,883	-
Junior and Emerging Miners Desk	996,955	1,170,955
CEO-led Khumbul'ekhaya	1,750,832	2,731,862
Industry alignment for TMM collision management	4,683,847	5,777,994
Woman in Mining	1,238,077	1,954,020
Promoting modernisation through communication	922,897	922,897
Strategic communication	905,181	905,181
Legal expenses	2,479,067	693,823
Minerals Council regional presence	2,324,573	1,561,519
Mining Industry Performance Report on Sustainable	1,176,385	2,700,000
Bulk use of combustible materials in underground	1,234,346	1,633,787
Mining Matters campaign	184,605	-
Transformation	(233)	1,749,287
Mining Innovation Co-Investment Model	17,425,926	12,432,368
Total term deposits	46,905,415	42,333,369
Total investments and term deposits	46,905,495	42,333,449

Term deposits represent funds received in advance from members to finance the execution of special projects. The funds are invested in risk free call deposit accounts with ABSA Bank and Nedbank.

Due to the uncertainty regarding the timing of the utilisation of the above term deposits, all deposits have been disclosed as non-current.



## Notes to the annual financial statements *continued*

### 5. Trade and other receivables

	2024 R	2023 R
Trade receivables – members	27,680,639	37,254,631
Deposits	5,304,678	5,304,678
VAT	7,684,707	8,140,150
Other receivables	4,058,924	1,372,032
Allowance for doubtful debts	(479,282)	(139,984)
	<b>44,249,666</b>	51,931,507

The average credit period is 30 days. No interest is charged on trade receivables. The Council has recognised an allowance for doubtful debts of 100% against all receivables over 120 days that are considered to be irrecoverable. Allowance for doubtful debts is recognised against trade receivables between 90 and 120 days based on estimated irrecoverable amounts determined by an analysis of the counterparty's current financial position.

A total of 5.09% of trade receivables over 90 days have been provided for as doubtful debts in the current period. The reason being that 99% of trade receivables consist of members contributions invoices that have been approved by the Council members upon acceptance of the yearly budget. These trade receivables have therefore been committed and pre- approved by the Council members for payment and are capable of paying.

Trade receivables disclosed above include amounts (see below for age analysis) that are past due at the end of the reporting period for which the Council has not recognised an allowance for doubtful debts as there has not been a significant change in credit quality and the amounts are still considered recoverable.

#### Age of receivables that are past due but not impaired

	2024 R	2023 R
90–120 days	9,416,202	23,698,313

### 6. Cash and cash equivalents

	2024 R	2023 R
Cash and cash equivalents consist of:		
Cash at bank	18,649,546	13,482,014
Cash on call	220,799,229	230,841,761
Amounts classified under investments and term deposits	(46,905,415)	(42,333,369)
	<b>192,543,360</b>	201,990,406

Cash and cash equivalents comprise cash and short-term deposits. The carrying amount of these assets approximates fair value. Credit risk is limited as the counter parties are financial institutions with high credit ratings.

### 7. Project funds

	2024 R	2023 R
Balance at beginning of period	46,114,386	57,191,758
Project income	58,834,120	60,000,100
Additional project income	6,761,040	3,761,022
Project expenditure	(61,023,114)	(74,838,494)
<b>Closing balance</b>	<b>50,686,432</b>	46,114,386

Refer to Appendix A on page 20 for a detailed breakdown.

## 8. Trade and other payables

	2024 R	2023 R
Trade payables – members	13,896,405	33,493,945
Trade payables – non members	9,562,743	7,528,563
Accruals	3,596,832	3,835,904
Special projects – members	160,548,265	167,297,097
Bonuses	17,456,243	13,753,623
Accrued leave pay	14,556,044	10,926,136
	<b>219,616,532</b>	236,835,268

The Council has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

## 9. Loans from related parties

	2024 R	2023 R
Chamber of Mines Building Company Limited	-	6,365,870

The shareholders of the Chamber of Mines Building Company Limited resolved in 2024 to write off the short-term unsecured loan to Minerals Council South Africa.

## 10. Revenue

	2024 R	2023 R
Contribution from members	165,646,368	157,691,539

## 11. Other income

	2024 R	2023 R
Discount received	89,793	129,350
MQA grants, administrative income and directors fees	955,694	2,714,721
Chamber of Mines Building Co Ltd Loan written off (refer to note 9)	6,365,870	-
Write off members credit balances	170,522	-
	<b>7,581,879</b>	2,844,071

## 12. Administrative and operating expenditure

	2024 R	2023 R
Auditors' remuneration – external	562,092	684,865
Auditors' remuneration – internal	283,500	310,000
Employee related expenses	147,505,976	137,917,763
Operating costs	42,066,237	35,846,486
	<b>190,417,805</b>	174,759,114



## Notes to the annual financial statements *continued*

### 13. Cash generated from (used in) operations

	2024 R	2023 R
Total comprehensive surplus/(deficit) for the year	<b>4,572,046</b>	(11,077,372)
<b>Adjustments for:</b>		
Depreciation and amortisation	<b>371,664</b>	328,408
Loss on sale of assets	<b>15,459</b>	391
Interest received – investment	<b>(17,561,800)</b>	(14,622,959)
Finance costs	<b>578</b>	71,047
Other investments – long service coins	<b>5,547</b>	1,701
<b>Changes in working capital:</b>		
Trade and other receivables	<b>7,681,841</b>	64,924,588
Trade and other payables	<b>(17,218,736)</b>	15,426,309
Loans from related parties	<b>(6,365,870)</b>	(25,093)
Movement in other financial liability	<b>2,328,490</b>	(2,758,359)
	<b>(26,170,781)</b>	52,268,661

The financial liability has been reclassified to cash generated from operations because of the nature of the liability as it was previously classified as movements in financing activities.

### 14. Financial instruments

The Council's financial instruments consist of cash deposits with banks, trade and other receivables, trade and other payables, loans from related parties, IDC debt, incentive plan investments and investment in Rand Mutual.

#### Currency risk management

The Council is not exposed to currency risk.

#### Categories of financial instruments

The financial assets of the Minerals Council consist of investments, trade and other receivables, and cash and cash equivalents. These are considered loans and receivables for both 2024 and 2023 financial years and are carried at amortised cost and fair value. The financial liabilities consists of trade and other payables (excluding accruals) and loans from related parties. These are considered financial liabilities at amortised cost for both 2024 and 2023 financial years.

#### Interest rate risk management

The Council adopts a policy of regularly reviewing interest rate exposure.

#### Credit risk management

Management has a credit risk policy in place and exposure to credit risk is monitored on an ongoing basis. Provision is made for specific doubtful debts and, at the year end, management did not consider there to be any material credit risk exposure that was not provided against. Reputable financial institutions are used for investing and cash handling purposes.

#### Movement in allowance for doubtful debts

	2024 R	2023 R
Balance at the beginning of the year	<b>(139,984)</b>	(709,083)
Provision (raised)/decreased for the period	<b>(478,348)</b>	218,374
Provision utilised for the period	<b>139,050</b>	350,725
<b>Balance at the end of the year</b>	<b>(479,282)</b>	(139,984)

In determining the recoverability of a trade receivable, the Council considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

Included in the provision for doubtful debt are amounts not considered recoverable relating to debtors who face financial difficulty, amounts long overdue, as well as amounts in dispute pending a recalculation of fees. The provision recognised represents the difference between the carrying amount of these trade receivables and the present value of expected future payments. The Council does not hold any collateral over these balances.



## 15. Events after the reporting period

The Board is not aware of any material event that occurred after the reporting date and up to the date of this report.

## 16. Commitments and contingencies

There is no contingent liability at year end. There are no commitments at year end.

## 17. Operating deficit

Operating deficit for the year is stated after accounting for the following:

### Operating lease charges

	2024 R	2023 R
<b>Premises</b>		
Contractual amounts	6,101,130	4,205,195
Property, plant and equipment – loss on disposal	15,459	391
Depreciation on property, plant and equipment	371,664	328,408
Employee costs	147,505,976	137,917,763

## 18. Investment revenue

	2024 R	2023 R
<b>Interest revenue</b>		
Banks	17,561,800	14,622,959

## 19. Finance costs

	2024 R	2023 R
IDC loan	578	71,047

## 20. Related parties

### Relationships

Chamber of Mines Building Company Ltd

The Chamber of Mines Building Company Ltd Board is constituted entirely by the Minerals Council South Africa. The shareholders of the Chamber of Mines Building Company Ltd are the Minerals Council's gold members. The Chamber of Mines Building Company Ltd is a separate legal entity and is independently audited.

Executive Management

Board of Directors

### Related party balances and transactions with other related parties

#### Related party balances

	2024 R	2023 R
<b>Loan accounts – related parties</b>		
Chamber of Mines Building Company Ltd	-	(6,365,870)

	2024 R	2023 R
<b>Related party transactions</b>		
Chamber of Mines Building Company Ltd loan written off	6,365,870	-



Notes to the annual financial statements *continued*

21. Executive’s remuneration

Executive  
2024

	Emoluments	Pension paid	Total
Mr M Mthenjane	6,664,038	500,287	7,164,325

2023

	Emoluments	Bonus	Pension paid	Total
Mr R Baxter	5,516,382	9,064,822	157,749	14,738,953
Mr M Mthenjane	2,422,360	-	167,055	2,589,415
	7,938,742	9,064,822	324,804	17,328,368

22. Going concern

The Board believes that the Council has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The Board has satisfied itself that the Council is in a sound financial position. The Board is not aware of any new material changes that may adversely impact the Council. The Board is also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation that may affect the Council.

# Detailed income statement

	Notes	2024 R	2023 R
<b>Revenue</b>			
Contribution from members		165,646,368	157,691,539
<b>Other income</b>			
Discount received		89,793	129,350
Sundry revenue		7,492,086	2,714,721
Interest received	18	17,561,800	14,622,959
		25,143,679	17,467,030
Expenses		(190,789,469)	(175,087,522)
<b>Operating profit</b>	17	578	71,047
Finance costs	19	(578)	(71,047)
<b>Operating expenses</b>			
Auditors' remuneration		(845,592)	(994,865)
Bad debts		(478,348)	218,374
Bank charges		(84,875)	(81,101)
Cleaning		(118,067)	(105,641)
Consulting and professional fees		(9,590,656)	(7,974,055)
Depreciation, amortisation and impairments		(371,664)	(328,408)
Employee costs		(147,505,976)	(137,917,763)
Entertainment		(39,640)	(28,954)
Conferences and seminars		(2,519,026)	(2,210,256)
Committee expenses		(330,952)	(433,603)
Project expenses		(44,812)	(16,700)
Sundry expenses		(38,141)	(353,851)
Sponsorships		(279,304)	(2,109,320)
Insurance		(310,982)	(635,331)
Office rent		(6,101,130)	(4,205,195)
Legal expenses		-	(513,960)
Magazines, books and periodicals		(369,627)	(404,880)
Municipal expenses		480,490	860,388
Catering and functions		(195,412)	(79,799)
Placement fees		(2,528,425)	(811,000)
Postage		(5,729)	(4,593)
Printing and stationery		(370,459)	(552,595)
Profit and loss on sale of assets and liabilities		(15,459)	(391)
Repairs and maintenance		(799,935)	(1,406,126)
Security		-	(216,953)
Software expenses		(6,990,819)	(4,889,849)
Subscriptions		(4,460,836)	(4,106,589)
Telephone		-	(121,989)
Training		(1,372,825)	(674,766)
Travel – local		(1,904,627)	(1,920,814)
Travel – overseas		(3,596,641)	(3,066,937)
		(190,789,469)	(175,087,522)



# Appendix A (refer to note 7)

	2024 R	2023 R
<b>Advocacy for Occupational Health</b>	<b>944,242</b>	<b>534,669</b>
Balance at 31 December 2023	534,669	
Received	4,400,000	
Expenditure	(3,990,427)	
Balance as at 31 December 2024	944,242	
<b>Minerals Council Certificates</b>	<b>4,228,883</b>	<b>4,205,572</b>
Balance at 31 December 2023	4,205,572	
Additional income *	2,922,532	
Expenditure	(2,899,221)	
Balance as at 31 December 2024	4,228,883	
<b>Mine Water Management</b>	<b>3,732,729</b>	<b>582,965</b>
Balance at 31 December 2023	582,965	
Received	3,600,000	
Expenditure	(450,236)	
Balance as at 31 December 2024	3,732,729	
<b>Fire Prevention Peer Review</b>	<b>1,011,002</b>	<b>1,011,002</b>
Balance at 31 December 2023	1,011,002	
Received	-	
Expenditure	-	
Balance as at 31 December 2024	1,011,002	
<b>Mining Industry Performance Report</b>	<b>1,176,385</b>	<b>2,700,000</b>
Balance at 31 December 2023	2,700,000	
Received	-	
Expenditure	(1,523,615)	
Balance as at 31 December 2024	1,176,385	
<b>Mining Matters campaign</b>	<b>184,605</b>	<b>-</b>
Balance as at 31 December 2023	-	
Received	2,800,000	
Expenditure	(2,615,395)	
Balance as at 31 December 2024	184,605	
<b>Junior and Emerging Miners Desk</b>	<b>996,955</b>	<b>1,170,955</b>
Balance at 31 December 2023	1,170,955	
Expenditure	(174,000)	
Balance as at 31 December 2024	996,955	
<b>CEO-led Khumbul'ekhaya</b>	<b>1,750,832</b>	<b>2,731,862</b>
Balance as at 31 December 2023	2,731,862	
Received	-	
Expenditure	(981,030)	
Balance as at 31 December 2024	1,750,832	
<b>Industry alignment for TMM Collision Management</b>	<b>4,683,847</b>	<b>5,777,994</b>
Balance as at 31 December 2023	5,777,994	
Received	-	
Expenditure	(1,094,147)	
Balance as at 31 December 2024	4,683,847	
<b>Woman in Mining</b>	<b>1,238,077</b>	<b>1,954,020</b>
Balance as at 31 December 2023	1,954,020	
Received	2,964,000	
Expenditure	(3,679,943)	
Balance as at 31 December 2024	1,238,077	
<b>Promoting modernisation through Communication</b>	<b>922,897</b>	<b>922,897</b>
Balance as at 31 December 2023	922,897	
Received	-	
Expenditure	-	

	2024 R	2023 R
Balance as at 31 December 2024	922,897	
<b>Strategic communication</b>	905,181	905,181
Balance as at 31 December 2023	905,181	
Received	-	
Expenditure	-	
Balance as at 31 December 2024	905,181	
<b>Strategic Partnership for People-Centred Modernisation</b>	337,883	-
Balance as at 31 December 2023	-	
Received	5,286,750	
Expenditure	(4,948,867)	
Balance as at 31 December 2024	337,883	
<b>Legal expenses</b>	2,479,067	693,823
Balance as at 31 December 2023	693,823	
Expenditure	(9,114,756)	
Received	10,900,000	
Balance as at 31 December 2024	2,479,067	
<b>Minerals Council Regional Presence</b>	2,324,573	1,561,519
Balance as at 31 December 2023	1,561,519	
Received	4,050,000	
Expenditure	(3,286,946)	
Balance as at 31 December 2024	2,324,573	
<b>Bulk use of combustible materials in underground mines</b>	1,234,346	1,633,787
Balance as at 31 December 2023	1,633,787	
Received	-	
Expenditure	(399,441)	
Balance as at 31 December 2024	1,234,346	
<b>Industry repositioning</b>	1,397,718	1,397,718
Balance as at 31 December 2023	1,397,718	
Received	-	
Expenditure	-	
Balance as at 31 December 2024	1,397,718	





## Appendix A (refer to note 7) *continued*

	2024 R	2023 R
<b>Transformation</b>	<b>(233)</b>	1,749,287
Balance as at 31 December 2023	1,749,287	-
Additional Income	-	1,749,287
Expenditure	(1,749,520)	-
Balance as at 31 December 2024	(233)	-
<b>Mining Innovation Co-Investment Model</b>	<b>17,425,926</b>	12,432,368
Balance as at 31 December 2023	12,432,368	-
Received	24,833,370	-
Expenditure	(23,678,320)	-
Additional project income*	3,838,508	-
Balance as at 31 December 2024	17,425,926	-
<b>Trade-Offs between mining and agriculture</b>	<b>(69,500)</b>	367,750
Balance as at 31 December 2023	367,750	-
Received - Expenditure	(437,250)	-
Balance as at 31 December 2024	(69,500)	-
<b>Project funding recovery</b>	<b>3,781,017</b>	3,781,017
Balance as at 31 December 2023	3,781,017	-
Severance bonus paid	-	-
Balance as at 31 December 2024	3,781,017	-
This amount primarily relates to the recovery from the Chamber's insurers, of irregular expenditure that occurred in previous financial years.		
This funding will be utilised for future projects.		
	<b>50,686,432</b>	46,114,386
<b>Summary</b>		
Balance at beginning of period	<b>46,114,386</b>	57,191,759
Project income	<b>58,834,120</b>	60,000,100
Additional project income*	<b>6,761,040</b>	3,761,022
Project expenditure	<b>(61,023,114)</b>	(74,838,495)
Project transferred	-	-
Balance at end of period	<b>50,686,432</b>	46,114,386

\* Additional income related to income from other sources, over and above the approved budget for the period recovered from members.

[illegible]

Notes *continued*





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