23. Related parties *(continued)*

23.4 Transactions with the Glencore–Merafe Chrome Venture

The Venture resulted in Glencore and Merafe Ferrochrome pooling and sharing their ferrochrome assets. The Venture's head-office is located at Portion 27, Farm Waterval 306 JQ, Rustenburg, 0302. While Merafe Ferrochrome's assets form part of the Venture, Merafe Ferrochrome retains ownership of its assets and is closely involved in the Venture's operations through the Chrome Executive Committee, Joint board and sub–committees (Treasury, Transformation, Sustainable Development and Health and Safety) formed to oversee the combined operation of both companies. The group receives 20.5% of the Venture's earnings before interest, tax, depreciation and amortisation (EBITDA) and owns 20.5% of the Venture's working capital.

Included in the consolidated financial statements are the following items that represent the group's share of the working capital and EBITDA of the Venture.

	Year ended 31 December 2018 R'000	Year ended 31 December 2017 R'000
Inventories	**2 042 621**	1 487 330
Trade and other receivables	**963 307**	884 373
Net cash	**11 782**	207 650
Finance leases	**(11 112)**	(12 138)
Long-term provisions	**(145 123)**	(157 104)
Trade and other payables	**(578 582)**	(517 764)
Net working capital	**2 282 893**	1 892 347
Revenue	**5 606 324**	5 888 861
Foreign exchange (losses)/gains	**141 491**	(73 354)
Operating expenses: the Venture	**(4 338 390)**	(4 110 034)
EBITDA	**1 409 425**	1 705 473

24. Contingencies

To the best of our knowledge and belief, other than as set out elsewhere in this report, there are no contingencies in both the current and prior year which may materially affect the financial position of the group.

	Group		**Company**	
	2018 R'000	2017 R'000	**2018 R'000**	2017 R'000
25. Operating leases				
Non–cancelable operating lease rentals are payable as follows:				
Less than one year	**(1 101)**	(1 715)	-	-
Between one and five years	**(3 214)**	(1 038)	-	-
Greater than five years	**(257)**	(533)	-	-
	(4 572)	(3 286)	-	-

25. Operating leases *(continued)*

The group leases various items of office equipment, mine properties and buildings. The lease payments escalate between 7% to 10% per annum for both the prior and current year.

26. Capital commitments

	Group		Company	
	2018	2017	**2018**	2017
	R'000	R'000	**R'000**	R'000
The group's capital commitments at year end in respect of the Venture were:				
– contracted for but not provided for	47 335	52 448	-	–
– authorised but not contracted for	131 622	131 641	-	–
	178 957	184 089	-	–

27. Working Capital Loan

	Group		Company	
	2018	2017	**2018**	2017
	R'000	R'000	**R'000**	R'000
Debtors factoring facility	**-**	72 272	**-**	-
	-	72 272	**-**	-

This balance relates to a Standard Bank debtors factoring facility of US$120m and is uncommitted. Interest on this facility is charged at US$ LIBOR plus a margin of 1.6%. This has been restated in the 2017 year as a prior period error. Refer to note 32 for disclosure.

28. Events after the reporting date

A final dividend of R151m (2017 : R226m) was declared on 11 March 2019. No other material facts or circumstances occurred after reporting date that may require adjustment or disclosure in these annual financial statements.

29. Dividends

An interim dividend of R200m (2017: R75m) was declared on 6 August 2018. Refer to note 28 on final dividend.

30. Going Concern

Having considered the group's key risks, current financial position, assessment of solvency and liquidity, debt levels, facilities, impairment review as well as the group's financial budgets with their underlying business plans, the directors believe that the company and the group has sufficient resources and expected cash flows to continue as a going concern from year end.