Notes to the annual financial statements continued

for the year ended 31 March 2026

4. Working capital continued

4.3 Trade and other receivables

	Group		Company	
	31 March 2026 Rm	31 March 2025 Rm	**31 March 2026 Rm**	31 March 2025 Rm
Trade and other receivables	**6 818**	7 740	**5 433**	5 636
Trade receivables	**5 198**	5 913	**3 865**	3 902
Gross trade receivables	**8 504**	9 431	**6 813**	7 046
Impairment of trade receivables	**(3 306)**	(3 518)	**(2 948)**	(3 144)
Other receivables	**823**	1 110	**1 222**	1 417
Gross other receivables	**852**	1 132	**1 225**	1 439
Impairment of other receivables	**(29)**	(22)	**(3)**	(22)
Opening balance	**(22)**	(22)	**(22)**	(22)
Statement of profit or loss and other comprehensive income movement	**(7)**	—	**19**	—
Prepayments	**797**	717	**346**	317

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. The repayment terms of trade receivables vary between 21 and 120 days from date of invoice. Interest charged on overdue accounts varies between the prime rate and a rate of 18%, depending on the contract terms. Trade receivables are initially recognised at the transaction price. The decrease in gross trade receivables for Group is mainly due to increased collections from BCX in the current year.

Other receivables generally arise from transactions not directly relating to customers. Other receivables mainly include municipal deposits, staff bursaries, staff loans and intercompany management fees charged to Group entities (at a Company level). The balances included in other receivables have low credit risk due to their nature as well as the structured collection arrangements with counterparties.

For trade receivables, the Group uses the general expected credit loss methodology to calculate the expected credit loss rate using available historical information, and forward-looking information where relevant.

	Group		Company	
	31 March 2026 Rm	31 March 2025 Rm	**31 March 2026 Rm**	31 March 2025 Rm
Allowance account for expected credit losses - trade receivables	**3 306**	3 518	**2 948**	3 144
Opening balance	**3 518**	3 195	**3 144**	2 824
Charged to statement of profit or loss and other comprehensive income	**616**	838	**610**	849
Enterprise loss allowance movement	**—**	—	**(70)**	(45)
Reclassification from finance lease receivables	**19**	—	**—**	—
Receivables written off	**(847)**	(515)	**(736)**	(484)

The decrease in the impairment of receivables for Group and Company is mainly due to the reduced credit risk resulting from the stringent vetting process. This is slightly offset by the the forward-looking adjustment in relation to the global energy shock due to geopolitical conflict and increased write-offs on the old book. Write-offs increased mainly due to the clean-up on long overdue debtors.

Trade receivables are written off when there is no reasonable expectation of recovery. When there is no reasonable expectation of recovery, the Group performs actions such as sending reminders, pinging the accounts for additional debit order collections, blacklisting the customer and suspending the services offered to the customer. Furthermore, indicators such as receiving the debtors' negative feedback from the debt collectors, failure of a debtor to engage in a repayment plan with the Group and failure to make contractual payments confirms that the amounts are unlikely to be recoverable.

Refer to note 7.1.4 for a detailed credit risk analysis.