Notes to the condensed consolidated financial statements continued

for the year ended 30 September 2018

15. Trade and other receivables continued

Trade and other receivables of the Group are expected to be recoverable within one year from each reporting date. Trade receivables' terms vary from 0 to 120 days (2017: 0 to 120 days). No impairment of trade receivables was recognised during the year ended 30 September 2018 (2017: no impairment).

The Group applies a simplified approach to measure the loss allowance for trade receivables classified at amortised cost, using the lifetime expected loss provision. The expected credit loss on trade receivables is estimated using a provision matrix by reference to past default experience and credit rating if available, adjusted as appropriate for current observable data. The following table details the risk profile of trade receivables based on the Group's provision matrix.

	2018 US$'000	2017 US$'000
Current	61 674	43 677
Less than 90 days past due but not impaired	2 143	7 540
Greater than 90 days past due but not impaired	183	4 385
	64 000	55 602

Included in VAT is an amount of US$10.0 million (ZAR141.3 million) (2017: US$5.9 million (ZAR79.5 million)) that relates to diesel rebates receivable from the South African Revenue Service ('SARS') in respect of the mining operations. The Group received a letter of intent from SARS disputing the refundability of this amount. The Group is strongly of the view that it fully complies with all the regulations to be entitled to this refund and is opposing SARS's intent not to pay out this claim. The Group will take the necessary legal action to recover the amount due.

Based on current observable data, available credit quality information of clients and clients' past default experience, management believes that no impairment allowance (2017: no impairment allowance) is required in respect of the trade and other receivables as balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

16. Cash and cash equivalents

	2018 US$'000	2017 US$'000
Bank balances	55 433	39 983
Short-term bank deposits	11 358	9 759
	66 791	49 742

The amounts reflected above approximate fair value.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are generally call deposit accounts and earn interest at the respective short-term deposit rates.

At 30 September 2018, an amount of US$1.6 million (2017: US$1.6 million) was provided as security for a bank guarantee issued in favour of a trade creditor of a subsidiary of the Group and US$0.3 million (2017: US$0.3 million) was provided as security against certain credit facilities of the Group.