Notes to the condensed consolidated financial statements continued

for the year ended 30 September 2018

22. Financial risk management

	Fair value level	2018 US$'000	2017 US$'000
30 September 2018			
Financial assets measured at fair value			
Investments in equity instruments	Level 1	40	49
Forward exchange contracts	Level 2	804	–
Investments in money markets, current accounts, cash funds and income funds	Level 2	5 012	3 767
Option to acquire shares in Salene Chrome Zimbabwe (Private) Limited	Level 3	142	–
Trade and other receivables measured at fair value			
PGM receivable	Level 2	25 355	17 254
Financial liabilities measured at fair value			
Discount facility	Level 2	1 000	449
Forward exchange contracts	Level 2	–	150
Financial assets at amortised cost			
Long-term deposits		–	4 505
Trade and other receivables		38 645	55 602
Contract assets		2 229	–
Cash and cash equivalents		66 791	49 742
Financial liabilities at amortised cost			
Borrowings		77 419	49 401
Contract liabilities		2 229	–
Trade and other payables		18 363	19 708

There were no transfers between level 1 and level 2 fair value measurements during the year.

The Group considers that the fair values of the financial assets and financial liabilities approximate their carrying values at each reporting date.

Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

Level 1 – fair values measured using quoted prices (unadjusted) in active markets for identical financial instruments (highest level)

Level 2 – fair values measured using quoted prices in active markets for similar financial instruments, or using valuation methodologies in which all significant inputs are directly or indirectly on observable market data.

Level 3 – fair values measured using valuation methodologies in which any significant inputs are not based on observable market data.