



South African Colliery Engineers Association

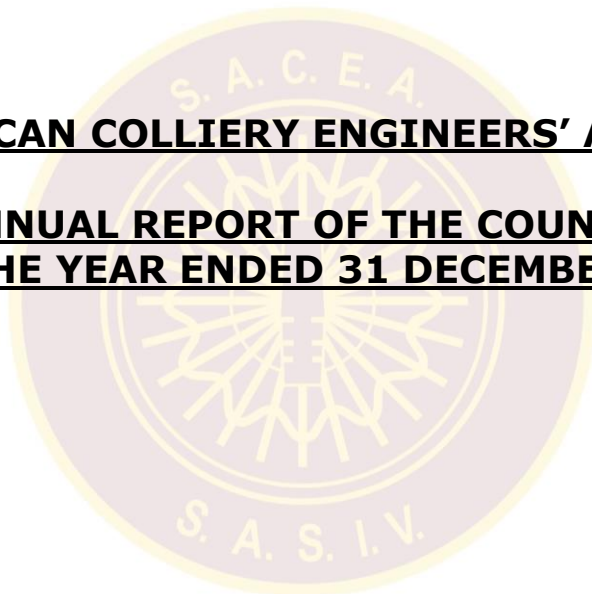


**"To be a professional, dynamic, value adding and influential body in our industry"**

[www.sacea.org.za](http://www.sacea.org.za)

**SOUTH AFRICAN COLLIERY ENGINEERS' ASSOCIATION**

**ANNUAL REPORT OF THE COUNCIL  
FOR THE YEAR ENDED 31 DECEMBER 2017**





## **SOUTH AFRICAN COLLIERY ENGINEERS' ASSOCIATION**

### **ANNUAL REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2017**

#### **COUNCIL 2017**

##### **President**

J Subermoney  
Sasol Mining

##### **1st Vice-President**

P E Mojalefa  
Anglo American Coal

##### **2nd Vice-President**

M Hyra  
Coal Mine Management Services

##### **Immediate Past President**

L D Turvey  
Exxaro Coal South Africa

##### **Regional Chairpersons**

###### **Mpumalanga Region**

A Prinsloo  
Anglo American Coal

###### **Northern Region**

M Hyra  
Coal Mine Management Services

###### **Limpopo Region**

D Christie  
Exxaro Coal South Africa

###### **Southern Region**

E Ernst  
Buffalo Coal

##### **Elected Members**

Aldine Bezuidenhout  
Sasol Mining (Pty) Ltd

Louis Botha  
Sasol Mining (Pty) Ltd

Mazwi Buthelezi  
Anglo American (Pty) Ltd

Darryl Christie  
Exxaro Coal (Pty) Limited

Jan Coetzee  
Anglo Operations (Pty) Ltd

Louis Delport  
Sasol Mining (Pty) Ltd

Jan Diedericks  
Glencore Coal

Ertjies Ernst  
Buffalo Coal (Pty) Ltd

Guy Gething  
Glencore Coal

K La Grange  
CTC (Observer)

Hendrik Lombard  
Exxaro Coal (Pty) Ltd

Bontle Mtshengu  
Exxaro Coal (Pty) Ltd

Johannes (Stompie) Nel  
Exxaro Coal (Pty) Ltd

Johannes Nkosi  
South32 SA Coal Holdings (Pty) Ltd

Annette Prinsloo  
Anglo Operations (Pty) Ltd

Gerald Robinson  
Glencore Coal

Schalk Van Wyk  
Sasol Mining (Pty) Ltd

Henk Zwart  
Private Member

##### **Association Secretary**

Simon Orchardson / Raymond van der Berg  
Association Secretary



## REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2017

The annual report presented to members of the Association on the occasion of the Thirty Ninth Annual General Meeting held at the Kriel Recreational Lapa, Kriel on Thursday 08 February 2018.

### STRATEGIC PROCESS

Your Council has continued to focus on the Association becoming an effective role player in the Coal Mining Industry. This process is ongoing from previous years as the Council wished to ensure that the Association is effectively marketed and participates in the preparation of new legislation, Codes of Practice, compliance to newly promulgated legislation as well as safety targets set by the Mining Industry.

A strategic planning session was held in February 2017 to set out the Association's interaction with its various stakeholders during the year.

The President and Council representatives met with the Heads of Engineering from the major Mining Houses to discuss, get direction and inputs to the Associations' strategic plan for 2017. The Council furthermore invited the DMR's Principal Inspectors - Limpopo and Mpumalanga Regions to the Strategic session to get also inputs and direction from them.

The President and Vice Presidents gave feedback during the year to the Principal Inspectors, SACMA Councils and the Heads of Engineering from the Groups on the priorities and progress on the activities of SACEA.

These interventions continue to grow in importance and provides a unique opportunity to network with the Mining Houses representatives and the Department of Mineral Recourses.

### FINANCE

The financial statements appended to this report indicate that income for the year amounted to **R 1 239 216** made up of subscriptions received during the year from Full, Affiliate and Candidate members, Presidential function, interest received from investments, Mini Safety Workshops, GCC Workshop Technical Symposium, a Race day and the Golf day.

Expenditure amounted to **R1 254 196** giving an accounting loss of **(R14 980)**.

Accumulated funds of **R 733 154** will be carried forward to the new financial year.

The successful technical symposium continues to generate funds for the Association and thanks to the highly motivated team for making it a continued success.

Two safety workshops were held during the year.

As part of the Association's objectives a successful golf day was held in November 2017 and the July race day. These events also promoted fellowship amongst members. The Council thanks Mr L D Botha for his excellent work in making the golf day so successful and Mr G Q Gething for his hard work to make the Race day a success.

The accumulated funds have been used to fund the Association's initiatives as well as an amount donated to charity. The Council regularly strategies on how to make best use of the surplus for the general advancement of the Association.

### MEMBERSHIP

The membership of the Association as at 31 December 2017 was **353** (359), made up of **178** (168) Full members, **35** (38) Affiliate members, **112** (126) Candidate Members, **11** (10) retired members and **17** (17) Honorary Life members.

There has been a net decrease of **1.67%**

Council records that the percentage registered with ECSA as full members (having voting rights) still complies with ECSA's requirement for SACEA to be recognized as a voluntarily Association with ECSA. However, a number of members need to join ECSA and others to upgrade their ECSA membership from candidate to full members. There are **177** (179) members registered at some level with ESCA (**106** professional engineers and **71** candidates).

### MEETINGS

In addition to the monthly meetings of Council, regular Regional Meetings were held during the year and feedback from members through their Regional Representatives and Council members, provided valuable assistance to the workings of Council. The increased involvement required by your Council in a number of important areas meant that ten Council meetings were held during the course of the year.

The User Groups (Opencast, Underground and Plant) had a successful year with regular meetings and several technical visits. Each User Group has a Council appointed Chairperson who ensures regular meetings and visits of interest.

The Council, Workshops, the Regional Meetings, a General Meeting and Joint Meetings with AMRE and SACMA were well supported during the year and shows the commitment by members to the Association.

The President was invited to attend Council Meetings of the South African Colliery Managers' Association and wishes to thank its President, Mr K Mattison for assisting in maintaining close ties between the two Associations.

### YOUNG TALENT

The SACEA Young Talent forum which was established in 2012, was developed further during the year ensuring that SACEA is a prominent Association which created value to Engineering Professionals in training (PIT's).

Technical visits were arranged during the year and Mr P E Mojalefa arranged a GCC workshop in May and AMRE arranged a similar event in October to assist PIT's gaining exposure, signing off their Annexure E requirements and networking. These events were well supported and beneficial to the members who participated.



## **MEETINGS OF PRESIDENTS AND VICE-PRESIDENTS**

These meetings provide the management of the Mine Professional Associations Secretariat (MPAS) to manage and organize the day to day work of MPAS under the guidance of the Chairman, Mr A Brown, as well as a useful forum where matters of mutual interest and concern have been addressed with the meeting being held every third month of the year.

## **SAFETY AND HEALTH**

### **MINE SAFETY ACHIEVEMENTS**

The Association through Council continues to place a high priority on safety improvements, risk assessment and the elimination of accidents. Reports by members are made at all Association meetings and the DMR is invited to Regional meetings and Safety Workshops to address members.

Congratulations to the management and staff of all the mines who had safety achievements during 2017. These achievements will be acknowledged at Coalsafe 2018.

### **MINI SAFETY WORKSHOPS**

The Council agreed on mini safety workshops to focus on topics identified during the Strategic session.

Three safety workshops were held in July, September and November 2017, with workshop topics being:

- Safety Leadership Workshop
- Review on Electrical Incidents/Accidents – A Practical Perspective
- Safety workshop- Stored Energy

Comprehensive discussion sessions followed the presentations made at the workshops which was also very beneficial to delegates and were the foundation for greater understanding and networking.

### **2016 COLLIERY HEALTH AND SAFETY CAMPAIGN (COALSAFE)**

Your Association has once again been actively involved in the 2017 Colliery Safety and Health Campaign and remains fully committed to the Campaign's ideals for the promotion of safety and health in the Mining Industry.

### **MINESAFE 2016**

Your Association also took part in the Minesafe 2017 at Emperors Palace at the end of August 2017. Minesafe 2017 is a collaboration of hard rock and coal mines on safety, occupational hygiene, environment and community, ending with presentations of safety achievements.

### **MINING QUALIFICATIONS AUTHORITY (MQA)**

During the year the Council received feedback from Mr K La Grange from Colliery Training College to be kept abreast of services offered in the training arena.

## **THE ENGINEERING COUNCIL OF SA (ECSA)**

Your Association continues to keep abreast of developments at ECSA. Your representatives continue to participate in the ECSA registration committee.

The Association continues to meet its Voluntary Association (VA) status with ECSA and was granted its renewal of its VA status for a further 5 years in 2014.

### **OCCUPATIONAL, HEALTH AND SAFETY POLICY COMMITTEE (OH&SPC)**

The Council would like to thank J Diedericks for attending and their contribution.

The main focus of this committee is to represent employer bodies at a Chamber level on redrafting of legal requirements and other issues that may affect the Industry. The recommendations of the Committee are taken to the Mine Regulatory Committee and from there to the Mine Health and Safety Committee.

One of the focus areas was the representation of the Industry at the DMR to review various regulations which were subsequently gazetted during the year.

### **CERTIFICATED MECHANICAL AND ELECTRICAL ENGINEERS (CM&EE)**

The Council would like to thank Mr H Lombard for attending and his contribution.

The main focus of this committee is to represent employer bodies at a Chamber level on redrafting of legal requirements and other issues that may affect the Industry. The Recommendations are then submitted to OH&SPC.

### **PAPERS, PRESENTATIONS AND TECHNICAL NOTES**

Council would again urge that members offer technical papers for presentation at SACEA meetings, besides being a valuable source for the dissemination of information, also serve as an educational tool for future engineers.

### **MERIT AWARDS**

Certificates of Merit were awarded to all the presenters (members of the Associations) who made presentations at General and Regional Meetings during the year.

The standard and quality of technical papers presented continue to be of a high standard.

### **AWARDS SCHEME**

The Council introduced an award's scheme in 2000, utilising the Association's surplus funds to promote the advancement of education within the engineering discipline of the Coal Mining Industry.

The best apprentice award for 2016/2017 at the Colliery Training College was awarded to Mr R D Diphofa at a prize giving function.





## PRESIDENTIAL FUNCTION

The 2017 combined General Meeting and Annual Presidential Function was held at the Bon Riviera on Vaal Hotel on 14 – 17 September 2017. The function was attended by 52 members and provided an opportunity for members and their families to network and share information.

The successful Presidential function culminated with the traditional Black-Tie banquet on 17 September 2017.

## REPRESENTATION

The Council wishes to express its appreciation to all the representatives and alternates who continued to give their time to ensure that the Association was well represented, and its views made known, in a most professional manner on various committees.

### Marketing & Growth:

Prestige Recognition Committee:  
President/L Turvey

Membership Drive:  
G Gething(Leader)  
L Turvey  
S Nel

Communication Team:  
SL Janse Van Vuuren (Leader)/  
A Prinsloo - Website, Newsletter

Golf Day  
L D Botha

Presidential Function  
President

Race Day  
G Gething

**Influencing Policy:**  
DMR Engagement  
J Nkosi (Team Leader)

ECSA  
A Bezuidenhout

OH&SPC  
J Diedericks

CM&EE  
H Lombard

**Safety:**  
Safety Workshops  
L Botha  
S Van Wyk

Safety Committees  
S Van Wyk  
J Nkosi

**Standards & Specifications Communication:**  
SAFA/SANS  
H Zwart  
J Coetzee  
A Bezuidenhout

Good Practice Committee  
G Gething  
S Van Wyk  
H Lombard

Conveyors Committee  
J Coetzee

PPE Standards Committee  
B Mtshengu

LDV Standards Committee  
H Lombard

Fire COP Committee  
L Turvey

Electrical Standards Committee  
A Bezuidenhout

### Competency defining & development:

CTC (MQA) Committee  
H Lombard  
D Gravett

Leadership Competency  
S Nel

GCC Committee and Commission of Examiners  
PE Mojalefa

Young Talent Forum  
B Mtshengu

**Innovation:**  
Innovation Committee  
M Hyra  
S Nel  
L Turvey

### HOE & EM Alignment:

Engagements  
President  
L Turvey

### Technical:

User Groups  
Opencast  
G Robinson

Underground  
TBA

Plant  
J Diedericks

Northern Regional Meetings  
A Prinsloo

Limpopo Regional Meetings  
D Christie

Southern Regional Meetings  
E Ernst

Technical Symposium  
L Delpont  
S Van Wyk

PDS Surface & Diesel  
G Robinson



## WEBSITE and COMMUNICATION

The Association's website address is [www.sacea.org.za](http://www.sacea.org.za). The website is functional and regularly updated. The website gives members valuable information on Association as well as contact details for representatives on Council and other Committees. All technical presentations, calendar, communication sheet and upcoming events are up loaded. Council want to thank all for the hard work and dedication to ensure that the website is continuous updated.

A Newsletter was issued at the Presidential function in September 2017 part of the communication process adopted by Council.

## GOLF DAY

Council wished to place on record its thanks to Mr L D Botha for the organisation of the event and the sponsors who generously supported the occasion.

## RACE DAY

The Association again hosted a highly successful race day. The event was well supported by the Mining Houses and Sponsors and it turned into a fun filled day. The event is planned to be a fixture on the SACEA calendar in future.

## JOINT SACEA/AMRE GENERAL MEETING

The annual joint SACEA/AMRE General Meeting, hosted by AMRE, was held on 15 August 2017 was hosted at Kedar Lodge, Rustenburg. This is proving to be a popular interaction between the two Associations.

## JOINT GENERAL MEETING OF COAL ASSOCIATIONS

A Joint General Meeting was held on 30 November 2017 at SASOL Recreation Club, Secunda.

## TECHNICAL SYMPOSIUM

The 12th annual Technical Symposium "Agreed leading practices shared through modern networking" were hosted at Brunfelsia Estate, N17 outside Trichardt on 29 June 2017. Eight OEM exhibitors attended the event to exhibit their mining products aligned with the Symposium's theme.

The following papers presented were:

- Winder rope change learnings - Poppy Mokwena - Sasol Mining
- Roof bolter Safety - Morran Dickens - Komatsu
- 11kV Substation project - Francois Roos - Exxaro
- Latest Overland Conveyor design practice - Paul Schutte & Walter Mashau - Sasol Mining
- Modernisation/Automation of Shuttle cars - David Cooper - JAE
- Leading Practice: Spare Part Methodologies in the Coal Mining Industry - Françoise du Preez - Anglo-American

- Electrical Reticulation on Coal Mines: "What the Engineer should know" - Henk Zwart - Electrical Engineering Consultant

The Council wishes to thank all participants and sponsors.

The symposium is an ideal opportunity to showcase knowledge of members of the Associations and will give the opportunity to share knowledge and network. ECSA continuing professional development credits will be awarded.

## TECHNICAL VISITS

Council will continue to seek out interesting and diverse technical visits for members, providing them the opportunity to experience other companies' operations.

During the year a number of Technical visits (arranged by the User Groups and the Young Talent Forum) were undertaken by members.

## CONCLUSION

In conclusion the council wish to express their appreciation to all members for their continued support and invaluable input throughout the past year.

I would like to take the opportunity to thank the Council for the support and arrangements made for the SACEA golf day, the Race day and for the organization of the Technical symposium, Safety workshops, GCC workshops and Strategic session.

Thank you to the various Chairmen of the regions and user committees. These events were very successful and a credit to the enthusiasm and passion of the Association. To my colleagues and the Association's Secretary and mines Professionals Associations' Secretariat for their valuable assistance and guidance throughout the year and for the professional manner in which the affairs of the Association have been administered.

**J Subermoney**  
**SACEA PRESIDENT**



**THE SOUTH AFRICAN COLLIERY ENGINEERS'  
ASSOCIATION**

**ANNUAL FINANCIAL STATEMENTS**

**31 DECEMBER 2017**



## **THE SOUTH AFRICAN COLLIERY ENGINEERS' ASSOCIATION**

### **ANNUAL FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 DECEMBER 2017**

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#### **RESPONSIBILITIES AND APPROVAL OF THE FINANCIAL STATEMENTS**

The financial statements set out on pages 2 to 4 are the responsibility of the committee and the secretary.

The committee and the secretary are responsible for selecting and adopting sound accounting practices, for maintaining an adequate and effective system of accounting records, for the safeguarding of assets and for developing and maintaining a system of internal control that, among other things, will ensure the preparation of financial statements that will achieve fair presentation.

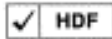
The responsible person, after conducting appropriate procedures, are satisfied that the association will be a going concern for the foreseeable future and have continued to adopt the going concern basis in preparing the financial statements.

The financial statements were approved by the President and the Secretary on **08 February 2018** and are signed by:

\_\_\_\_\_  
**PRESIDENT**

\_\_\_\_\_  
**SECRETARY**





## HARRIS DOWDEN & FONTAINE CHARTERED ACCOUNTANTS (SA)

IRBA Registration No. 943703

7 Pam Road, Morningside, 2196

P O Box 651129, Benmore 2010

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E-Mail [hdf@icon.co.za](mailto:hdf@icon.co.za)

R.T. Harris B.J. Dowden C.L.I. Fontaine

### REPORT OF THE INDEPENDENT AUDITORS

To the members of

THE SOUTH AFRICAN COLLIERY ENGINEERS' ASSOCIATION

We have audited the attached annual financial statements for the year ended 31 December 2017. The financial statements are the responsibility of the Council of the Association, whilst our responsibility is to report thereon.

#### Scope

We conducted our audit in accordance with statements of South African Auditing Standards. These standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes :

- examining, on a test basis, evidence supporting the amounts and disclosures included in the financial statements;
- assessing the accounting principles used and significant estimates made by management;
- evaluating overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

#### Audit Opinion

In our opinion the financial statements fairly present, in all material respects, the financial position of the association 31 December 2017 and the results of its operations for the year then ended in accordance with appropriate bases of accounting as in note 1.

HARRIS DOWDEN & FONTAINE

Chartered Accountants (SA)

Registered Auditors

Per: RT Harris

SANDTON

08 February 2017



**THE SOUTH AFRICAN COLLIERY ENGINEERS' ASSOCIATION**

**BALANCE SHEET**

**AT 31 DECEMBER 2017**

	Note	<u>2017</u>	<u>2016</u>
<b><u>ASSETS</u></b>			
<b><u>NON - CURRENT ASSETS</u></b>			
Investments		498,032	133,025
<b><u>CURRENT ASSETS</u></b>			
<b><u>Stock</u></b>	2	34,546	27,686
<b><u>Cash at Bank</u></b>		34,221	419,505
<b><u>Debtors</u></b>			
Accounts receivable		152,148	161,466
Prepayments		17,544	29,747
Receiver of Revenue - VAT		10,563	3,493
		180,255	194,706
		<b><u>747,054</u></b>	<b><u>774,923</u></b>
<b><u>ACCUMULATED FUNDS</u></b>			
<b>Balance at 1 January 2017</b>		748,134	834,624
<b>Add: (Deficit) for the year</b>		(14,980)	(86,485)
		733,154	748,139
<b><u>CURRENT LIABILITIES</u></b>			
<b><u>Creditors</u></b>			
Auditors remuneration		13,900	14,300
Sundry creditors		-	12,484
		13,900	26,784
		<b><u>747,054</u></b>	<b><u>774,923</u></b>



**THE SOUTH AFRICAN COLLIERY ENGINEERS' ASSOCIATION**

**INCOME STATEMENT**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	<b><u>2017</u></b>	<b><u>2016</u></b>
<b><u>INCOME</u></b>		1,239,216	1,057,442
GCC workshop		40,790	44,439
Golf day		130,774	108,000
Leadership workshop		46,053	-
Interest		29,726	30,503
Presidential visit		237,908	115,000
Race day		38,596	68,108
Safety workshops		73,684	83,318
Strategic planning		94,735	83,557
Subscriptions		330,950	331,560
Sundry income		-	2,957
Technical symposium		216,000	190,000
<b><u>EXPENDITURE</u></b>		1,254,196	1,143,927
Administration fees	3	524,351	440,288
AGM and general meetings		17,508	19,639
Auditors remuneration		13,900	14,300
Bad debts	4	54,202	105,194
Bank charges		1,254	1,394
Council meetings		63,293	32,499
Donations, gifts and prizes		44,683	56,470
Golf day		41,416	42,416
Leadership workshop		13,200	-
Legal fees		5,000	-
Presidential function		212,627	226,410
Race day		15,965	30,740
Safety workshops		30,036	27,890
Strategic planning		171,715	96,410
Technical symposium		34,491	28,133
Website expenses		10,555	22,144
<b>(Deficit) transferred to accumulated funds</b>		<b>(14,980)</b>	<b>(86,485)</b>



**THE SOUTH AFRICAN COLLIERY ENGINEERS' ASSOCIATION**

**NOTES TO FINANCIAL STATEMENTS 31 DECEMBER 2017**

**1 ACCOUNTING POLICIES**

The financial statements are prepared on the historical cost basis which is consistent with the prior year.

	<u>2017</u>	<u>2016</u>
<b>2 <u>STOCK</u></b>		
Brief cases	148	148
Brooches	616	616
Fleece navy tops	5,200	5,200
Scarf rings	1,303	1,303
Scarves	3,000	3,000
Ties	16,928	17,419
Miners Lamps	7,350	-
	<u>34,546</u>	<u>27,686</u>

As can be seen from the above, there has been little movement, which shows the stock may be unrealisable.

**3 ADMINISTRATIVE FEES**

These are costs shared between all the Associations made up as follows:

Human resources	282,662	222,294
Travel costs	38,396	41,404
Outsourcing services	136,851	118,041
Shared expenses	66,442	58,549
	<u>524,351</u>	<u>440,288</u>

**4 BAD DEBTS**

This amount is represented by all unknown and old members who are longer members of the association, retired members as well as members that have moved Mines which cannot be traced.

**5 SURPLUSES AND DEFICITS MADE ON FUNCTIONS**

	<u>Income</u>	<u>Expenditure</u>	<u>2017 Surplus/ (Deficit)</u>	<u>2016 Surplus/ (Deficit)</u>
GCC workshop	40,790	-	40,790	44,439
Golf day	130,774	(41,416)	89,357	65,584
Presidential Visits	237,908	(212,627)	25,281	(111,410)
Race day	38,596	(15,965)	22,632	37,368
Safety workshop	73,684	(30,036)	43,648	55,428
Strategic Planning	94,735	(171,715)	(76,979)	(12,853)
Technical Symposium	216,000	(34,491)	181,509	161,868
Leadership workshop	46,053	(13,200)	32,853	-
<b>NET surplus made on functions</b>			<u>405,143</u>	<u>240,423</u>