

**DEPARTMENT: PUBLIC ENTERPRISES**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NO.: 1271**

**DATE OF PUBLICATION: 26 APRIL 2018**

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| 1271. Mr E J Marais (DA) to ask the Minister of Public Enterprises:What value has been gained by Alexcor after the entity’s corporate head office incurred an expenditure amounting to R225 406 938,00 in the period 1 April 2012 to 31 March 2017, as is reflected in the annual report? NW1371E |

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| REPLY: The response is based on information received from Alexkor SOC Limited.The breakdown of the expenditure incurred for Alexkor’s Corporate Head Office amounting to R225 406 938.00 during the period 01 April 2012 to 31 March 2017 is detailed in the table below: |
| SPEND CATEGORY: | AMOUNT: |  |
| 1. Bursaries
 | R 1 687 360 | The amounts include Corporate Social Responsibility initiatives as well as bursaries awarded to learners in the field of mining, geology and environmental management |
| 1. Corporate Costs
 | R 47 442 391 | Salaries of employees and head office operational costs |
| 1. Mining Operations
 | R 14 846 968 | Alexkor SOC Limited was mining in Alexander Bay prior to the PSJV being established, in terms of the Deed of Settlement. Hence the mining operations cost of R14.8m. Related revenue against the Mining operating cost was R27.4m |
| 1. Town Maintenance
 | R 85 988 049 | The DoS directed that once the township had been established, the municipal engineering services are to be upgraded and Alexkor is to hand over the municipal services to the Alexander Bay Municipality; however, that has not yet occurred. Alexkor has assumed the responsibilities to maintain the Township of Alexander Bay as if they are a municipality. |
| 1. Discontinued Operations and Other
 | R 9 735 795 | The discontinued operating cost of R9.7 million relates to the cost of transferring the farming operations to  the community.  |
| 1. Environmental Management
 | R 41 343 822 | Implementation of Phase 1  of rehabilitation of historically disturbed areas |
| 1. Directors Remuneration
 | R 24 362 554 | Fees paid to directors serving on both Alexkor and Alexkor RMC PSJV boards |
| Total: | **R 225 406 938** |  |

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