



**iSimangaliso**  
*Wetland Park*



# ANNUAL REPORT 2023/2024

TRAVERSING TOGETHER



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## PART A

# GENERAL INFORMATION



# iSIMANGALISO'S GENERAL INFORMATION

## LEGAL FORM OF ENTERPRISE

Established by Regulation 1193 of 24 November 2000, under the World Heritage Convention Act 49 of 1999, the iSimangaliso Wetland Park Authority is a Schedule 3A Public Entity.

## NATURE OF BUSINESS

The iSimangaliso Wetland Park Authority's business is to conserve the iSimangaliso Wetland Park and to create jobs and benefits for communities living in and adjacent to the Park through optimal tourism-based development. iSimangaliso is, therefore, involved in conservation, local economic development and tourism.

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**Name:** iSimangaliso Wetland Park Authority

**Registration Numbers:** The iSimangaliso Wetland Park Authority is a Public Entity established under the National Environmental Management: Biodiversity Act of 2004 (No. 10 of 2004).

**Head Office Address:** Dredger Harbour, St Lucia Estuary, 3936

**Postal Address:** P/Bag X05, St Lucia Estuary, 3936

**Contact Telephone Number:** 035 590 1633

**Email Address:** [info@isimangaliso.com](mailto:info@isimangaliso.com)

**Facebook:** iSimangaliso Wetland Park

**Website Address:** [isimangaliso.com](http://isimangaliso.com)

**External Auditor:** Auditor-General of South Africa

**Bank:** First National Bank





# LIST OF ACRONYMS AND ABBREVIATIONS

AFS	Annual Financial Statements	KZN	KwaZulu-Natal
AG	Auditor-General	MLRA	Marine Living Resources Act, 1998 (Act 18 of 1998)
APP	Annual Performance Plan	MoU	Memorandum of Understanding
APO	Annual Plan of Operation	MPA	Marine Protected Area
ARC	Audit Risk Committee	MTEF	Medium-Term Expenditure Framework
BEE	Black Economic Empowerment	MTSF	Medium-Term Strategic Framework
B-BBEE	Broad-Based Black Economic Empowerment	NDLTF	The National Lottery Distribution Trust Fund
CCMA	Commission for Conciliation, Mediation and Arbitration	NDP	National Development Plan
CEO	Chief Executive Officer	NGO	Non-Governmental Organisation
CFO	Chief Financial Officer	NPO	Non-Profit Organisation
CPI	Consumer Price Index	Organisation	iSimangaliso Wetland Park Authority
DAFF	Department of Forestry and Fisheries	PAA	National Environmental Management: Protected Areas Act, 2003 (Act 57 of 2003)
DEA	Department of Environmental Affairs	PARK	iSimangaliso Wetland Park
DEFF	Department of Environment, Forestry and Fisheries	PFMA	Public Finance Management Act, 1999 (Act 1 of 1999)
DTI	Department of Trade and Industry	PPE	Personal Protective Equipment
DWS	Department of Water and Sanitation	PPP	Public-Private Partnership
ENTITY	iSimangaliso Wetland Park Authority	PR	Public Relations
EAP	Economically Active Population	Ramsar	Convention on Wetlands of International Importance Especially as Water Fowl Habitat 1971
EIA	Environmental Impact Assessment	RLCC	Regional Land Claims Commission
EPWP	Expanded Public Works Programme	SAPS	South African Police Service
Ezemvelo	Ezemvelo KZN Wildlife	SCM	Supply Chain Management
FY	Financial Year	SEC	Social Ethics Committee
GDP	Gross Domestic Product	SETA	Sector Education and Training Authority
GEF	Global Environment Facility	SEED	Socio-Economic Environment Development
HR	Human Resources	SMME	Small, Medium and Micro-Enterprise
IDP	Integrated Development Plan	PARK	iSimangaliso Wetland Park
ISA	International Standards on Auditing	TFCA	Trans-Frontier Conservation Area
IMP	Integrated Management Plan	UNESCO	United Nations Educational, Scientific, and Cultural Organization
iSimangaliso	iSimangaliso Wetland Park	VUCA	Volatility, Uncertainty, Complexity, Ambiguity
IT	Information Technology	WHCA	World Heritage Convention Act 1999, (Act No 1 of 1999)



## MESSAGE FROM THE

# MINISTER OF FORESTRY, FISHERIES AND THE ENVIRONMENT

It is such a great honour to present for the first time the iSimangaliso Wetland Park Authority annual report for the 2023/24 financial year. As a new Minister coming in as part of the new administration, I am encouraged by the foundation laid by the leaders before me who have steered iSimangaliso towards a stable, healthy environment. It is my resolve to work as a collective, traversing together to strengthen iSimangaliso and position it towards its rightful position on the national and international stage by ensuring that enabling legislation exists and is implemented.

Within the short period of my arrival, I visited iSimangaliso Wetland Park to familiarise myself with the Park. During my brief visit, I had an opportunity to meet with the Board of iSimangaliso, management and various stakeholders, such as the traditional leadership from local communities.

iSimangaliso is a national icon critical to the world; it is South Africa's first site to be announced by UNESCO as a World Heritage Site. This status underpins the importance

of ensuring that iSimangaliso is protected and preserved for current and future generations. Its superlative natural beauty makes it one of the "must-see" destinations of the world.

The strategic decision to implement the Commercialisation Strategy is a critical, important direction, and iSimangaliso needs to start generating revenue to ensure the long-term sustainability of the Entity. Unlocking the legislation, which will enable the implementation of the Commercialisation Plan, will be one of the focal points moving forward. The revenue increase from R58 million in the previous financial year to R 67 million during the 2023/24 financial year is welcomed; however, more still needs to be done.

iSimangaliso's resolve to work closely with local communities in combating poaching in the Park is commended, and it is already yielding positive results. More engagement with Ezemvelo KZN Wildlife, which performs conservation functions in iSimangaliso, will continue strengthening conservation in the Park. Reports indicate that no carcasses

of poached rhinos were discovered in iSimangaliso during this financial year, similar to the previous year; these developments are welcomed.

Good governance and administration are ideals that every government entity is implored to aspire to and live by. iSimangaliso's achievement of 100% delivery on its planned Annual Performance Plan targets, as well as obtaining a clean audit opinion from the Auditor General of South Africa, demonstrates an organisation hard at work and an Entity committed to doing things correctly.

I wish to congratulate the iSimangaliso Board and the management team for its service delivery achievement and for obtaining a clean audit for the second year in succession.

**Dr Dion George**

Minister of Forestry, Fisheries and the Environment





## FOREWORD FROM THE CHAIRPERSON

*"A renowned World Heritage Park where conservation, sustainable tourism and benefit sharing prevails" is the vision of iSimangaliso Wetland Park Authority.*

With this understanding, as the Board of iSimangaliso, we strive to balance conservation, tourism, and the economic well-being of communities living and neighbouring the Park. This annual report accounts for iSimangaliso's performance during the 2023/24 financial year, reporting against the targets set by the Entity and the audited financial performance.

I am happy to report that iSimangaliso Wetland Park Authority has once again maintained its record by obtaining a clean audit opinion from the Auditor General of South Africa. The Entity has obtained this challenging target for the second year in a row, demonstrating the Board's unwavering commitment to the highest levels of ethics and good corporate governance, as well as the management of the Entity. In addition, iSimangaliso achieved a further 100%

on the 2023/24 targets in terms of its performance against the set annual performance targets.

Working with iSimangaliso management, the Board developed a five-year strategy, and the APP aligned with government priorities. The Board's role of retaining complete and effective control over iSimangaliso and monitoring management in implementing the strategy, plans, and decisions were exercised over eight (8) Board meetings held during the period under review, where necessary policies were reviewed to ensure good governance, efficiency, and shaping of the Entity's strategic direction.

The unemployment challenge in communities neighbouring the Park is rife. Through the Groen Sebenza Internship Programme, iSimangaliso recruited 200 interns to help lower the unemployment rate. The interns were placed in different sections of the Entity based on their career interests and qualifications. During the period, 24 interns managed to

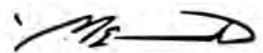
secure permanent employment. iSimangaliso permanently employed eight (8), while other organisations employed 16. The programme aims to provide young people, especially those from rural areas, the chance to acquire work-life experience and gain self-confidence to create better prospects for their future careers.

Implementation of a biodiversity economy is well underway as the Global Environment Facility (GEF) is up and running with projects and programmes that benefit our people, develop a biodiversity economy, create business and job opportunities, and develop our communities. The Stewardship Programme and biodiversity economy will improve the livelihood of people in our communities as we continue pushing back the frontiers of poverty through conservation and ecotourism.

The strategic direction of the Board is to propel iSimangaliso towards being a self-sustainable Entity that is well-resourced and generates revenue sufficient to fund its

operations. Interventions such as the implementation of the Commercialisation Strategy are underway. Traversing with management and the paradigm shift to create a conducive environment for this plan to become a reality will be critical. The progress made thus far in implementing this plan is satisfactory and still on course.

Lastly, I wish to reassure our commitment as a Board to support all initiatives that will help to change the livelihood of our people. I am particularly encouraged by the harmonious relationship iSimangaliso has created with traditional authorities, stakeholders, and the government sector.



**Inkosi M Tembe**

Chairperson,  
iSimangaliso Wetland Park Authority Board





## OVERVIEW FROM THE CHIEF EXECUTIVE OFFICER

*"Coming together is a beginning; keeping together is progress; working together is success", Henry Ford.*

This quote gives me courage and strength when reminiscing the journey traversed since I joined iSimangaliso Wetland Park as the Chief Executive Officer. This financial year marks the end of the term of office of the 6th Government Administration. Looking back at the road travelled, I am comforted by the results achieved in solidifying conservation but also in striking a balance with making the Park relevant to communities living next to the Park. Our resolve to traverse together with various stakeholders and partners has gone a long way towards improving iSimangaliso Wetland Park Authority and its position.

iSimangaliso was inscribed as a World Heritage site for its rich biodiversity and conglomeration of various ecosystems, unique global values, and superlative natural beauty, making it a place of global conservation significance. iSimangaliso is in a region with high levels of poverty. To work together to eradicate social ills, iSimangaliso Wetland Park

Authority implemented a three-pronged strategy, including conservation, eco-tourism and stakeholder engagement. The Park balances biodiversity and conservation protection while committed to socio-equity and rural economic development, actively participating in implementing projects and programmes that change the livelihood of local communities and economic status.

Traversing harmoniously with government departments, key stakeholders, and communities has yielded positive results. Previously, local communities were exasperated by the Park's existence due to its inability to provide meaningful opportunities flowing from the Park that would change the lives of communities and improve their livelihood. The Park has improved strategies to build a strong relationship with traditional leadership, stakeholders, cooperatives and the community. It also transforms the biodiversity economy in local communities and provides inclusive and sustainable economic balance while protecting World Heritage values.

Self-sustainability of the Park remains iSimangaliso's key focus for the future. The main goal is to reduce grant dependency. The Entity's current operations mainly rely on the government's

ongoing financial support. In the period under review, the Entity increased its revenue to R 23 985 803,00 compared to R 19 708 739,00 in the previous financial year. The primary sources of revenue are gate entrance fees, concession fees, activities and permits fees, and levies charged at the gates. Strategic interventions, such as implementing the Commercialisation Strategy, seek to address the current picture and drastically improve revenue.

The Entity is on track with implementing the Commercialisation Strategy, which builds on the work achieved in the previous financial year. In line with National Treasury PPP processes, iSimangaliso obtained a National Treasury exemption for PPP tourism activities. In 2023, small-cap tourism activities were advertised, and 63 concessions were awarded. The duration of the PPP agreements ranged from 3 to 5 years. Of the 63 concessions, 35% were awarded to previously disadvantaged businesses.

iSimangaliso seeks to switch to renewable energy by having a qualified facilities operator who provides and sells renewable energy to tourism operators. It is envisaged that under this plan, the energy mix for iSimangaliso will eventually move

from the current Eskom energy supply. The main objective is to reduce reliance on energy mainly derived from Eskom and the use of diesel on generators, contributing to the climate change strategy, saving on operating costs, and boosting the value of tourism-related activities unaffected by load shedding. The savings generated will be redirected towards core biodiversity conservation activities.

iSimangaliso remains a tourist destination that is visited by national and international visitors alike. It is amongst the top destinations for attractive nature lovers in the world. To match visitor expectations and enhance their experience, the Entity has invested in upgrading the road network within the Park and improving water reticulation. Repairs were done to the infrastructure affected by massive floods in the Province of KwaZulu-Natal during the financial year.

In its continued efforts to ensure that the organisation's operational model is appropriately designed to meet the challenges posed by the changing business requirements and priorities, the Entity took a strategic decision to conduct an organisational design exercise. Management envisaged that

the exercise would help align the Entity's shape and structure with its strategy by reviewing its wants and needs and analysing the gap between where it is and where it wants to be.

The performance of the Entity has drastically improved significantly in the past two financial years. Once again, the Entity achieved 100% delivery on its Annual Performance targets and obtained a clean audit opinion from the Auditor General. This achievement is undoubtedly indicative of good governance and hard work. Traversing together with the same vision brings prosperity. My heartfelt gratitude goes to all staff members of iSimangaliso Wetland Park, the government sector, stakeholders, and everyone who contributed immensely to the success of the Entity.



**Mr Sibusiso Bukhosini**  
Chief Executive Officer,  
iSimangaliso Wetland Park Authority



# BOARD MEMBERS



**MR IM TEMBE**  
CHAIRPERSON



**MS T SOSIBO**  
DEPUTY CHAIRPERSON



MR G NAIR



PROF P SMALL



MR B MHLONGO



MR S NKOSI  
SHAREHOLDER  
REPRESENTATIVE



MR B NGOBENI



MS S NGCOBO



MS N MLAMBO

# STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed in the annual report are consistent with the AFS Audited by Auditor General.

The annual report is complete, accurate and free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by the National Treasury.

The AFS (Part F) has been prepared in accordance with the GRAP standards applicable to the public entity.

The Accounting Authority is responsible for the preparation of the AFS and the judgements made in this information.

The Accounting Authority is responsible for establishing and implementing a system of internal control, that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human

resources information, and the AFS.

The external auditors are engaged in expressing an independent opinion on the AFS.


In our opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the public entity for the financial year ended 31 March 2024.

Yours faithfully,



**Mr Sibusiso Bukhosini**

Chief Executive Officer,  
iSimangaliso Wetland Park  
Authority



**Inkosi M Tembe**

Chairperson,  
iSimangaliso Wetland Park  
Authority Board



## STRATEGIC OVERVIEW

### VISION

A renowned World Heritage Park where conservation, sustainable tourism and benefit-sharing prevails.

### MISSION

iSimangaliso's mission is to protect, preserve and present its World Heritage values for current and future generations while benefitting communities living in and adjacent to the Park by facilitating optimal tourism and related development.

### VALUES

iSimangaliso subscribes to the Batho Pele Principles. In addition, below are our core values:

**INTEGRITY**  
**HONESTY**  
**TRANSPARENCY**  
**ACCOUNTABILITY**  
**PERFORMANCE**  
**PROFESSIONALISM**

# LEGISLATIVE AND OTHER MANDATES

## LEGISLATIVE MANDATES

The World Heritage Convention Act 1999 (WHCA) sets out the objectives of iSimangaliso.

These objectives, which have been set out below, have been incorporated into iSimangaliso's mission, namely:

- To protect, conserve and present the Park.
- To empower historically disadvantaged adjacent communities.
- To promote and facilitate optimal tourism and related development in Park.

The management of the iSimangaliso Wetland Park is further subject to the National Environmental Management Act, 1998 (Act 107 of 1998), the National Water Act, 1998 (Act 36 of 1998), the National Forests Act, 1998 (Act 84 of 1998), the National Heritage Resources Act, 1999 (Act 25 of 1999), the KwaZulu-Natal Heritage Act, 2008 (Act 4 of 2008), the National Environmental Management: Waste Act, 2008 (Act 59 of 2008), and the National Environmental Management: Integrated Coastal Management Act, 2008 (Act 24 of 2008). In addition, the iSimangaliso Wetland Park Authority takes note of, supports, and, where applicable, aligns its activities with national initiatives such as the National Biodiversity Strategic Action Plan, the National Biodiversity Framework, and the National Protected Area Expansion Strategy.



# ORGANISATIONAL STRUCTURE

ACCOUNTING AUTHORITY/BOARD



**MR SE BUKHOSINI**  
CHIEF EXECUTIVE OFFICER



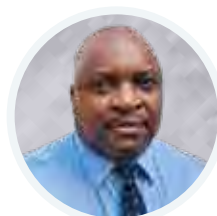
**MRS SQ MNTAMBO**  
CHIEF FINANCIAL OFFICER



**MR S SIBIYA**  
EXECUTIVE MANAGER BIODIVERSITY CONSERVATION



**MR J NGUBANE**  
EXECUTIVE MANAGER TOURISM AND BUSINESS DEVELOPMENT



**MR MC KHUMALO**  
EXECUTIVE MANAGER SOCIO-ECONOMIC, ENVIRONMENT AND DEVELOPMENT



**MRS RK TEMBE**  
EXECUTIVE MANAGER TECHNICAL SERVICES



**VACANT**  
EXECUTIVE MANAGER CORPORATE SUPPORT SERVICES



# ABOUT THE iSIMANGALISO WETLAND PARK

## iSIMANGALISO WETLAND PARK'S TIMELESS SYMPHONY OF NATURE AND HERITAGE

If you are looking for peace and tranquillity, iSimangaliso Wetland Park is the place for you. This breathtaking haven of natural marvels is nestled along the Zululand coast in KwaZulu-Natal, South Africa, filled with awe-inspiring landscapes that await discerning travellers. Formerly renowned as the Greater St. Lucia Wetlands Park, this treasure trove of ecological wonder sprawls gracefully from Maphelane in the South of St. Lucia to Kosi Bay in the North at the border separating South Africa and Mozambique, an expansive stretch of over 220 kilometres of pristine coastline. This veritable Eden, graced by the divine touch of Mother Nature, is a harmonious blend of diverse ecosystems and captivating destinations, standing as an iridescent emblem of conservation, community empowerment, and an enchanting portal to the world of the wild.

The iSimangaliso Wetland Park, a living testament to Earth's resplendent diversity of life, unfolds like a bewitching tapestry of nature's finest achievements. From the majestic Ubombo mountains that pierce the heavens to the serene allure of grasslands, forests that whisper ancient tales, wetlands teeming with life, mangrove sanctuaries, and age-old dunes sculpted by the hands of time, this Park is nature's living kaleidoscope. Within its embrace, eight interlocking ecosystems beckon, and ten distinct destinations enthrall,

each a gateway to the heart of the untamed.

Venturing through this Edenic landscape, travellers are whisked away on an odyssey of discovery; a sojourn through the realms of Maphelane's mysteries, the ethereal expanse of Lake St. Lucia, the paradisaic shores of Cape Vidal, the mystical allure of Charters Creek, the captivating secrets of False Bay, the mesmerising haven of Sodwana Bay, the untamed sanctuary of uMkhuze, the tranquil haven of Lake Sibaya, the enigmatic allure of the Coastal Forest, and the unspoiled grace of Kosi Bay. At every juncture, an exotic tableau of wildlife reveals itself. The iSimangaliso Wetland Park is an orchestra where the call of the wild, led by 129 terrestrial and aquatic mammals, including the revered Black and White Rhinoceros, the dignified Elephants, the enigmatic Buffalos, the elusive Leopards, the fabled Wild Dog, and the commanding Lion plays out in splendid harmony.

## WITH ITS SEA, SURF AND SUN, SODWANA BAY IS A SPRAWLING, OPEN-AIR, ALL-YEAR-ROUND ACTIVITY DESTINATION.

Sodwana Bay is one of the top ten dive destinations in the world. The coral reefs contain over 1,200 species of fish, various underwater seascapes, and marine flora and fauna. It is also home to the Coelacanth, discovered in the deep Jesser Canyon offshore from Sodwana Bay in 2000.

Throughout the year, pods of Bottlenose Dolphins routinely patrol up and down the coast, just beyond the breakers. Southern Right and Humpback Whales visit our shores annually between June and November. They migrate from their icy feeding grounds off Antarctica to breed in the warmer Indian Ocean and then return South with their adolescent calves.

## A JOURNEY THROUGH TIME: A TAPESTRY WOVEN WITH HISTORICAL THREADS

The annals of time unfurl within the iSimangaliso Wetland Park, where echoes of centuries past whisper on the wind. Stretching back to the Later Stone Age and echoing through the corridors of the Iron Age, evidence of human habitation leaves its mark, a testament to the enduring relationship between man and nature. Arab traders and European pioneers, their footprints indelibly imprinted on the sands of time, are mere chapters in the tale of this landscape. Vasco da Gama's fateful encounter with these shores in 1497 set the stage for a symphony of interactions – a harmonious interplay between explorers, traders, hunters, and missionaries that wove the intricate tapestry of culture and history that adorns the region.

Conservation's roots took hold in 1895 with the establishment of the initial reserve, giving birth to the Hluhluwe-iMfolozi





region – South Africa’s venerable conservation cornerstone. The apex of this journey unfurled in 1999 when the Park was crowned South Africa’s inaugural World Heritage Site. An auspicious moment graced by the venerated Nelson Mandela, a global icon of justice and unity, marked the Park’s rise to international recognition. The rebirth of the Park as iSimangaliso in 2007, a name suffused with the essence of ‘miracle and wonder’, encapsulated the very soul of this treasure trove.

### **A SYMPHONY OF CONSERVATION AND EMPOWERMENT: NATURE’S STEWARDS AT WORK**

The iSimangaliso Wetland Park’s achievements are a symphony of dedication to conservation and the upliftment of local communities. A seamless fusion of lands under a united management plan, a metamorphosis from incompatible land uses into 15,000 hectares of vibrant conservation, and the fortification of 230 kilometres of formidable Big Five fencing are but crescendos in the symphony of ecosystem preservation.

The Park’s journey has been enriched by the reintroduction of game species – sessebe, Oribi, Elephants, Wild dogs, Cheetahs, and the regal White and Black Rhinos – an ode to the harmonious balance that thrives within its boundaries. A symphony of improved road networks and refined water systems creates a harmonious symphony of accessibility, all while enhancing the melodic dance of the visitor’s experience.

The iSimangaliso Wetland Park’s economic cadence rings loud, with revenue from commercial endeavours soaring over 200% since the authority’s inception. Land claims settled over 75% of the Park’s expanse, their harmonious tune carried by

co-management agreements, embodying the true spirit of collaborative conservation.

The iSimangaliso Wetland Park’s devotion to community upliftment sings through various initiatives. From 39 food gardens that blossom as cradles of local growth to an SMME support program nurturing dreams into reality, the symphony of prosperity plays on. Traditional arts find harmony within the craft programme, a harmonious duet that preserves heritage while empowering livelihoods. The culture and arts programme, a chorus of 3,500 jobs, paints a vibrant picture of hope and prosperity.

### **A SPECTRUM OF EXPERIENCES: AN OVERTURE TO WONDERS**

Journeying through the iSimangaliso Wetland Park is akin to embarking on a voyage through the annals of time, a rendezvous with nature’s bounty and human endeavour. A paradise for avian aficionados, the Park hosts about 530 bird species, a melodious symphony that awakens the senses. Witnessing the nesting season of Leatherback and Loggerhead Turtles is an exclusive privilege woven into the fabric of this coastal sanctuary. And beyond the famous Big Five, the Big Seven beckons – an assembly that boasts the Southern Right whale and the awe-inspiring Great White Shark.

Elegance and opulence unite in the haven of luxury, which is Kosi Forest Lodge and Thonga Beach Lodge. Here, immersion in nature is synonymous with indulgence, an oasis where the comfort of modernity coalesces with the raw poetry of the wild. Nestled in nature’s embrace, these lodges offer a springboard to explore a realm where Black and White





Rhino's flourish in grandeur and each day unravels a new verse in the symphony of life.

## GUARDIANS OF HERITAGE: A PRELUDE TO POSTERITY

The iSimangaliso Wetland Park is a testament to the potent melody of conservation, community harmony, and sustainable tourism. Its influence spreads far beyond its verdant borders, touching the lives of locals and wanderers alike. This sanctuary's accolades as South Africa's second-largest protected area and its distinction as the nation's oldest UNESCO World Heritage Site reverberate through time, resounding as a paean to preservation.

This Eden's terrain, graced by mountains, bushveld, palm groves, dunes sculpted by the ages, grasslands that sway in the breeze, and coastal forests that whisper forgotten tales, cradles a menagerie of life. Here, 129 terrestrial and aquatic mammals, 525 avian envoys, 128 reptilian wanderers, 50 amphibian troubadours, 991 marine marvels, and 48 freshwater dancers waltz in harmony. Nelson Mandela aptly encapsulated iSimangaliso's resplendent diversity as a realm where the ancient Rhinoceros shares space with the colossal Elephant, where the prehistoric Coelacanth converses with the Titanic Whale – a chorus of life that strikes at the heart of wonder.

## AN EXPEDITION INTO SPLENDOUR: UNVEILING NATURE'S TREASURE

For those who seek to dance to the rhythm of nature's heartbeat, the iSimangaliso Wetland Park beckons an

irresistible call to adventure. This symphony of biodiversity, graced by the ethereal presence of the Big Five and the enigmatic Big Seven, offers a symposium of unparalleled wildlife spectacles. Yet, it's not merely the creatures that enchant visitors; the coastal grandeur, an artistry painted by the hands of nature, stands as an equal protagonist in this majestic tale.

The journey to this verdant utopia is as enchanting as the destination itself. With daily flights knitting Johannesburg to Richards Bay, access is but a breath away.

Alternatively, the thoroughfare from major South African cities to Durban serves as another avenue. Tour operators present the chance for guided forays into iSimangaliso, ensuring exploration wrapped in comfort. And for the intrepid, self-drive expeditions are a beckoning possibility, an epic tale of adventure and discovery – yet for areas north of the Mkhuzi section of the Park and east of the N2, a 4x4 vehicle is the chariot of choice.

In the hallowed embrace of the iSimangaliso Wetland Park, nature's symphony comes alive, a timeless opus played upon a canvas where each ecosystem is a note, and each creature is a lyric. It's a place where history harmonises with the present, communities and conservation compose a ballad of progress, and visitors, enthralled by the panorama of life, become part of this unfolding saga. As the world turns and the echoes of footsteps linger on ancient paths, iSimangaliso stands as a crescendo of reverence – a sanctuary where the chorus of nature's harmonies remains eternal.

## PART B

# PERFORMANCE INFORMATION



# PROGRAMME 1: CORPORATE SUPPORT SERVICES

## PURPOSE

The Corporate Support Services Programme provides effective and efficient corporate support services (human resources, financial management, information technology, strategic management, research, and communications), enabling the Entity to execute its mandate.

## PROGRAMME DESCRIPTION

The Corporate Support Services Programme is implemented by two units – Finance and Support Services.

The Finance Unit is responsible for financial management, ensuring that iSimangaliso's operations are adequately funded and cost-effectively managed while maintaining appropriate internal control systems, accounting reports, management, and statutory information. The unit creates and maintains PFMA-compliant financial management systems, including SCM; ensures good governance, risk management, and control processes; and reduces audit findings, resulting in an unqualified audit report. It is also responsible for monitoring and reporting B-BBEE compliance.

The Support Services Unit is responsible for managing information technology, office administration, human resources, strategic planning and reporting, communications and public relations, research coordination, policy, and planning. These services provide the organisation with the support it requires to carry out its mandate in several different areas.



PROGRAMME 1: CORPORATE SUPPORT SERVICES

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024 Until Date Of Re-tabling	Deviation From Planned Target To Actual Achievement 2023/2024	Reasons For Deviations	Reasons For Revisions To The Outputs Output Indicators/ Annual Targets
Compliance with legislation, effective financial management and key risks mitigated to minimise potential adverse consequences	Unqualified external audit opinion	Unqualified external audit opinion	Unqualified audit opinion	Clean audit opinion	Unqualified external audit opinion	Unqualified external audit opinion	N/A	N/A	N/A
	Expenditure of the allocated budget	Expenditure of the allocated budget	100%	95%	95%	95%	N/A	N/A	N/A
	Trade creditor payment	Trade Creditor payment within thirty (30) days	18 Days	9 Days	30 Days	5 Days	N/A	N/A	N/A
	Trade debtor collection	Trade debtor collection within sixty (60) days	15 Days	35 Days	60 Days	11 Days	N/A	N/A	N/A
	Implementation of the procurement plan	Percentage of procurement plan implemented	100%	100%	100%	100%	N/A	N/A	N/A
	Compliance with key statutory requirements	One hundred percent (100%) compliance with key statutory requirements	100%	100%	100%	100%	N/A	N/A	N/A
	B-BBEE spend on majority black-owned suppliers as a percentage of qualifying expenditures	Percentage spent on B-BBEE suppliers	102%	92%	80%	99%	19%	More of B-BBEE suppliers were procured	N/A
An adequately skilled and capacitated workforce which is transformed and representative of South Africa's race and gender demographic	Workplace skills plan submitted to SETA within the prescribed timeframe	Workplace skills plan submitted to SETA within the prescribed timeframe	Workplace skills plan submitted to SETA within the prescribed timeframe	Workplace skills plan submitted to SETA within the prescribed timeframe	Workplace skills plan submitted to SETA within prescribed timeframe	Submitted to SETA within prescribed timeframe	N/A	N/A	N/A

PROGRAMME 1: CORPORATE SUPPORT SERVICES

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024 Until Date Of Re-tabling	Deviation From Planned Target To Actual Achievement 2023/2024	Reasons For Deviations	Reasons For Revisions To The Outputs/Output Indicators Annual Targets
An adequately skilled and capacitated workforce which is transformed and representative of South Africa's race and gender demographic	Employee performance contracts concluded	100% of employee performance contracts concluded	Employee performance contracts concluded	100%	100% of performance contracts concluded	100%	N/A	N/A	N/A
	Occupation health and safety assessment/ inspections	Number of occupational health and safety assessments/ inspections conducted	1	1	One (1) annual occupational health and safety assessment / inspection conducted	N/A	N/A	N/A	N/A
Effective Information Communication and Technology Systems which are supportive of the organisation's core business and mandate	ICT Governance Framework reviewed and approved	ICT Governance Framework reviewed and approved	ICT Governance Framework reviewed and approved	ICT Governance Framework reviewed and approved	ICT Governance Framework reviewed and approved by the Board	N/A	N/A	N/A	N/A
A World-Renowned World Heritage Park	Newsflashes & press releases	Number of newsflashes & press releases released	20	23	Twenty (20) newsflashes & press releases released	21	1	The target was over achieved due to the Minister's visit to iSimangaliso Wetland Park over and above the planned targets	N/A

## PROGRAMME 2: BIODIVERSITY CONSERVATION

### PURPOSE

The Biodiversity Conservation Programme manages the development and implementation of biodiversity and conservation strategies, which enables the Park to maintain World Heritage values in a manner that facilitates sustainable development.

### PROGRAMME DESCRIPTION

This programme is managed by the iSimangaliso Wetland Park Authority's Biodiversity Conservation Unit. The unit's primary function is to determine conservation policy and ensure that day-to-day conservation management activities are carried out in accordance with the Conservation Operational Plan and the Integrated Management Plan for the Park.

As part of its role to conserve biodiversity, iSimangaliso implements a Land and Coast Care Programme, manages fires and controlled burns on the Western Shores of the Park,

controls alien plant growth, cleans and maintains day-visitor facilities and access roads, provides feedback on buffer zone applications, conservation compliance actions, and employs environmental monitors to control access.

The effectiveness of compliance interventions depends on high service delivery standards from Ezemvelo KZN Wildlife and strong working relationships with the SAPS, provincial and local government, and the judiciary. In addition, iSimangaliso issues watching briefs to support prosecutors with criminal cases and pursue civil action where necessary.

Currently, day-to-day conservation management is outsourced to Ezemvelo KZN Wildlife. Ezemvelo receives funding for this function directly from the provincial government but is facing resource constraints. This plan positions iSimangaliso to take over the day-to-day conservation function and tourism management from Ezemvelo KZN Wildlife.





PROGRAMME 2: BIODIVERSITY CONSERVATION

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024 Until Date Of Re-tabling	Deviation From Planned Target To Actual Achievement 2023/2024	Reasons For Deviations	Reasons For Revisions To The Outputs/ Output Indicators/ Annual Targets
Biodiversity threats mitigated, and the Park's World Heritage Site was maintained	Green Energy Programme Strategy developed and approved	Green Energy Programme Strategy was implemented as per the action plan	Green Energy Programme Strategy developed and approved	Green Energy Programme Strategy was implemented as per the action plan	Green Energy Programme Strategy was implemented as per the action plan	Green Energy Programme implemented as per the action plan	N/A	N/A	N/A
	Unauthorised Land Encroachment Strategy developed and approved	Unauthorised Land Encroachment Strategy implemented as per the action plan	Unauthorised Land Encroachment Strategy developed and approved	Unauthorised Land Encroachment Strategy implemented as per the action plan	Unauthorised Land Encroachment Strategy implemented as per the action plan	Unauthorised Land Encroachment Strategy implemented as per the action plan	N/A	N/A	N/A
	Biodiversity Monitoring Programme developed and implemented	Biodiversity Monitoring Programme implemented as per the action plan	Biodiversity Monitoring Programme developed	Biodiversity Monitoring Programme implemented as per the action plan	Biodiversity Monitoring Programme implemented as per the action plan	Biodiversity Monitoring Programme implemented as per the action plan	N/A	N/A	N/A
Meetings between KwaZulu-Natal Nature Conservation Board (Ezemvelo KZN Wildlife) and iSimangaliso Wetland Park Authority	Meetings between KwaZulu-Natal Nature Conservation Board (Ezemvelo KZN Wildlife) and iSimangaliso Wetland Park Authority	Number of meetings between KwaZulu-Natal Nature Conservation Board (Ezemvelo KZN Wildlife) and iSimangaliso Wetland Park Authority conducted	4	4	4	4	N/A	N/A	N/A
	Environmental audits	Number of environmental audits conducted	12	13	12	12	N/A	N/A	N/A
	Environmental monitors deployed in the Park	Number of environmental monitors deployed in the Park	130	130	130	130	N/A	N/A	N/A

PROGRAMME 2: BIODIVERSITY CONSERVATION

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024 Until Date Of Re-tabling	Deviation From Planned Target To Actual Achievement 2023/2024	Reasons For Deviations	Reasons For Revisions To The Outputs/Output Indicators/Annual Targets
Biodiversity threats mitigated, and the Park's World Heritage Site was maintained	Hectares of invasive alien plants treated	Number of hectares of invasive alien plants treated	64 843.17 ha	113 302.67 ha	75 000 ha	99 543.92 ha	24 543,92 ha	The target was over-achieved due to additional funding received from the department.	N/A
	Cubic meters of earthworks in Wetland Rehabilitation Project	Number of cubic meters of earthworks in Wetland Project rehabilitated	3506.40 m <sup>3</sup>	4051 m <sup>3</sup>	2,000 m <sup>3</sup>	2170 m <sup>3</sup>	170 m <sup>3</sup>	The target was overachieved due to the additional contractors appointed as a catch-up plan to achieve the planned target that could not be achieved in quarter three (3)	N/A
	Kilometres of coastline cleaned	Number of kilometres of coastline cleaned	320 km	320 km	320 km	320 km	N/A	N/A	N/A
	Applications for developments in the buffer zone commented on, and feedback provided within prescribed timeframes	Percentage of applications for developments in the buffer zone commented on and feedback provided within the prescribed timeframe	Percentage of applications for developments in the buffer zone commented on and feedback provided within the prescribed timeframe	100%	100%	100%	100%	N/A	N/A
Identified unauthorised developments/activities	Unauthorised developments/ activities identified	100%	100%	100%	100%	100%	N/A	N/A	N/A

## PROGRAMME 3: TOURISM AND BUSINESS DEVELOPMENT

### PURPOSE

The Tourism and Business Development Programme undertakes research and develops and implements tourism development initiatives to position the Park as a destination of choice.

### PROGRAMME DESCRIPTION

This programme is managed by iSimangaliso's Tourism and Business Development Unit. The programme strategy includes improving existing public access facilities, awarding tourism accommodation concessions to private parties with community equity, and developing and maintaining day-visitor facilities. The primary functions of the unit are to (a) identify revenue generation opportunities for the Park that are

consistent with the parameters set out in the 'Park's IMP and afford economic benefits to claimants and local communities; (b) implement the Tourism Development Programme for the Park; and (c) market and promote the Park as a top travel destination. As a result of resource limitations, some of the tourism facilities managed by Ezemvelo KZN Wildlife are in poor condition. These tourism and business functions currently undertaken by Ezemvelo will be transferred to iSimangaliso, where these facilities will be refurbished. Not only will this lead to an increase in revenue, but it will also result in increased opportunities for the participation of local communities in the programmes. Value chain linkages will be established to create further inclusive opportunities for local community-based businesses.





PROGRAMME 3: TOURISM AND BUSINESS DEVELOPMENT

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024 Until Date Of Re-Tabling	Deviation From Planned Target To Actual Achievement 2023/2024	Reasons For Deviations	Reasons For Revisions To The Outputs/ Output Indicators/ Annual Targets
A World-Renowned World Heritage Park	Kilometres of Roads maintained	Number of kilometres of roads maintained	N/A	30 km	30 km	37 km	7 km	The extra 7km of road was repaired due to the Park infrastructure being hit by floods in October 2023	N/A
	Kilometres of fence maintained (iSimangaliso)	Number of kilometres of fence maintained	N/A	20 km	20 km	57,3 km	37,3 km	The extra 37,3 km of fence was repaired due to the Park infrastructure being damaged by floods	N/A
	Fencing erected in the key identified boundary areas of Hluhluwe iMfolozi Park	Fencing erected in the key identified boundary areas of Hluhluwe iMfolozi Park	N/A	N/A	Fencing erected in the key identified boundary areas of Hluhluwe iMfolozi Park	N/A	N/A	N/A	This target was aligned to the Minister's performance agreement
	The Tourism and Commercialisation Strategy was implemented	The Tourism and Commercialisation Strategy was implemented as per the action plan	40%	The Tourism and Commercialisation Strategy was implemented as per the action plan	The Tourism and Commercialisation Strategy was implemented as per the action plan	N/A	N/A	N/A	N/A
	Collaterals as marketing tools developed	Number of collaterals as marketing tools developed	5	5	5	8	3	The three (3) extra collaterals were developed as part of marketing the Park as a destination of choice	N/A
	Engagements for tourism trade conducted	Number of engagements for tourism trade conducted	3	5	3	4	1	KZN Tourism Master Plan, Umthayi Marula Festival, KZN Trade Academy and the Easter Rand Show	N/A
	Special events were conducted to promote the Park as a destination of choice	Number of special events conducted to promote the Park as a destination of choice	3	5	2	3	1	An external stakeholder initiated an additional special event, and iSimangaliso was invited to attend	N/A
	Editorials published/ broadcasted	Number of editorials published/ broadcasted	6	9	6	11	5	N/A	N/A

PROGRAMME 3: TOURISM AND BUSINESS DEVELOPMENT

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024 Until Date Of Re-Tabling	Deviation From Planned Target To Actual Achievement 2023/2024	Reasons For Deviations	Reasons For Revisions To The Outputs/ Output Indicators/ Annual Targets
A World-renowned World Heritage Park	Media junkets hosted	Number of media junkets hosted	4	8	4	5	1	An additional media junket was hosted to market the Park	N/A
	Social media posts done across three (3) platforms (Facebook, Twitter, Instagram)	Number of social media posts done across three (3) platforms (Facebook, Twitter, Instagram)	500	518	500	519	19	The extra social media posts were done to promote the Easter holidays.	N/A
	Non-paying entries to the Park	Number of non-paying entries to the Park	115000	261 019	180 000	223 644	43 644	The increase in non-paying entries in the Park was due to the entries by operational teams (eg. alien plants and infrastructure contractors) over and above the non-paying guests visiting the Park	N/A
	Paying visitor entries	Number of paying visitor entries	66 250	249 855	96 000	172 694	76 694	The number of paying visitor entries increased due to the marketing efforts conducted	N/A
	Revenue to the Park	Revenue to the Park generated	R 6 250 000,00	R 56 799 940,00	R 25 103 801,00	R 27 255 311,08	R 2 151 510,08	The increased revenue was due to commercialisation and VAT collection	N/A
	Annual visitor market research completed	Number of annual visitor market research completed	1	N/A	1	1	N/A	N/A	N/A
	Park Estate Maintenance Plan implemented as per the action plan	100% of the Park Estate Maintenance Plan implemented	100% of the Park Estate Maintenance Plan implemented	100% of the Park Estate Maintenance Plan implemented	100%	100%	N/A	N/A	N/A

## PROGRAMME 4: SOCIO-ECONOMIC, ENVIRONMENT AND DEVELOPMENT

### PURPOSE

The Transformation Programme aims to facilitate the development and implementation of socio-economic programmes to benefit local communities.

### PROGRAMME DESCRIPTION

This programme is integrated into the work of the Tourism and Business Development, Biodiversity Conservation, and Socio-Economic and Environment Development Directorate, which is directly responsible for the rollout of training and development programmes, while other directorates are directly responsible for job creation and equity participation in tourism development. Its primary function is to improve access to job and income-generation opportunities for previously disadvantaged individuals and communities who live in and around the Park, including land claimant groups.

The programme includes (a) job creation through land and coast care programmes and infrastructure programmes; (b) training and capacity building for people and community-based contractors employed by the Park; (c) development programmes for rural enterprises and entrepreneurs, craft producers, and artists; (d) a higher education access programme that provides bursaries and academic support; and (e) the procurement of goods and services from black-owned businesses. In addition, the Directorate manages the issuing of licenses and concessions, which all specify minimum ownership targets for local communities. This programme is aligned with the Department of Forestry, Fisheries and the Environment's Biodiversity Economy and People and Park programmes, where biodiversity conservation and natural assets are equitably and sustainably used to contribute to the socio-economic development of communities.





PROGRAMME 4: SOCIO-ECONOMIC, ENVIRONMENT AND DEVELOPMENT

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024 Until Date Of Re-Tabling	Deviation From Planned Target To Actual Achievement 2023/2024	Reasons For Deviations	Reasons For Revisions To The Outputs/Output Indicators/Annual Targets
Improved socio-economic benefits and condition of communities around the Park	Meetings with fishing cooperatives held	Number of meetings with fishing cooperatives held	4	4	4	4	N/A	N/A	N/A
	People and Parks meetings attended	Number of People and Parks meetings attended	4	4	4	6	2	The newly elected People and Parks structure requested two (2) additional meetings	N/A
	Amakhosi Forum meetings attended	Number of Amakhosi Forum meetings attended	2	4	4	5	1	The over-achievement was due to the special Amakhosi Forum Meeting, which was meant to update them on the new developments regarding the newly erected People and Parks Structure	N/A
	Traditional Council meetings attended	Number of Traditional Council meetings attended	24	24	24	27	3	Additional meetings with Traditional Councils were held to introduce the creation of new job opportunities through the Cleaning and Greening Programme	N/A
	Land Claims & Co-Management meetings undertaken	Number of Land Claims & Co-Management meetings undertaken	8	8	8	15	7	Additional meetings were undertaken to engage with Land Claimants and Co-Management Structures about new job creation through the Cleaning and Greening Programme	N/A
	Municipalities and ward council meetings attended	Number of municipalities and ward council meetings attended	12	12	12	13	1	iSimangaliso attended the municipalities and ward council meetings to engage with them about the Cleaning and Greening Programme, which was due for implementation	N/A
	Other community group meetings across the Park attended to	Number of other community group meetings across the Park were attended to	68	72	68	74	6	Additional meetings were held to engage them about new job creation through the Cleaning and Greening Programme, which was due for implementation	N/A

PROGRAMME 4: SOCIO-ECONOMIC, ENVIRONMENT AND DEVELOPMENT

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024 Until Date Of Re-Tabling	Deviation From Planned Target To Actual Achievement 2023/2024	Reasons For Deviations	Reasons For Revisions To The Outputs/Output Indicators/Annual Targets
Improved socio-economic benefits and condition of communities around the Park	Female beneficiaries supported	Percentage of female beneficiaries supported	57%	55%	55%	56%	1%	309/548*100 = 56% More female beneficiaries were employed due to the additional Expanded Public Works Programme funding received from the department	N/A
	Youth beneficiaries supported	Percentage of youth beneficiaries supported	58%	59%	30%	50%	20%	278/548*100 = 50% More youth beneficiaries were employed due to the additional Expanded Public Works Programme funding received from the department	N/A
	Job creation	Number of full-time equivalent jobs	550	600	550	679	N/A	The target was exceeded due to additional programme funding from the department for the Expanded Public Works Programme	N/A
	Accredited training conducted	Number of beneficiaries who successfully completed accredited training (NQF)	877	1276	1250	1260	10	More project beneficiaries were employed and trained due to additional funding from the department	N/A
	Non-accredited training conducted	Number of beneficiaries who successfully completed non-accredited training.	1273	1430	1400	1430	30	More beneficiaries were trained due to additional funding received from the department	N/A
	Skills development conducted	Number of people participating in skills development programmes (infrastructure, tourism, life guides and environmental monitors)	285	305	206	200	6	More people were employed and trained due to additional funding from the department	N/A
	Rural development	Number of people participating in the Rural Enterprise Programme (business services, training, mentoring, guiding and grants)	100	118	100	109	9	More people supported in the Rural Enterprise Programme due to their special needs	N/A

PROGRAMME 4: SOCIO-ECONOMIC, ENVIRONMENT AND DEVELOPMENT

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024 Until Date Of Re-Tabling	Deviation From Planned Target To Actual Achievement 2023/2024	Reasons For Deviations	Reasons For Revisions To The Outputs/Output Indicators/Annual Targets
Improved socio-economic benefits and condition of communities around the Park	New first years receiving bursaries and supported	Number of new first years receiving bursaries and support	10	10	10	10	N/A	N/A	N/A
	Bursary students who pass their registered modules yearly	Percentage of bursary students who pass their registered modules annually	75%	92%	75%	93%	18%	Bursary students exceeded the pass rate	N/A
	Schools visited by iSimangaliso and partners for environmental awareness	Number of schools visited by iSimangaliso and partners for environmental awareness	N/A	65	50%	64%	14%	More requests were received from schools to be visited by iSimangaliso and partners for environmental awareness	N/A
	Environmental awareness activities implemented	Number of youth (rhino) ambassadors participating in environmental awareness activities	27	66	50	61	11	iSimangaliso received an additional request to participate in the Environmental Awareness Workshop	N/A
	Participation by leadership structures in conservation awareness	Number of leadership structures participating in conservation awareness	1	2	2	2	N/A	N/A	N/A
	Key environmental calendar days celebrated	Number of events celebrating key environmental calendar days (eg. heritage, wetland)	1	3	2	2	N/A	N/A	N/A
Improved Stakeholder Relations	Groen Sebenza interns deployed	Number of Groen Sebenza interns deployed	N/A	200	200	200	N/A	N/A	N/A



# ST LUCIA ESTUARY

## ST LUCIA ESTUARINE SYSTEM HAS SHOWN THAT THE OPEN MOUTH OF ST LUCIA ESTUARY HAS IMPROVED ESTUARINE FUNCTIONING DUE TO THE NATURAL EXCHANGE OF SEAWATER AND FRESHWATER.

Progress made includes public participation in accordance with the Estuarine Management Plan (EMP), and that process has been finalised. Community concerns are farming since farms are inundated with water due to back-flooding.

The condition of the open estuary mouth is crucial for maintaining the health status of the system. Fishing has been observed, but farming remains a challenge because of back-flooding. UMfolozi and UMsunduzi River dredging is proposed to rescue the St Lucia Estuary. The increase in salinity levels will likely inhibit reed encroachment, reduce reed beds, and require further aerial surveys to assess fully. Higher salinity levels positively impacted mangrove-associated species, particularly mangrove crabs, essential for

nutrients and habitat establishment. However, no mangrove propagules or seedlings have been observed. Also, the open mouth led to the presence of prawns at the start of winter months and increased catches of estuarine-dependent fish species.

Monitoring the system and understanding the St Lucia Estuary mouth dynamics is vital for conservation management. Thus, continuous monitoring is essential for understanding ecological processes and ensuring the long-term sustainability of the Lake St. Lucia estuarine system. Engaging with stakeholders and neighbouring communities gives hope for rescuing the estuarine system to its original state.





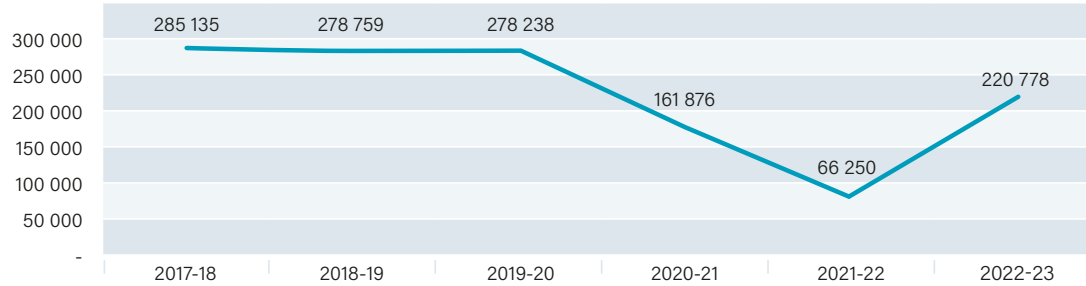
# SUMMARY OF ACHIEVEMENTS

## REVENUE AND VISITOR NUMBERS

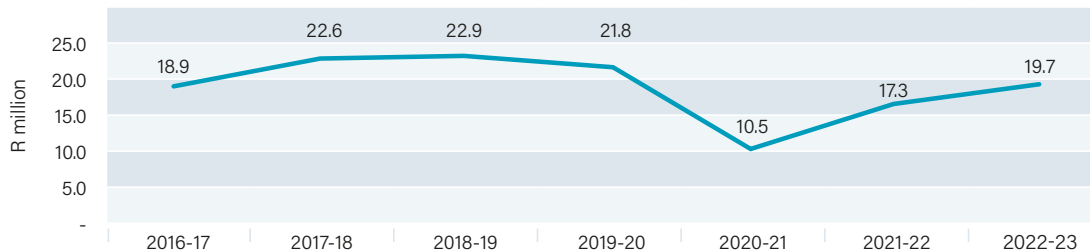
Eco-Tourism provides a recreational and educational outlet for the South African and international markets, and importantly, creates a revenue source that enables iSimangaliso to meet its core mandate of conservation.

Tourism revenue (only) has grown by 27.7% to R27 255 311.08 million, from R19 708 739 million achieved in the previous year. This is higher than what was budgeted. During the reporting year, a total of 223 644 paying guests visited iSimangaliso Wetland Park. This is an increase of 13% compared to the number of visitors of year 2022/2023 which was 220 778.

PAYING VISITOR GRAPH



REVENUE GENERATION



Guest enjoying himself in Sodwana Bay

## BUSINESS DEVELOPMENT

The Business Development Unit implements and manages a range of private sector partnerships to maximise iSimangaliso's financial sustainability whilst enabling socio-economic development. During the reporting year, iSimangaliso implemented its commercialisation strategy, which is carried out through Public-Private Partnership (PPP) projects. The PPP projects for the year included 11 activities, of which iSimangaliso signed 62 contractual agreements. The organisation's achievements during the reporting period are a testament to its workforce's dedication, steadfastness, and commitment. Notably, there was an 8% increase in activities, rising from 57 to 62 during the period under review.



Charters Creek



The breathtaking natural landscape is bathed in glorious sunshine for more than 300 days per year. This newly fully flashed lodge with 14 units, 13 exclusive and private campsites called Charters Creek in Western Shores of the Park was completed in this period under review. It is named after A.E Charter who was the Natal Provincial Secretary (Premier) in 1928 who served as a member of the first National Parks Board of Trustees in 1926. A rich historical context memories such as this one are relieved in this hidden jewel.



Viewing of rhino on a game drive

#### CONCESSIONS

Activity	No of Submissions	Awarded	Previously disadvantaged people	% of Previously disadvantaged people
Game Drives Open	14	14	5	36%
Game Drives Night	7	3	1	33%
Boats	17	12	6	50%
Scuba Diving	7	7	0	0%
Snorkeling	4	4	2	50%
Turtle Tour Vehicles	4	3	1	33%
Turtle Tour Walks	4	3	1	33%
Horse Riding	1	1	0	0%
Fishing Charters	10	7	0	0%
Guided Walks/Trails	7	4	3	75%
Kayaking/Canoeing	5	2	1	50%
Whale Watching	2	2	0	0%
<b>Total</b>	<b>82</b>	<b>62</b>	<b>20</b>	<b>32%</b>

## SUMMARY OF ACHIEVEMENTS CONTINUED

The 10th Anniversary of the World Travel Market (WTM) 2024 at the CTICC in Cape Town was a significant milestone. Launched in 2014 under the Africa Travel Week umbrella, WTM aims to provide global industry expertise and opportunities to travel professionals and destinations such as iSimangaliso. The event serves as a business-to-business engagement platform for the travel industry, intending to showcase Africa to the world. A 27m2 stand profiled the iSimangaliso brand, ensuring visibility from all access points.



iSimangaliso exhibition stand (N18) at the Cape Town International Conference Centre - 2023



UMthayi Marula Festival

iSimangaliso attended the UMthayi Marula Festival at Emfihlweni Royal Residence, where the Marula fruit and its products bear a spiritual and cultural significance for the Tembe people. Since time immemorial, the Tembe people have celebrated the Umthayi Marula Festival, which centres around celebrating the first fruits of the marula. The distilled drink is ferried in containers by community members and pooled in a designated site to symbolise the first brew.

## JOB CREATION THROUGH THE CLEANING AND GREENING PROGRAMME

iSimangaliso Wetland Park created 300 job opportunities for residents in neighbouring communities. The Department of Forestry, Fisheries and the Environment (DFFE) tasked iSimangaliso with the Cleaning and Greening Project rollout in three (3) local municipalities in KwaZulu-Natal. The DFFE initiated a national Municipal Cleaning and Greening Programme after realising that more needs to be done to address environmental pollution. iSimangaliso is leading the project implementation in uMhlabuyalingana Local Municipality, Big 5 Hlabisa Local Municipality (the project is implemented in Hluhluwe) and uMtubatuba Local Municipality. Through engagement with municipalities, Amakhosi, and other community leaders, iSimangaliso identified areas within each municipality engulfed by poverty and families in need, enabling them to prioritise these targeted areas.

Mr Sibusiso Bukhosini, the CEO of iSimangaliso, commended all stakeholders' cooperation in the project's successful implementation.

The programme aims to provide employment opportunities for those without work, particularly emphasising women, youth, and those with disabilities. The primary objective is to address environmental degradation and ensure that people live in a protected environment for the benefit of current and future generations. The aim is to promote public well-being while maintaining cleanliness in public spaces.



Recruits signing employment contracts

Through the in-house Cleaning and Greening Programme, iSimangaliso and the DFFE have provided an additional 2000 employment opportunities through the Expanded Public Works Programme (EPWP) for communities within and around the Park.

## WORKING TOGETHER TO PRIORITISE NEIGHBOURING COMMUNITIES

iSimangaliso Wetland Park, situated in the uMkhanyakude District, with 12 traditional leaders from kwaSokhulu to kwaTembe in Manguzi near the Mozambique border. On 5 January 2024, Mr Bukhosini expressed his eagerness to further strengthen the relationship with the Amakhosi and invited them to visit the iSimangaliso offices. Previously, iSimangaliso had experienced frequent community unrest due to various dissatisfaction from local communities and the traditional leadership regarding the Park. Because of the perceived lack of community involvement in decision-making concerning Park management, the current iSimangaliso leadership is dedicated to ensuring that the neighbouring communities are actively engaged in various Park activities and are given priority in terms of job opportunities and business prospects at iSimangaliso Wetland Park. To date, iSimangaliso has spent about R277,3 million on SMMEs and creating job opportunities directed at the local community.



The Chief Executive Officer (CEO) of iSimangaliso (on the far left) hosting the local traditional leaders of uMkhanyakude District at iSimangaliso offices

# SUMMARY OF ACHIEVEMENTS CONTINUED

## AWARD WINNERS AT AFRICA TRAVEL INDABA 2023

In May 2023, iSimangaliso participated in the Africa Travel Indaba (ATI) at the Durban International Conference Centre (ICC) alongside numerous tourism exhibitors. The ATI is a significant platform for showcasing the best industry offerings in South Africa, Africa, and the international tourism market.

iSimangaliso was honoured with the prestigious Platinum Award for the first time in the Small Stand Category of the Green Stand Awards. The use of natural resources, innovation, professionalism, and in-depth product knowledge was recognised through this award. Furthermore, it honoured those tourism organisations and businesses that have excelled in advancing tourism amid unprecedented technological and industry change.



The iSimangaliso team beaming with pride as they display their Platinum Award for having one of the most environmentally friendly stands

## ANOTHER CLEAN AUDIT OPINION FOR THE 2023/24 FINANCIAL YEAR

During the financial year 2022/23 and maintained again in 2023/24, iSimangaliso received a clean audit opinion from the Auditor General of South Africa. These results were attributed to numerous robust financial initiatives and overall governance improvements implemented by the present iSimangaliso management team, with the support of the Board.

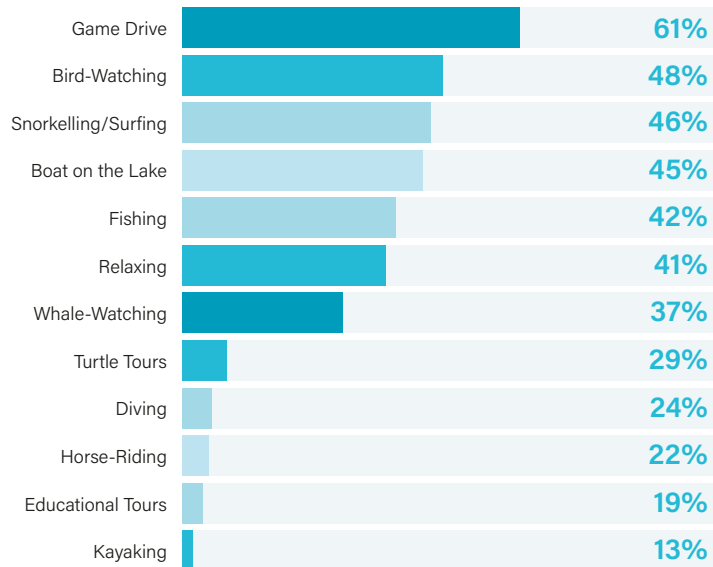


iSimangaliso Wetland Park Authority Board Members

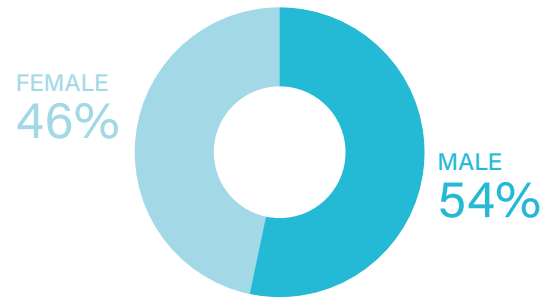
# MARKET RESEARCH

An independent service provider conducted marketing research to determine visitor numbers and demographics and test market demand and satisfaction trends. The survey findings provided valuable insights into visitor demographics, motivations, and experiences at iSimangaliso. Notably the following statistics were observed:

VISITOR PREFERENCE - ACTIVITIES PLANNED



VISITORS GENDER



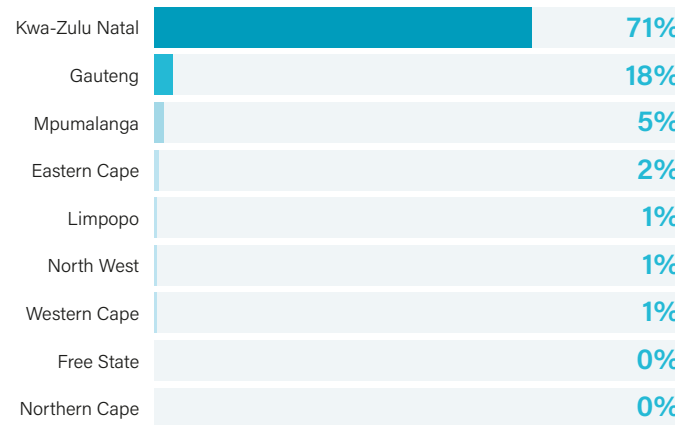
20%

FIRST TIME VISITORS

57%

HAD VISITED THE PARK IN THE PAST 12 MONTHS

VISITORS BY PROVINCE



17%

PLANNED TO VISIT THE PARK IN THE FUTURE

92%

HAD PREVIOUSLY VISITED iSIMANGALISO, WITH 56.7% HAVING VISITED MORE THAN 10 TIMES

## PART C

# GOVERNANCE



# THE ACCOUNTING AUTHORITY/BOARD

## INTRODUCTION

### The Importance and Purpose of the Board

1. The Board of iSimangaliso is the governing body with absolute responsibility and accountability for its performance.
2. Governance principles regarding the role and responsibility of the iSimangaliso Board are contained in the PFMA, WHCA, NEMPAA, the regulations and this agreement.
3. The mission of the Board is to fulfil the mandate of iSimangaliso in accordance with the government's strategic objectives while achieving its commercial objectives.
4. The Board is responsible for the corporate governance of iSimangaliso and has two main functions: determining iSimangaliso's strategic direction, and controlling iSimangaliso.

### Board's Responsibilities and Accountability for the Public Entity's Performance and Strategic Direction

The Board is responsible to, inter alia:

1. Develop a five-year strategy aligned to government priorities and reflective of its national role.

2. Develop an APP that is aligned with the strategic plan.
3. Develop a formal charter that clearly outlines the role and responsibilities of the Board and the members, including formal delegations to the executive management.
4. Ensure that iSimangaliso has and maintains an internal audit system under the control and direction of an

audit committee that complies with and operates in accordance with regulations and instructions prescribed in terms of the PFMA.

5. Ensure that executive management cultivates a culture of ethical conduct, sets the values of the organisation, and ensures that iSimangaliso operates ethically.



6. Ensure that iSimangaliso has effective, efficient, transparent operational, risk management, and financial internal control systems.
7. Ensure that iSimangaliso has and maintains an appropriate procurement and provisioning system that is fair, equitable, transparent, competitive and cost-effective.
8. Ensure that all applicable BEE legislative frameworks and requirements are complied with.
9. Ensure that iSimangaliso has and maintains a system for accurately evaluating all major capital projects before a final decision on the project.
10. Ensure that the executive management implements iSimangaliso's strategy as required occasionally.
11. Ensure the succession and approval of executive appointments.
12. Adopt a structured and intensive performance management system for the CEO and executive management. Incentives should be strictly aligned with performance.
13. Address the adequacy of retirement and healthcare benefits and the funding thereof.
14. Uphold the Batho Pele principles of government and support the vision of a developmental state to improve service delivery and access to services.
15. Provide information or a report on the activities of iSimangaliso that align with the communication strategy.
16. Adopt guidelines for stakeholder communication so that it is clear, relevant, timely, honest and accessible to

stakeholders.

17. Disclose its stakeholder dealings in its Annual Report.

## THE ROLE OF THE BOARD

1. The Board constitutes the fundamental base of corporate governance in iSimangaliso. Accordingly, iSimangaliso must be headed and controlled by an effective and efficient Board comprising executive and non-executive directors, of whom the majority must be non-executive directors to ensure independence and objectivity in decision-making.
2. The Board of iSimangaliso is responsible for the Entity's performance and is accountable for such performance. As a result, the Board should give strategic direction to iSimangaliso and ensure that an effective succession plan is in place and adhered to for all directors and key executives. The Board does not appoint the CEO but conduct the interviews and recommends three suitable candidates to the Minister. The Minister, in concurrence with the Cabinet, appoints the CEO.
3. The Board must retain complete and effective control over iSimangaliso and monitor management in implementing Board decisions, plans and strategies.
4. The Board must ensure that iSimangaliso has and maintains a system of internal audit under the control and direction of an audit committee, complying with and operating in accordance with regulations and instructions prescribed in terms of the Act, regulations and the PFMA (as amended).
5. The Board must ensure that iSimangaliso is fully aware

of and complies with applicable laws, regulations, government policies and codes of business practice and communicates with its shareholders and relevant stakeholders openly and promptly with substance prevailing over form.

6. All Board members should ensure that they have unrestricted access to accurate, relevant and timely information from iSimangaliso. Directors are required to act on a fully informed basis, in good faith, with diligence, skill and care and in the best interest of iSimangaliso while taking account of the interests of the shareholder and other stakeholders, including employees, funders, creditors, customers, suppliers and local communities. To this end, the Board must monitor the process of disclosure and communication and exercise objective judgment on the affairs of iSimangaliso, independent of management. In so doing, each member of the Board must keep all matters of iSimangaliso confidential.
7. The Board must ensure that executive management prepares a risk report, which must be submitted to the Board at its meetings not less than four times per year.
8. Without derogating from its fiduciary duties, the Board must ensure that the shareholders' performance objectives are achieved and that this can be measured in terms of the performance of iSimangaliso. In addition, the Board must ensure that iSimangaliso prepares annual budgets against which its performance can be monitored.
9. The Board has developed a clear definition of the levels of materiality or sensitivity to determine the scope of delegation of authority and ensure that it reserves specific powers and authority for itself. The delegated

authority must be in writing and evaluated regularly.

10. Annually, within five months of the financial year-end, the CEO, on behalf of the Board, must submit a report to the shareholders on the activities of the Entity for the year, together with the audited AFS and the Auditor-General's report thereon. The AFS must include a report by the Directors and a full disclosure of all directors and key management's remuneration with respect to the Entity.
11. The Board must always maintain the highest standard of integrity, responsibility and accountability and ensure that it finds a fair balance between conforming to corporate governance principles and the performance of iSimangaliso.

## BOARD CHARTER

On March 27, 2020, the current Board Charter was adopted. The Board formed three (3) committees in accordance with the Board Charter: the Human Resources, Social and Ethics Committee, the Conservation and Tourism Committee, and the Audit and Risk Committee. Additionally, the Board conducted the necessary number of regular meetings, ensuring management was held accountable every quarter. The standard of reports presented to the Board has improved, and meetings held have been productive at all times.

In the beginning, Board members went through governance training and Park visits for a thorough understanding of iSimangaliso Wetland Park. A risk management workshop was also conducted, enabling the Board and management to align the Entity's strategic risk and developments.

During the period under review, The Board maintained high standards of ethics per the Board Charter, and no Board member was found to have a conflict of interest that was not properly declared or to have breached the ethics code. Lastly, the Board also fulfilled its obligation to report to the stakeholders on a quarterly basis, and the annual report was submitted on schedule and in accordance with legislation.



## COMPOSITION OF THE BOARD

Name	Designation (in terms of the Public Entity Board structure)	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Other Committees or Task Teams (eg: Audit Committee / Ministerial Task Team)	No. of Meetings Attended
Inkosi Mabhudu Israel Tembe	Board Chairperson	01 March 2023	N/A	1. Computer Studies – Hartfield Business College 2. Leadership and Good Governance Certificate - UKZN	Traditional Leadership	National Portfolio Committee on Environment, Forest and Fisheries	5
Ms Memory Thulile Sosibo	Deputy Chairperson	01 March 2023	N/A	1. Bachelor of Laws (LLB) UNISA	Legal	1. Audit and Risk Committee 2. Conservation, Tourism and Special Projects Committee	5
Prof Christopher Peter Small	Board Member	01 March 2023	N/A	1. BSc in Zoology and Advanced Biology - University of Witwatersrand 2. BSc Hons in Ecology – Potchefstroom University for Christian Higher Education 3. Masters in Business Leadership – UNISA	Conservation	1. Conservation, Tourism and Special Projects Committee	5
Mr Gonasagren Ganesh Nair	Board Member	01 March 2023	N/A	1. Basic Training Course for Environmental Enforcement – University of Pretoria 2. Introductory Course in Marine Protected Area Management – Nelson Mandela Metropolitan University 3. Integrated Coastal Management Training Course	Conservation	1. Conservation, Tourism and Special Projects Committee 2. Human Recourses, Social and Ethics Committee	5
Ms Sibusisiwe Maureen Ngcobo	Board Member	01 March 2023	N/A	1. Master of Social Science (Policy and Development) Degree - University of Natal 2. Degree in Home Economics (Development and Extension) – University of Zululand 3. Secondary Teachers Diploma – Indumiso College of Education	Management	1. Human Recourses, Social and Ethics Committee	5
Mr Boy Daniel Ngobeni	Board Member	01 March 2023	N/A	1. B Admin – University of Limpopo 2. B Admin Hons - University of Limpopo 3. Advanced OD - UNISA 4. Masters in Leadership Performance – University of Johannesburg 5. Masters in Public Management – Regenesys School of Management	Management	1. Conservation, Tourism and Special Projects Committee 2. Human Recourses, Social and Ethics Committee	5
Ms Nombuso Mlambo	Board Member	01 March 2023	N/A	1. Bachelor of Business Administration – CIDA City Campus		1. Conservation, Tourism and Special Projects Committee 2. Human Recourses, Social and Ethics Committee	5
Mr Bongani Mzwakhe Mhlongo	Board Member	01 March 2023	N/A	1. Masters in Public Administration – University of KwaZulu Natal 2. Certificate in Public Finance – University of Western Cape 3. Financial Diploma – Damelin Management School 4. Certificate in Commercial Property Practitioner – University of Pretoria 5. Small Business Management Certificate – Intec College 6. Bachelor of Commerce – University of Natal 7. National Technical Certificate – Swinton College 8. Supervisory Safety Training Course - NOSA	Finance	1. Audit and Risk Committee 2. Human Resource, Social and Ethics Committee	5

## COMMITTEES

Committee	No. of meetings held	No. of members	Name of members
Audit and Risk Committee	8	5	Ms Nonhlanhla Mzimela (Chairperson)
	8		Mr Bongani Mzwakhe Mhlongo
	8		Ms Memory Thulile Sosibo
	5		Mr Mxolisi Sikhosana
	8		Ms Zama Soji
Human Resources, Social and Ethics Committee	5	5	Ms Sibusisiwe Maureen Ngcobo (Chairperson)
	5		Mr Gonasagren Ganesh Nair
	5		Mr Boy Daniel Ngobeni
	5		Ms Nombuso Mlambo
	5		Mr Bongani Mzwakhe Mhlongo
Conservation, Tourism and Special Projects Committee	4	5	Mr Gonasagren Nair (Chairperson)
	4		Prof Peter Small
	4		Ms Nombuso Mlambo
	4		Ms Memory Thulile Sosibo
	4		Mr Boy Daniel Ngobeni

## THE AMOUNT OF REMUNERATION PAID TO EACH BOARD MEMBER

Name	Remuneration in Rands
Inkosi Mabhudu Israel Tembe	R 4 446,00
Ms Memory Thulile Sosibo	R 3 892,00
Prof Christopher Peter Small	R 2 698,00
Mr Gonasagren Ganesh Nair	R 2 698,00
Ms Sibusisiwe Maureen Ngcobo	R 2 698,00
Mr Boy Daniel Ngobeni	R 2 698,00
Ms Nombuso Mlambo	R 2 698,00
Mr Bongani Mzwakhe Mhlongo	R 2 698,00

## REMUNERATION OF BOARD MEMBERS

*The remuneration of Board members is determined as per National Treasury regulations.*

- Board members who are not remunerated - none.
- Other expenses, e.g. travel, reimbursed by the public entity - none.



## 1. COMPLIANCE WITH LAWS AND REGULATIONS

The Entity developed a checklist to ensure compliance with laws and regulations and implement policies and standard operating procedures to run day-to-day business.

## 2. FRAUD AND CORRUPTION

- The Entity has a fraud and corruption policy. Employees who suspect fraud may report to management or follow the iSimangaliso whistleblowing policy.
- No fraud cases have been reported for the 2023/24 financial year.

## 3. MINIMISING CONFLICT OF INTEREST

All employees are required to declare their interest at the beginning of each financial year. Bid Committee members

further declare their interest in each RFQ or RFP.

There was no case whereby a conflict of interest was detected in the 2023/24 financial year.

## 4. CODE OF CONDUCT

Two (2) disciplinary hearings occurred during the year 2023/24. In terms of the iSimangaliso Wetland Park Authority Disciplinary Code and Procedure, the two (2) employees allegedly committed an offence or gross misconduct. The table projects the outcomes of the disciplinary hearings.

Nature of Disciplinary Action	Number
Verbal Warning	0
Written Warning	0
Final Written Warning	2
Dismissal	0

## 5. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

- The Entity has a board-approved health and safety policy.
- The Entity has a Health and Safety Committee, which is comprised of seven (7) members.
- The Entity has one (1) health and safety representative.
- In line with the Health and Safety Act, the health and safety representative conducts quarterly inspections to ensure the health and safety of employees within the Entity.
- The Department of Labour raised no-none compliance matters during the reporting period.



## AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2024.

### Audit Committee Responsibility

The Audit Committee reports that it has performed its duties and complied with its responsibilities in accordance with the Public Finance Management Act and the Treasury Regulations. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein. The Committee held a Special meeting to consider and finalize the Annual Financial Statements for submission as per the PFMA requirements.

### Membership and Attendance

The Audit and Risk Committee, for the year under review consisted of the members listed hereunder and met 4 times as per approved Terms of Reference/charter. There were 4 more special meetings held to consider other important matters, therefore in total the committee set 8 times.

Member	Number of meetings attended
Ms Mzimela (Independent)	8
Ms Soji (Independent)	8
Mr Sikhosana (Resigned 22 September 2023)	5
Mr Mhlongo	8
Ms Sosibo	8

### Risk Management

The Audit and Risk Committee, considered the institution's Risk Register which was assessed and reviewed by management with the assistance of the Internal Auditors. The committee further assessed the risks as identified and ensured that strategic Risks

were effectively monitored through the committee. The Committee monitors the implementation of controls as identified, through reports tabled and interrogated during the Audit and Risk Committee meetings on a quarterly basis.

The Committee considered and approved the Risk Management for the organisation which guides the risk management process within the organisation. The Committee, also adopted a risk governance system, which assists the Committee in extracting required reports which will guide the Committee in effectively providing the oversight as stipulated on the Committee terms of reference.

### Internal Audit

Internal Audit was operated through an annual operational plan, between iSimangaliso Wetland Park Authority and Isiqu Accountants which was approved by the Board. The committee's review of the internal audit work findings, based on the risk assessments conducted in the public entity, revealed certain weaknesses, which were then raised with the public entity.

The following internal audit work was completed during the year under review:

- Review of monthly management accounts and later quarterly financial statements.
- Audit of monthly performance information and later quarterly performance reports.
- Audit of supply chain management as and when the Entity procure goods and services.
- Physical verification of assets and ensuring they are correctly stated on the financial statements.
- Infrastructure site visits were performed throughout the year.
- Reviewing the completeness and accuracy of the portfolio of evidence.

- Compiling reports for the Audit and Risk Committee at the end of each quarter.

No areas of concern were identified during the period under review

### WIn-Year Management and Monthly/Quarterly Report

The public entity has submitted monthly and quarterly reports to the Executive Authority.

### Evaluation of Financial Statements

We have reviewed the annual financial statements prepared by the public entity.

### Auditor's Report

We have reviewed the public entity's implementation plan for audit issues raised in the prior year, and we are satisfied that the matters have been adequately resolved.

The Audit Committee concurs and accepts the conclusions of the external auditor on the annual financial statements and is of the opinion that the audited annual financial statements should be accepted and read together with the auditor's report.



**Ms NQ Mzimela**

Chairperson of the Audit Committee  
iSimangaliso Wetland Park Authority

19 August 2024

## PART D

# HUMAN RESOURCE MANAGEMENT



# 1. OVERVIEW OF HUMAN RESOURCE MATTERS AT THE PUBLIC ENTITY

iSimangaliso is a World Heritage Site. With this prestigious status, the Entity prides itself on a people-centric culture that gives credence to its high regard for the welfare of all its employees as its key assets. The non-negotiable people-centric culture demands that the Entity maintains world-class people management systems and processes. It is precisely this understanding that the Entity has made necessary efforts to enhance all its HR-related policies, procedures, systems and processes by providing various organisational developmental opportunities to all employees. The main objective in this regard is to ensure that all the employees are provided with the required resources and skills to be competent in carrying out their duties.

Regarding the Entity's organisational structure, the Human Resources Department falls under Programme One (1): Corporate Support Services. The department is strategically positioned to provide effective and efficient support functions to all the clients' departments. The HR Department is tasked with ensuring that all the Entity's HR matters are aligned with the best practices while at the same time ensuring necessary compliance with relevant legislative requirements. The department is tasked with the following strategic functions: recruitment and selection, skills development, HR administration, employee relations, employee wellness programmes, and occupational health and safety. The HR Department successfully ensured that all the Entity's human resources were carried out in the most professional manner possible.

## RECRUITMENT AND SELECTION:

The HR Department managed to fill all the available positions due to natural attrition. The recruitment, selection and placement of new employees was conducted with complete adherence to the approved recruitment and selection policy. The department also factored in the provisions of the Employment Equity Act and the Employment Equity Plan to ensure that the recruitment of employees reflects the demographics of the country and the province. There were no instances of breach of the recruitment processes that could have necessitated the applicants to challenge the Entity's recruitment practices.

## SKILLS DEVELOPMENT:

The Entity provided skills development opportunities for all the employees. A total of 13 skill programmes were afforded to the employees, which included the following: performance management; communication and decision-making skills; customer service; managing discipline in the workplace; Initiating and chairing disciplinary hearings; mentoring for growth; succession planning; employment equity; emotional intelligence' supply chain management; demand and contract management; and managing personal finances. Based on the approved Workplace Skills Plan, these skills programmes were designed and provided to the staff.

## EMPLOYEE RELATIONS:

The Entity continues to provide various opportunities for employees to utilise channels of communication that help them raise issues of concern where necessary. Multiple sessions also aided this in explaining and training employees



on Entity policies to ensure that they can utilise them where necessary. There were no major employee relations matters that had the potential to disrupt the organisation's operations.

## EMPLOYEE WELLNESS PROGRAMME AND OCCUPATIONAL HEALTH AND SAFETY:

Over the years, this function has become the main focal point of the Entity to ensure that employee wellness, health and safety are given special attention in keeping with the organisational culture of iSimangaliso, which seeks to create a quality of work life for all its employees. To this end, a wellness day was held in July 2023, with the theme that a happy workforce is productive. The programme was conducted based on the following topics:

- Mental Health issues affecting work performance.
- Prevention of chronic illnesses among employees and dietary management.
- Primary health check - BP/DM/BMI.
- South African Blood Services (SANBS).
- Physical fitness assessment.

## HR ADMINISTRATION:

The department also conducted sterling work in maintaining and updating employee records, talent management, compensation and benefits, and compliance. There were no adverse audit findings while assessing the HR administration functions and activities.

## 2. SET HR PRIORITIES FOR THE YEAR UNDER REVIEW AND THE IMPACT

### SKILLS DEVELOPMENT

The people-centric culture of iSimangaliso recognises all its employees as its most significant assets. It is the Entity's culture to equip its employees with relevant competencies so that they enjoy personal and professional growth. The Entity believes that employees who are more confident in their positions, based on their skills and knowledge, are more loyal to its vision, values and strategic objectives. For this reason, the Entity's spending on training and development is



Skills Development Staff Attendance

treated as an investment to run better, faster, and smoother, with happier people. The skills provided during the reported period were beneficial to all employees, gleaned from the evaluation forms and the positive change in behaviour and quality of work.

### EMPLOYEE WELLNESS

iSimangaliso Employee Wellness Programme has been the key driver in creating a positive work environment, that boosts morale, and enhances employee loyalty and commitment to the organisation. Wellness has become the main focal point of the Entity's quest to ensure that employee wellness, health, and safety are given special attention. This is in keeping with the organisational culture of iSimangaliso, which seeks to



Employee Wellness Day

create a quality of work life for all its employees. The Entity continues to explore more enjoyable and creative wellness programmes that enable employees to nurture their well-being within and outside the premises of iSimangaliso.

## PERFORMANCE MANAGEMENT

The performance management system is yet another critically important tool which the Entity uses to gauge the daily work performance of each employee at any given time. Managers also use this tool to assist employees in enhancing their competencies where they lack the necessary skills and knowledge to perform their allocated tasks. The Entity's performance management system has been vital in fostering planned talent management, providing ongoing feedback, allowing for practical employee engagement, and creating a conducive environment for enhanced employee motivation

and morale. The performance management training was conducted for all employees to ensure that managers and employees have the same understanding of the application of this tool. This has helped managers ensure team members can assess themselves when they underperform and, in the process, seek assistance to make necessary changes in their performance and approach to their work.

## COMPLIANCE WITH LEGISLATION

The Entity has placed compliance with relevant legislation as one of its priorities. The Entity's focus is to ensure that it deliberately adheres to the laws and regulations governing its business operations and model. As a public entity, iSimangaliso is obliged to comply with government legislation, avoid legal and financial penalties, safeguard its reputation, and build trust with stakeholders. Compliance

with legislative requirements has been very rewarding for the Entity, given its status as a World Heritage Site.

## 3. WORKFORCE PLANNING FRAMEWORK AND KEY STRATEGIES TO ATTRACT AND RECRUIT A SKILLED AND CAPABLE WORKFORCE

The Entity will continue to implement its key strategies to attract a skilled and capable workforce to achieve the organisation's mandate and key strategic objectives.

These strategies include the following:

- Implementation of the Entity's succession planning



strategy, as provided for by the approved Succession Planning Policy.

- Implementation of the Employee Retention Strategy as provided in the approved Employee Retention Policy.
- Implementation of an Employment Equity Plan, which is supported by the approved Employment Equity Policy.
- Effective improvement in our performance management strategies and employee benefits provisions to retain the best-performing employees.

## 4. EMPLOYEE PERFORMANCE MANAGEMENT FRAMEWORK

Performance management is a critical tool the Entity uses to ensure that each employee performs according to set standards and goals. During the period reported on, all employees signed their performance agreements. The 2022/23 annual performance assessments and 2023/24 mid-year performance assessments were successfully conducted. Performance management training was provided to all iSimangaliso employees during the financial year 2023/24. This was done to ensure that employees understand the application of this tool within the Entity.

## 5. POLICY DEVELOPMENT

The current policies were approved on the 30th of March 2022, and are now due for review. A policy review plan has been developed and will be implemented during the financial year 2024/25.

## 6. HIGHLIGHT OF ACHIEVEMENTS

The achievements are highlighted below

### ORGANISATIONAL DESIGN

During the year under review, iSimangaliso successfully conducted an organisational design exercise to ensure that:

- The existing organogram is strategically aligned and contributes meaningfully to the strategic objectives and mandate of the Entity.
- Where necessary, realign the existing organogram to improve the efficiency and effectiveness of the Entity.
- There is clarity on the issue of the reporting lines for certain positions in the organisational structure.
- This revised structure would transition iSimangaliso into the new commercialisation era and prepare the organisation to segregate from KZN Ezemvelo as part of the envisaged new five-year strategy.



- The Entity successfully implemented all the service provider's recommendations in relation to this exercise.

### GROEN SEBENZA INTERNSHIP PROGRAMME

The Groen Sebenza Internship Programme is designed to provide young people, particularly from rural areas, the opportunities to acquire work-life experience and gain self-confidence to create better prospects for their future careers. Most interns enrolled in the programme were unemployed before the Groen Sebenza Internship Programme.

During the financial years 2022/23 – 2023/24, iSimangaliso enrolled 200 interns under the Groen Sebenza Internship Programme. Based on their career interest and qualifications, the interns were placed in different sections of the Entity. Ninety-seven (97) interns were placed in iSimangaliso Head Office; 103 interns were deployed to various stakeholders that iSimangaliso works closely within and around the Park;



and some interns were placed at various entities such as Ezemvelo KZN Wildlife, Msinsi Holdings, Umhlabuyalingana Municipality and the Department of Cooperative Governance and Traditional Affairs (COGTA).

During the period, 24 interns managed to obtain permanent employment:

- Eight (8) were permanently employed by the iSimangaliso Wetland Park Authority.
- Sixteen (16) were permanently employed by other organisations.

## STAFF BRIEFING

The Board and the CEO got an opportunity to meet with staff to communicate and provide information concerning commercialisation, the auditor general report, the clean

audit achieved for the financial year 2022/23, organisational design, Fleet Management Committee, updates on the infrastructure development and the Groen Sebenza Internship Programme, GEF 7 and 2024/25 annual performance plan. Employees, including Groen Sebenza Interns, were allowed to provide their perceptions and appreciation of the work done by the Entity to enhance the welfare of all employees at iSimangaliso.

## WOMEN'S DAY CELEBRATION

The Women of iSimangaliso celebrated Women's Day on the 8th of August 2023. Awareness was created on:

- Gender-Based Violence: Women were encouraged to ensure that they don't keep quiet and must immediately get help whenever they come across Gender-Based Violence incidents.

- The important role played by women in society was highlighted.
- Women Empowerment: Women were encouraged to unite, work together, and not look down upon each other.

## EMPLOYEE WELLNESS PROGRAMMES

The wellness day was held on the 26<sup>th</sup> of July 2023. The theme of the day was **"A happy workforce is a productive workforce"**. Awareness was conducted on the following topics.

- Mental health issues affecting work performance.
- Prevention of chronic illness among employees and dietary management.
- Primary health check - BP/DM/BMI.



Women of iSimangaliso with the CEO on Women's Day Celebration



Employee Wellness Day

- South African Blood Services (SANBS).
- Physical fitness assessment.

## 7. CHALLENGES FACED BY THE PUBLIC ENTITY

The inability to fill all the vacant positions in the approved organogram was a challenge.

## 8. FUTURE HR PLANS/GOALS

- The Board approved the current policies on the 30th of March 2022, and they are now due for review to ensure compliance and good corporate governance.
- Implement the Succession Plan Strategy and Plan.
- Provide skills development programmes as per the approved workplace skills plan.
- Conduct job grading and evaluation of positions recommended by the OD specialist in 2023.
- Achieve employment equity targets based on the availability of resources.



## 9. HUMAN RESOURCE OVERSIGHT STATISTICS

### Personnel Related Expenditure

#### 9.1 PERSONNEL COST BY PROGRAMME/ACTIVITY/OBJECTIVE

The following table represents the personnel expenditure by programme for the financial year 2023/24.

Programme/ Activity/ Objective	Personnel Expenditure in Rands	Personnel Exp. as a % of Total Exp.	No. of Employees	Average Personnel Cost per Employee
Biodiversity Conservation	R 15 499 369	21%	20	R 774 968
Socio-Economic Environment and Development	R 9 667 294	13%	13	R 743 638
Tourism and Marketing	R 5 221 487	9%	5	R 1 044 297
Internal Operations and Strategic Projects	R 1 473 728	2%	4	R 368 432
Corporate Support Services	R 16 778 406	23%	20	R 838 920
Technical Services	R 2 847 101	3%	6	R 474 517
Groen Sebenza Internship Programme	R 13 746 463	19%	204	R 67 385
Environmental Monitors	R 7 540 135	10%	145	R 52 001
<b>TOTAL</b>	<b>R 72 773 983</b>			

#### 9.2 PERSONNEL COST BY SALARY BAND

The following table represents the personnel expenditure by occupational level and salary band for the financial year 2023/24.

Occupational Level and Salary Band	Personnel Expenditure in Rands	% Of Personnel Exp. to Total Personnel Cost	No. of Employees	Average Personnel Cost per Employee
Top Management - F	R 2 583 724	4%	1	R 2 583 724
Senior Management - E	R 9 811 044	13%	5	R 1 962 209
Professional Qualified - D	R 21 017 845	29%	22	R 955 357
Skilled - C	R 16 798 714	23%	30	R 559 957
Semi-skilled - B	R 1 276 059	2%	5	R 255 212,00
Unskilled - A	-	-	-	-
Groen Sebenza Internship Programme	R 13 746 463	19%	204	R 67 385
Environmental Monitors	R 7 540 135	10%	145	R 52 001
<b>TOTAL</b>	<b>R 72 773 984</b>			



### 9.3 PERFORMANCE REWARDS

There were no rewards within the Entity for the financial year 2023/24.  
The Entity will look at the matter in line with the budget for the year 2024/25.

Programme/Activity/Objective	Performance Rewards	Personnel Expenditure in Rands	% of Performance Rewards to Total Personnel Cost
Top Management	-	R 2 583 724	-
Senior Management	-	R 9 811 044	-
Professional Qualified	-	R 21 017 845	-
Skilled	-	R 16 798 714	-
Semi-skilled	-	R 1 276 059	-
Unskilled	-	-	-
Groen Sebenza Internship Programme	-	R 13 746 463	-
Environmental Monitors	-	R 7 540 135	-
<b>TOTAL</b>	-	<b>R 72 773 984</b>	-

### 9.4 TRAINING COSTS

The following table represents the costs spent in training and developing staff in the year 2023/24 and the number of staff trained during the year.

Programme/Activity/Objective	Personnel Expenditure in Rands	Training Expenditure in Rands	Training Expenditure as a % of Personnel Cost	No. of Employees Trained	Avg Training Cost per Employee in Rands
Biodiversity Conservation	R 15 499 369	R 101 601	0,65%	26	R 3 908
Socio-Economic Environment and Development	R 9 667 294	R 52 029	0,54%	22	R 2 365
Tourism and Marketing	R 5 221 487	R 93 610	1,79%	8	R 11 701
Internal Operations and Strategic Projects	R 1 473 728	R 39 588	2,69%	16	R 2 474
Corporate Support Services	R 16 778 406	R 218 344	1,30%	44	R 4 962
Technical Services	R 2 847 101	R 7 365	0,26%	3	R 2 455
Groen Sebenza Internship Programme	R 13 746 463	R 219 855	1,59%	11	R 19 987
Environmental Monitors	R 7 540 135	R 911 259	12,08%	274	R 3 326
<b>TOTAL</b>	<b>R 72 773 983</b>	<b>R 1 643 650</b>			



### 9.5 EMPLOYMENT AND VACANCIES BY PROGRAMME

The following table represents the number of employees and the vacancies filled during the financial year 2023/24 by programme.

Programme/ Activity/ Objective	2022/2023 No. of Employees	2023/2024 Approved Posts	2023/2024 No. of Employees	2023/2024 Vacancies	% of Vacancies
Corporate Support Services	10	19	17	1	14.3%
Biodiversity Conservation	19	20	19	1	14.3%
Tourism and Marketing	5	5	4	1	14.3%
Socio-Economic, Environment and Development	9	8	8	-	-
Internal Operations and Strategic Projects	9	10	9	1	14.3%
Technical Services	2	7	4	3	42.8%
<b>TOTAL</b>	<b>54</b>	<b>69</b>	<b>61</b>	<b>7</b>	<b>100%</b>

### 9.6 EMPLOYMENT AND VACANCIES BY OCCUPATIONAL LEVELS

The following table represents the number of employees and the vacancies filled during the financial year 2023/24 by programme.

Programme/Activity/Objective	2022/2023 No. of Employees	2023/2024 Approved Posts	2023/2024 No. of Employees	2023/2024 Vacancies	% of Vacancies
Top Management	1	1	1	-	-
Senior Management	5	6	5	-	-
Professional Qualified	20	21	20	-	-
Skilled	29	34	30	5	71.4%
Semi-skilled	2	7	5	2	28,6%
Unskilled	-	-	-	-	-
<b>TOTAL</b>	<b>57</b>	<b>69</b>	<b>61</b>	<b>7</b>	<b>100%</b>

### 9.7 EMPLOYMENT CHANGES

The Entity during the financial year 2023/24 appointed eight (8) staff members in line with the Recruitment and Selection Policy. The positions were also filled in compliance with the Employment Act and Plan for the Entity. There was only one (1) employee exit due to resignation. This position will be looked at in terms of the budget and the Entity will prioritise all the critical positions to be filled during the financial year 2024/25.

Salary Band	Employment at the Beginning of the Period	Appointments	Terminations	Employment at the End of the Period
Top Management	1	-	-	1
Senior Management	5	-	-	5
Professional Qualified	19	2	1	20
Skilled	27	3	-	30
Semi-skilled	2	3	-	5
Unskilled	-	-	-	-
<b>TOTAL</b>	<b>54</b>	<b>8</b>	<b>1</b>	<b>61</b>

### 9.8 REASONS FOR STAFF LEAVING

The following table represents the employee exits during the financial year 2023/24. Only one (1) employee exited the Entity. The filling of the positions has been prioritized for the financial year 2024/25 in line with the budget.

Reason	Number	% of Total No. of Staff Leaving
Death	0	-
Resignation	1	1,6%
Dismissal	0	-
Retirement	0	-
Ill health	0	-
Expiry of Contract	0	-
Other	0	-
<b>TOTAL</b>	<b>1</b>	<b>1,6%</b>

### 9.9 LABOUR RELATIONS: MISCONDUCT AND DISCIPLINARY ACTION (DISCIPLINARY HEARING)

There were two (2) disciplinary hearings during the year 2023/24. In terms of iSimangaliso Wetland Park Authority Disciplinary Code and Procedure, the two (2) employees allegedly committed an offence, gross misconduct. The table project the outcome of the disciplinary hearings.

Nature of Disciplinary Action	Number
Verbal Warning	0
Written Warning	0
Final Written Warning	2
Dismissal	0
<b>Total</b>	<b>2</b>





### 9.10 EQUITY TARGET AND EMPLOYMENT EQUITY STATUS - FEMALES

The following tables represent the current employment equity status and targets in terms of occupational levels, gender and race.

Occupational Levels	Female								Total
	African Current	Target	Coloured Current	Target	Indian Current	Target	White Current	Target	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	1	0	0	1	0	0	0	0	2
Professionally Qualified and Experienced Specialists and Mid-Management	8	0	0	0	0	0	0	0	8
Skilled Technical and Academically Qualified Workers, Junior Management, Supervisors, Foremen, and Superintendents	14	3	0	0	0	0	0	0	18
Semi-skilled and Discretionary Decision-Making	2	1	0	0	0	0	0	0	3
	0	0	0	0	0	0	0	0	0
Unskilled and Defined Decision-Making	0	0	0	0	0	0	0	0	0
<b>Total permanent</b>	<b>25</b>	<b>4</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30</b>
Temporary Employees	103	0	0	0	0	0	0	0	103
<b>TOTAL</b>	<b>128</b>	<b>4</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>133</b>

### 9.11 EQUITY TARGET AND EMPLOYMENT EQUITY STATUS - MALES

The following tables represent the current employment equity status and targets in terms of occupational levels, gender and race.

Occupational Levels	Male								Foreigner Male	Total
	African Current	Target	Coloured Current	Target	Indian Current	Target	White Current	Target		
Top Management	1	0	0	0	0	0	0	0	0	1
Senior Management	3	0	0	0	0	0	0	0	0	3
Professionally Qualified and Experienced Specialists and Mid-Management	9	0	1	0	0	0	1	0	1	12

### 9.11 EQUITY TARGET AND EMPLOYMENT EQUITY STATUS - MALES

The following tables represent the current employment equity status and targets in terms of occupational levels, gender and race.

Occupational Levels	Male								Foreigner	Total
	African Current	Target	Coloured Current	Target	Indian Current	Target	White Current	Target	Male	
Skilled Technical and Academically Qualified Workers, Junior Management, Supervisors, Foremen, and Superintendents	16	2	0	0	0	0	0	0	0	18
Semi-skilled and Discretionary Decision-Making	3	1	1	0	0	0	1	0	0	4
	0	0	0	0	0	0	0	0	0	0
Unskilled and Defined Decision-Making	0	0	0	0	0	0	0	0	0	0
<b>Total Permanent</b>	<b>32</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>38</b>
Temporary Employees	101	0	0	0	0	0	0	0	0	101
<b>TOTAL</b>	<b>133</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>139</b>

### 9.12 EMPLOYMENT EQUITY STATUS AND TARGETS ON PEOPLE WITH DISABILITIES

iSimangaliso has always encouraged people with disabilities to apply for positions whenever available. When planning for the financial year 2024/25 to fill vacancies in the financial year 2025/26, the Entity will look at the vacant positions and budget and consider people with disabilities.

Levels	Disabled Staff			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional Qualified	0	0	0	0
Skilled	0	0	0	0
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
Temporary Employees	2	0	0	2
<b>TOTAL</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>2</b>

**PART E**

**PFMA COMPLIANCE REPORT**



# 1. IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND MATERIAL LOSSES

## 1.1 IRREGULAR EXPENDITURE

### A) RECONCILIATION OF IRREGULAR EXPENDITURE

Description	2024	2023
	Figures in Rands	Figures in Rands
Opening balance	R 798 553	R 41 240 986
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Irregular expenditure confirmed	-	R 798 553
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable <sup>1</sup>	-	-
Less: Irregular expenditure not recoverable and written off	-	(R 41 240 986)
<b>Closing balance</b>	<b>R 798 553</b>	<b>R 798 553</b>

### RECONCILING NOTES

Description	2024	2023
	Figures in Rands	Figures in Rands
Irregular expenditure that was under assessment	-	-
Irregular expenditure that relates to the prior year and identified in the current year	-	-
Irregular expenditure for the current year	R 798 553	R 798 553
<b>Total</b>	<b>R 798 553</b>	<b>R 798 553</b>

#### Breakdown of irregular expenditure incurred during the year:

Construction work procured from under wrong category in terms of Construction Industry Development Board (CIDB).

### B) DETAILS OF IRREGULAR EXPENDITURE (UNDER ASSESSMENT, DETERMINATION, AND INVESTIGATION)

Description	2024	2023
	Figures in Rands	Figures in Rands
None	-	-
Irregular expenditure underdetermination	-	-
Irregular expenditure under investigation	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

C) DETAILS OF IRREGULAR EXPENDITURE CONDONED

Description	2024	2023
	Figures in Rands	Figures in Rands
None	-	-
<b>Total</b>	-	-

D) DETAILS OF IRREGULAR EXPENDITURE REMOVED - (NOT CONDONED)

Description	2024	2023
	Figures in Rands	Figures in Rands
None	-	-
<b>Total</b>	-	-

E) DETAILS OF IRREGULAR EXPENDITURE RECOVERABLE

Description	2024	2023
	Figures in Rands	Figures in Rands
None	-	-
<b>Total</b>	-	-

F) DETAILS OF CURRENT AND PREVIOUS YEAR IRREGULAR EXPENDITURE WRITTEN OFF (IRRECOVERABLE)

Description	2024	2023
	Figures in Rands	Figures in Rands
Irregular expenditure written off	-	R 41 240 986
<b>Total</b>	-	<b>R 41 240 986</b>

G) DETAILS OF NON-COMPLIANCE CASES WHERE AN INSTITUTION IS INVOLVED IN AN INTER-INSTITUTIONAL ARRANGEMENT (WHERE SUCH INSTITUTION IS NOT RESPONSIBLE FOR THE NON-COMPLIANCE)

Disciplinary	2024	2023
	Figures in Rands	Figures in Rands
None	-	-
<b>Total</b>	-	-

H) DETAILS OF IRREGULAR EXPENDITURE WHERE AN INSTITUTION IS INVOLVED IN AN INTER-INSTITUTIONAL ARRANGEMENT (WHERE SUCH INSTITUTION IS RESPONSIBLE FOR THE NON-COMPLIANCE)<sup>3</sup>

Description	2024	2023
	Figures in Rands	Figures in Rands
None	-	-
<b>Total</b>	-	-

I) DETAILS OF DISCIPLINARY OR CRIMINAL STEPS TAKEN AS A RESULT OF IRREGULAR EXPENDITURE

Disciplinary steps taken	2024	2023
	Figures in Rands	Figures in Rands
None	-	-
<b>Total</b>	-	-

## 1.2 FRUITLESS AND WASTEFUL EXPENDITURE

### A) RECONCILIATION OF FRUITLESS AND WASTEFUL EXPENDITURE

Description	2024	2023
	Figures in Rands	Figures in Rands
Opening balance	<b>R 8 239 616</b>	<b>R 8 015 961</b>
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Fruitless and wasteful expenditure confirmed	<b>R 121 213</b>	<b>R 223 655</b>
Less: Fruitless and wasteful expenditure recoverable	-	-
Less: Fruitless and wasteful expenditure not recoverable and written off	-	-
<b>Closing balance</b>	<b>R 8 360 829</b>	<b>R 8 239 616</b>

### RECONCILING NOTES

Description	2024	2023
	Figures in Rands	Figures in Rands
Fruitless and wasteful expenditure that was under assessment	-	-
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	-	-
Fruitless and wasteful expenditure for the current year	R 121 213	R 223 655
<b>Total</b>	<b>R 121 213</b>	<b>R 223 655</b>

#### Breakdown of fruitless and wasteful expenditure for the year:

*SARS penalties and interest for incorrectly withholding employer tax incentive*

*SARS penalties and interest for late payment of employee deductions for the month of November*

#### 2024

*R 23 600*

*R 96 612*

#### 2023

*R 59 088*

*R 164 567*

### B) DETAILS OF FRUITLESS AND WASTEFUL EXPENDITURE (UNDER ASSESSMENT, DETERMINATION, AND INVESTIGATION)

Description	2024	2023
	Figures in Rands	Figures in Rands
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure underdetermination	-	-
Fruitless and wasteful expenditure under investigation	-	-
<b>Total</b>	-	-

### C) DETAILS OF FRUITLESS AND WASTEFUL EXPENDITURE RECOVERABLE

Description	2024	2023
	Figures in Rands	Figures in Rands
Fruitless and wasteful expenditure recoverable	-	-
<b>Total</b>	-	-

D) DETAILS OF FRUITLESS AND WASTEFUL EXPENDITURE NOT RECOVERABLE AND WRITTEN OFF

Description	2024	2023
	Figures in Rands	Figures in Rands
Fruitless and wasteful expenditure written off	-	-
<b>Total</b>	-	-

E) DETAILS OF DISCIPLINARY OR CRIMINAL STEPS TAKEN AS A RESULT OF FRUITLESS AND WASTEFUL EXPENDITURE

Disciplinary steps taken	2024	2023
	Figures in Rands	Figures in Rands
None	-	-
<b>Total</b>	-	-

### 1.3 ADDITIONAL DISCLOSURE RELATING TO MATERIAL LOSSES IN TERMS OF PFMA SECTION 55(2)(B)(I) &(III)

A) DETAILS OF MATERIAL LOSSES THROUGH CRIMINAL CONDUCT

Material losses through criminal conduct	2024	2023
	Figures in Rands	Figures in Rands
Theft	-	-
Other material losses	-	-
Less: Recoverable	-	-
Less: Not recoverable and written off	-	-
<b>Total</b>	-	-

B) DETAILS OF OTHER MATERIAL LOSSES

Nature of other material losses	2024	2023
	Figures in Rands	Figures in Rands
None	-	-
<b>Total</b>	-	-

C) OTHER MATERIAL LOSSES RECOVERABLE

Nature of losses	2024	2023
	Figures in Rands	Figures in Rands
None	-	-
<b>Total</b>	-	-

D) OTHER MATERIAL LOSSES NOT RECOVERABLE AND WRITTEN OFF

Nature of losses	2024	2023
	Figures in Rands	Figures in Rands
None	-	-
<b>Total</b>	-	-

## 2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

### IRREGULAR EXPENDITURE

Description	Number of Invoices	Consolidated Value
		Figures in Rands
Valid invoices received	-	-
Invoices paid within 30 days or the agreed period	-	-
Invoices paid after 30 days or the agreed period	-	-
Invoices older than 30 days or the agreed period (unpaid and without dispute)	-	-
Invoices older than 30 days or the agreed period (unpaid and in dispute)	-	-
<b>Total</b>	-	-



## 3. SUPPLY CHAIN MANAGEMENT

### 3.1 PROCUREMENT BY OTHER MEANS

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract in Rands
Procurement of Custom Stand (floor space) for Marketing	Synergy Business Events	Deviation	D2023/01	R 100 875
Fire Protection Membership Fee for iSimangaliso	Zululand Fire Protection	Deviation	D2023/02	R 47 197
<b>Total</b>				<b>R 148 072</b>

### 3.2 CONTRACT VARIATIONS AND EXPANSIONS

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value in Rands	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation in Rands
Internet and Telephone Service	Emalangeni Technologies	Variation	RFP03/2022	R 1 715 966	N/A	R 249 828
Review of the Estuary Management Plans	Icebo Environmental Services	Variation	RFP15/2022	R 2 400 000	N/A	R 360 000
Protection Service for CEO	SSUP	Variation	RFP09/2022	R 22 307 443	N/A	R 3 346 116
Protection Service for Board Chairperson	Nkalavasi Protection Service	Variation	RFP24/2022	R 14 256 918	N/A	R 2 138 538
Construction of Charters Creek Resort	Simandlovu Trading	Variation	RFP18/2019	R 46 578 172	N/A	R 8 646 081
Upgrade to Blacktop (Tar) of Spine Road	Notha Africa Civils	Variation	RFP36/2022	R 49 957 652	N/A	R 9 991 530
Regravelling of Nxwala Picnic Site Intersection and Mkhumbi Gate Road	SNX Contractors	Variation	RFP30/2022	R 28 009 988	N/A	R 5 601 998
Regraveling of uMphathe Loop and Route to Charters Creek	Nickelodia Trading	Variation	RFP31/2022	R 28 612 341	N/A	R 5 104 442
<b>Total</b>						<b>R 35 438 533</b>



## PART F

# FINANCIAL INFORMATION



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**REPORT OF THE AUDITOR-GENERAL  
TO PARLIAMENT ON THE  
iSIMANGALISO WETLAND PARK AUTHORITY**

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**ANNEXURE TO THE  
AUDITOR'S REPORT**

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**iSIMANGALISO WETLAND PARK AUTHORITY  
ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR END 31 MARCH 2024**

# REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE iSIMANGALISO WETLAND PARK AUTHORITY

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

1. I have audited the financial statements of the iSimangaliso Wetland Park Authority set out on pages 87 to 183, which comprise the statement of financial position as at 31 March 2024, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amount for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the iSimangaliso Wetland Park Authority as at 31 March 2024, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management, 1999 (Act No. 1 of 1999) (PFMA).

### Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the public entity in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

### Restatement of corresponding figures

7. As disclosed in notes 33 and 34 to the financial statements, the corresponding figures for 31 March 2023 were restated as a result of an error in the financial statements of the entity at, and for the year ended, 31 March 2024.

### Uncertainty relating to future outcome of exceptional litigation

8. As disclosed in note 28, the entity is a defendant in a fire-claim lawsuit. The entity has referred the claim to its legal counsel. The ultimate outcome of the matter cannot presently be determined and no provision for any liability that may result has been made in the financial statements.

### Responsibilities of the accounting authority for the financial statements

9. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the PFMA; and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
10. In preparing the financial statements, the accounting authority is responsible for assessing the public entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

### Responsibilities of the auditor-general for the audit of the financial statements

11. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
12. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 85, forms part of our auditor's report.

## REPORT ON THE ANNUAL PERFORMANCE REPORT

13. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.
14. I selected the following material performance indicators related to programme 2: biodiversity conservation presented in the annual performance report for the year ended 31 March 2024. I selected those indicators that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.
  - Number of environmental audits conducted
  - Number of Environmental Monitors deployed in the Park
  - Number of hectares of Invasive Alien Plants treated
  - Number of cubic meters of earthworks in wetland rehabilitation project
  - Number of Kilometres of Coastline cleaned
  - Percentage of applications for developments in the buffer zone commented on and feedback provided within prescribed timeframe
15. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the public entity's planning and delivery on its mandate and objectives.
16. I performed procedures to test whether:
  - the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives
  - all the indicators relevant for measuring the public entity's performance against its primary mandated and prioritised functions and planned objectives are included
  - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
  - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
  - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
  - the reported performance information presented in the annual performance report in the prescribed manner and is comparable and understandable
  - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
17. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.
18. I did not identify any material findings on the reported performance information for the selected indicators.

## REPORT ON COMPLIANCE WITH LEGISLATION

19. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the public entity's compliance with legislation.
20. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
21. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the [type of auditee], clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
22. I did not identify any material non-compliance with the selected legislative requirements.

## OTHER INFORMATION IN THE ANNUAL REPORT

23. The accounting authority is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in programme presented in the annual performance report that have been specifically reported on in this auditor's report.
24. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

25. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in programme presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
26. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

## INTERNAL CONTROL DEFICIENCIES

27. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
28. I did not identify any significant deficiencies in internal control.

*Auditor General*

Pietermaritzburg

31 July 2024



AUDITOR-GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

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# ANNEXURE TO THE AUDITOR'S REPORT

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

## **Auditor-general's responsibility for the audit**

### **Professional judgement and professional scepticism**

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected material performance indicators and on the public entity's compliance with selected requirements in key legislation.

### **Financial statements**

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the public entity's internal control

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the public entity continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a public entity to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

### **Communication with those charged with governance**

I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

## Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act No.1 of 1999 (PFMA)	Section 51(1)(a)(iv); 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii) Section 53(4) Section 55(1)(a); 55(1)(b); 55(1)(c)(i); Section 56(1); 56(2); Section 57(b);
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	Regulation 8.2.1; 8.2.2 Regulation 16A3.1; 16A 3.2; 16A 3.2(a); 16A 6.1; 16A6.2(a) & (b); 16A6.2(e); 16A 6.3(a); 16A 6.3(a)(i); 16A 6.3(b); 16A 6.3(c ); 16A6.3(d); 16A 6.3(e ); 16A 6.4; 16A 6.5; 16A 6.6; 16A8.2 (1) and (2); 16A 8.3; 16A8.3(d); 16A 8.4; 16A9; 16A9.1 16A9.1(b)(ii); 16A9.1(c); 16A 9.1(d); 16A 9.1(e ); 16A9.1(f); 16A9.2; 16A 9.2(a)(ii); 16A9.2(a)(ii) Regulation 30.1.1; 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1 Regulation 31.1.2(c') Regulation 33.1.1; 33.1.3
PRECCA	Section 34(1)
CIDB Act	Section 18(1)
CIDB Regulations	CIDB regulation 17; 25(1); 25 (5) & 25(7A)
PPPFA	Section 1(i); 2.1(a); 2.1(b); 2.1(f)
PPR 2017	Paragraph 4.1; 4.2 Paragraph 5.1; 5.3; 5.6; 5.7 Paragraph 6.1; 6.2; 6.3; 6.5; 6.6; 6.8 Paragraph 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 Paragraph 8.2; 8.5 Paragraph 9.1; 9.2 Paragraph 10.1; 10.2 Paragraph 11.1; 11.2
PPR 2022	Paragraph 3.1 Paragraph 4.1; 4.2; 4.3; 4.4 Paragraph 5.1; 5.2; 5.3; 5.4
PFMA SCM Instruction 09 of 2022/2023	Paragraph 3.1; 3.3 (b); 3.3 (c ); 3.3 (e ); 3.6

Legislation	Sections or regulations
National Treasury Instruction 1 of 2015/16	Paragraph 3.1; 4.1; 4.2
NT SCM Instruction Note 03 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4 (a); 4.4(c); 4.4(d); 4.6 Paragraph 5.4 Paragraph 7.2; 7.6
NT SCM Instruction 4A of 2016/17	Paragraph 6
NT SCM Instruction Note 03 2019/20	Paragraph 5.5.1(vi); 5.5.1(x)
NT SCM Instruction Note 11 2020/21	Paragraph 3.1; Paragraph 3.4(a); 3.4(b) Paragraph 3.9 Paragraph 6.1; 6.2; 6.7
NT SCM Instruction Note 2 of 2021/22	Paragraph 3.2.1; 3.2.2; 3.2.4(a); 3.4.2(b); 3.3.1; Paragraph 4.1
PFMA SCM Instruction 04 of 2022/23	Paragraph 4(1) Paragraph 4(2) Paragraph 4(4)
Practice Note 5 of 2009/10	Paragraph 3.3
PFMA SCM Instruction 08 of 2022/23	Paragraph 3.2 Paragraph 4.3.2; 4.3.3
Competition Act	Section 4(1)(b)(ii)
NT Instruction Note 4 of 2015/16	Paragraph 3.4
NT Instruction 3 of 2019/20 - Annexure A	Section 5.5.1 (iv) and (x)
Second amendment of NTI 05 of 2020/21	Paragraph 4.8; 4.9 ; 5.1 ; 5.3
Erratum NTI 5 of 202/21	Paragraph 1
Erratum NTI 5 of 202/21	Paragraph 2
Practice Note 7 of 2009/10	Paragraph 4.1.2
Practice Note 11 of 2008/9	Paragraph 3.1 Paragraph 3.1 (b)
NT Instruction Note 1 of 2021/22	Paragraph 4.1

iSIMANGALISO WETLAND PARK AUTHORITY  
**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR END 31 MARCH 2024**



# GENERAL INFORMATION

Country of incorporation and domicile	Established by Regulation 1193 of 24 November 2000, under the World Heritage Convention Act 49 of 1999. The iSimangaliso Wetland Park Authority is a Schedule 3A Public Entity.
Legal form of entity	
Nature of business and principal activities	The iSimangaliso Authority's business is to conserve the iSimangaliso Wetland Park and to create jobs and benefits for communities living in and adjacent to the Park through optimal tourism-based development. iSimangaliso is therefore in the business of conservation, local economic development and tourism.
Directors	Non-Executive Inkosi Ml Tembe (Chairperson) Ms T Sosibo (Deputy Chairperson) Mr B Mhlongo Ms N Mlambo Mr G.G Nair Ms S Ngcobo Mr B Ngobeni Prof C.P Small Officials Mr S Nkosi - Department of Forestry, Fisheries and the Environment (DFPE) Executive Mr S.E Bukhosini (CEO)
Business address	The Dredger Harbour, St Lucia Private Bag X05, St Lucia St Lucia 3936
Bankers	First National Bank
Auditors	Auditor-General South Africa Registered Auditors  Mrs SQ Mntambo
Chief Financial officer	
Contact number	+27 35 590 1633
Email address and Website	info@isimangaliso.com <a href="https://isimangaliso.com">https://isimangaliso.com</a>

# INDEX

## THE REPORTS AND STATEMENTS SET OUT BELOW COMPRISE THE ANNUAL FINANCIAL STATEMENTS PRESENTED TO THE PARLIAMENT:

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## BOARD'S RESPONSIBILITIES AND APPROVAL

The members are required by the Public Finance Management Act (Act 1 of 1999), to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the members to ensure that the annual financial statements fairly present the state of affairs of the Authority as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related information.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The members acknowledge that they are ultimately responsible for the system of internal financial control established by the Authority and place considerable

importance on maintaining a strong control environment. To enable the members to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Authority and all employees are required to maintain the highest ethical standards in ensuring the Authority's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Authority is on identifying, assessing, managing and monitoring all known forms of risk across the Authority. While operating risk cannot be fully eliminated, the Authority endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The members are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal

financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The members have reviewed the Authority's cash flow forecast for the year to 31 March 2025 and, in the light of this review and the current financial position, they are satisfied that the Authority has or has access to adequate resources to continue in operational existence for the foreseeable future.

The Authority is dependent on the Department of Forestry, Fisheries and the Environment for continued funding of operations. The annual financial statements are prepared on the basis that the Authority is a going concern and that the government, through Department of Forestry, Fisheries and the Environment has neither the intention nor the need to liquidate or curtail materially the scale of the Authority.

The annual financial statements set out on page 4 to 62, which have been prepared on the going concern basis, were approved by the board on 28 May 2024 and were signed on its behalf by:



**Inkosi M Tembe (Chairperson)**  
Accounting Authority



## Statement of Financial Position as at 31 March 2024

Figures in Rand	Note(s)	2024	2023 Restated*
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	3	780 598 621	715 956 823
Investment property	4	151 594 039	136 364 336
Intangible assets	5	842 855	1 265 716
		<b>933 035 515</b>	<b>853 586 875</b>
<b>Current Assets</b>			
Inventories	6	339 891	219 515
Receivables from exchange transactions	7	5 238 289	1 697 663
Receivables from non-exchange transactions	8	73 850 305	1 315 000
VAT receivable	9	9 752 167	18 020 187
Cash and cash equivalents	10	49 700 819	202 901 622
		<b>138 881 471</b>	<b>224 153 987</b>
<b>Total Assets</b>		<b>1 071 916 986</b>	<b>1 077 740 862</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	11	53 047 507	59 950 720
Unspent conditional grants	12	141 112 689	151 222 724
		<b>194 160 196</b>	<b>211 173 444</b>
<b>Total Liabilities</b>		<b>194 160 196</b>	<b>211 173 444</b>
<b>Net Assets</b>		<b>877 756 790</b>	<b>866 567 418</b>
Accumulated surplus		877 756 786	866 567 421

## Statement of Financial Performance

Figures in Rand	Note(s)	2024	2023 Restated*
<b>Revenue</b>			
<b>Revenue from exchange transactions</b>			
Park revenue	13	23 985 803	19 708 739
Personnel costs recoveries/fees		17 805 199	17 193 608
Management fees		12 974 759	8 459 908
Administration fees		9 075 653	8 819 801
Interest income	14	2 560 277	3 453 105
Other income	15	601 537	849 087
<b>Total revenue from exchange transactions</b>		<b>67 003 228</b>	<b>58 484 248</b>
<b>Revenue from non-exchange transactions</b>			
<b>Transfer revenue</b>			
Grants and subsidies	16	376 993 309	343 150 724
<b>Total revenue</b>		<b>443 996 537</b>	<b>401 634 972</b>
<b>Expenditure</b>			
Personnel costs	17	(72 958 030)	(63 811 281)
Project costs	18	(57 005 690)	(60 096 128)
Co-management agreement payments		(1 597 227)	(1 268 509)
Professional, consulting and legal fees	19	(50 265 951)	(59 027 914)
Depreciation, amortisation and impairment	20	(51 100 118)	(56 195 098)
Lease rentals on operating lease	21	(4 682 919)	(3 477 609)
Debt impairment		(215 201)	(85 113)
Contracted services	22	(127 637 303)	(96 278 094)
Loss on disposal and write off of assets	23	(29 836 085)	(10 415 643)
Other operating expenses	24	(37 508 648)	(43 849 867)
<b>Total expenditure</b>		<b>(432 807 172)</b>	<b>(394 505 256)</b>
<b>Surplus for the year</b>		<b>11 189 365</b>	<b>7 129 716</b>



## Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total net assets
Opening balance as previously reported	859 666 187	859 666 187
Adjustments (Refer to note 33)		
Correction of errors	(228 482)	(228 482)
<b>Balance at 01 April 2022 as restated</b>	<b>859 437 705</b>	<b>859 437 705</b>
Changes in net assets		
Surplus for the year	7 129 716	7 129 716
Total changes	7 129 716	7 129 716
<b>Restated* Balance at 01 April 2023</b>	<b>866 567 421</b>	<b>866 567 421</b>
Changes in net assets		
Surplus for the year	11 189 365	11 189 365
Total changes	11 189 365	11 189 365
<b>Balance at 31 March 2024</b>	<b>877 756 786</b>	<b>877 756 786</b>

## Cash Flow Statement

Figures in Rand	Note(s)	2024	2023 Restated*
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Park revenue		23 624 596	20 110 449
Grants	16	332 634 310	473 935 695
Interest received	14	2 560 277	3 453 105
VAT from prior year		-	95 192 934
Other income		636 598	552 920
		<u>359 455 781</u>	<u>593 245 103</u>
<b>Payments</b>			
Personnel costs		(73 763 374)	(64 318 628)
Suppliers		(261 509 382)	(258 532 592)
		<u>(335 272 756)</u>	<u>(322 851 220)</u>
<b>Net cash flows from operating activities</b>	26	<b><u>24 183 025</u></b>	<b><u>270 393 883</u></b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(159 891 452)	(106 290 654)
Purchase of investment property		(17 492 376)	(23 181 379)
Purchase of other intangible assets	5	-	(831 070)
<b>Net cash flows from investing activities</b>		<b><u>(177 383 828)</u></b>	<b><u>(130 303 103)</u></b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b><u>(153 200 803)</u></b>	<b><u>140 090 780</u></b>
Cash and cash equivalents at the beginning of the year		202 901 622	62 810 842
<b>Cash and cash equivalents at the end of the year</b>	10	<b><u>49 700 819</u></b>	<b><u>202 901 622</u></b>





## Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
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Figures in Rand

### Statement of Financial Performance

#### Revenue

##### Revenue from exchange transactions

Park revenue	25 101 000	(3 274 044)	<b>21 826 956</b>	23 985 803	<b>2 158 847</b>	BC1
Management and administration fees and personnel costs recovery	28 704 975	8 900 000	<b>37 604 975</b>	39 855 611	<b>2 250 636</b>	BC2
Interest revenue	973 440	1 300 000	<b>2 273 440</b>	2 560 277	<b>286 837</b>	BC3
Other income	-	500 000	<b>500 000</b>	601 537	<b>101 537</b>	BC4
<b>Total revenue from exchange transactions</b>	<b>54 779 415</b>	<b>7 425 956</b>	<b>62 205 371</b>	<b>67 003 228</b>	<b>4 797 857</b>	

##### Revenue from non-exchange transactions

##### Transfer revenue

Government grants & subsidies	294 553 025	115 183 084	<b>409 736 109</b>	376 993 309	<b>(32 742 800)</b>	BC5
<b>Total revenue</b>	<b>349 332 440</b>	<b>122 609 040</b>	<b>471 941 480</b>	<b>443 996 537</b>	<b>(27 944 943)</b>	

<b>Expenditure</b>						
Project costs	(38 657 939)	(18 436 000)	<b>(57 093 939)</b>	(57 005 690)	<b>88 249</b>	BC6
Depreciation, amortisation, impairment and write off of assets	(35 296 964)	(35 374 999)	<b>(70 671 963)</b>	(80 936 203)	<b>(10 264 240)</b>	BC7
Personnel costs	(64 081 661)	(8 830 000)	<b>(72 911 661)</b>	(72 958 030)	<b>(46 369)</b>	BC8
Contracted services	(68 476 386)	(58 700 000)	<b>(127 176 386)</b>	(127 637 303)	<b>(460 917)</b>	BC9
Co-management agreement payments	(1 890 000)	270 000	<b>(1 620 000)</b>	(1 597 227)	<b>22 773</b>	BC10
Professional, consulting and legal fees	(34 717 808)	(16 300 000)	<b>(51 017 808)</b>	(50 265 951)	<b>751 857</b>	BC11
Operating lease expenses	(2 871 615)	(1 889 541)	<b>(4 761 156)</b>	(4 682 919)	<b>78 237</b>	BC12
Debt Impairment	-	-	-	(215 201)	<b>(215 201)</b>	BC13
Other expenses	(40 354 064)	2 300 000	<b>(38 054 064)</b>	(37 508 648)	<b>545 416</b>	BC14
<b>Total expenditure</b>	<b>(286 346 437)</b>	<b>(136 960 540)</b>	<b>(423 306 977)</b>	<b>(432 807 172)</b>	<b>(9 500 195)</b>	
<b>Surplus for the year from operating</b>	<b>62 986 003</b>	<b>(14 351 500)</b>	<b>48 634 503</b>	<b>11 189 365</b>	<b>(37 445 138)</b>	
Capital expenditure	(119 306 466)	-	<b>(119 306 466)</b>	(160 384 841)	<b>(41 078 375)</b>	BC15
<b>Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement</b>	<b>(56 320 463)</b>	<b>(14 351 500)</b>	<b>(70 671 963)</b>	<b>(149 195 476)</b>	<b>(78 523 513)</b>	





## Statement of Comparison of Budget and Actual Amounts

### Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
<b>Reconciliation</b>						
<b>Basis difference</b>						
Capital expenditure				160 384 841		
<b>Actual Amount in the Statement of Financial Performance</b>				<b>11 189 365</b>		

Refer to note 40 for detailed reasons between budget and actual amounts.

## Accounting Policies

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### 1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

The Cash Flow Statement is prepared using the direct method.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

These accounting policies are consistent with the previous period.

#### 1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the Authority.

#### 1.2 Going concern assumption

These annual financial statements have been prepared based on the expectation that the Authority will continue to operate as a going concern for at least the next 12 months. The Authority's continuing operations are reliant on the ongoing financial support of government which, amongst other things, implies that government will continue to provide iSimangaliso with adequate grants.

#### 1.3 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:





### **Impairment testing**

The Authority reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. For cash generating units impairment, assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets.

### **Useful lives of non-current assets**

The Authority depreciates its property, plant & equipment and investment property, and amortises its intangible assets over the estimated useful lives of the assets, taking into account the residual values of the assets at the end of their useful lives. The life of the asset is determined with due regard to asset accounting and is determined when the assets are available for use.

The estimation of residual values of assets is based on management's judgement as to whether the assets will be sold or used to the end of their useful lives, and in what condition they will be at that time.

The useful lives of assets are based on management's estimation. Management considers the impact of technology, availability of capital funding, service requirements and required return on assets in order to determine the optimum useful life expectation, where appropriate.

### **1.4 Property, plant and equipment**

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

## Accounting Policies

### 1.4 Property, plant and equipment (continued)

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the Authority; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the Authority is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.





The iSimangaliso Wetland Park is approximately 358 000ha in extent. The land is unregistered state land with the exception of the section north of Sodwana Bay (approx. 17% of the Park) which belongs to the Ingonyama Trust Board and some 2 hectares abutting St Lucia which belongs to the Mtubatuba Municipality. In terms of GRAP 17, the land is not valued as there is no willing-buyer-willing-seller and the value cannot be reliably measured. The use-right is accounted for in terms of GRAP23, and considered a good-in-kind. GRAP23 requires that goods-in-kind be reflected as assets at fair value where these can be reliably measured. It is not possible to reliably measure this and therefore a value is not ascribed to the land. Furthermore, a number of restrictions are placed on the land under inter alia the World Heritage Convention Act. The land can only be used for conservation and it cannot be sold, leased, or encumbered in any way.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

<b>Item</b>	<b>Depreciation method</b>	<b>Average useful life</b>
Buildings & structures	Straight line	10 to 30 years
Roads & bridges	Straight line	20 years
Fences	Straight line	15 years
Reservoirs & boreholes	Straight line	10 to 15 years
Transport assets	Straight line	5 to 12 years
Computer equipment	Straight line	3 to 5 years
Office equipment	Straight line	3 to 10 years
Furniture & fittings	Straight line	10 to 20 years
Operating equipment	Straight line	2 to 20 years

## Accounting Policies

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### 1.4 Property, plant and equipment (continued)

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the Authority. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The Authority assesses at each reporting date whether there is any indication that the Authority expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the Authority revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

The Authority separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 3).

The Authority discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 3).





### 1.5 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for
- administrative purposes, or
- sale in the ordinary course of operations.

Authority holds investment property in order to generate fees. It grants use-rights to third parties through private public partnership (PPP) agreements. Typically these PPPs transfer operational and business risk to the third party. The third party is required to insure and maintain the underlying assets and pay a PPP fee to the Authority for the use-rights.

With the exception of two properties, the properties are all managed by Ezemvelo KZN Wildlife, directly or through subcontractors. The Authority does not charge Ezemvelo KZN Wildlife a PPP fee.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the Authority, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

## Accounting Policies

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### 1.5 Investment property (continued)

#### Cost model

Investment property is carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided to write down the cost, less estimated residual value by equal installments over the useful life of the property, which is taken to be 30 years.

Transfers to and from investment property are made when there is a change in use. Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

The Authority discloses relevant information relating to assets under construction or development, in the notes to the annual financial statements (see note 4).

### 1.6 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an Authority and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the Authority intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the Authority or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.





An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the Authority; and
- the cost or fair value of the asset can be measured reliably.

The Authority assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

<b>Item</b>	<b>Depreciation method</b>	<b>Average useful life</b>
Website	Straight line	3 to 15 years
Computer software	Straight line	2 to 15 years

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised.

## Accounting Policies

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### 1.7 Living and non-living resources

The iSimangaliso Authority is responsible for managing a wide range of fauna, flora, geological structures and unique scenery. Since the iSimangaliso Authority does not control conditions affecting the progeny or quantity of any species, and since its main line of business does not include trade in these assets, it does not account for any living and non-living resources.

### 1.8 Heritage assets

The iSimangaliso Wetland Park was the first South African World Heritage Site to be listed by UNESCO. The Park was listed on the basis of its superlative natural beauty, biodiversity and threatened species and ecological processes. The Park is 358 534 hectares including 5 ecosystems, viz marine, coastal dune, lake, swamps, and dry savannah woodlands, thickets and sand forest. The Park also includes 4 RAMSAR sites. The Authority does not attach a value to its Heritage Assets as there is no active market and the value cannot be measured reliably.

### 1.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
  - receive cash or another financial asset from another entity; or
  - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.





## Accounting Policies

### 1.9 Financial instruments (continued)

#### Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

<b>Class</b>	<b>Category</b>
Cash and cash equivalents -Cash and cash equivalents comprise cash on hand and deposits in the Authority's name with First National Bank.	Financial asset measured at amortised cost
Receivables -Receivables include trade debtors, prepayments, employee debtors, project advances, deposits and conditional grants. The receivables, other than deposits, are short-term in nature. Deposits are discounted only in instances where the effect is material	Financial asset measured at amortised cost
VAT receivable	Financial asset measured at cost

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

<b>Class</b>	<b>Category</b>
Trade and other payables Payables include trade creditors, accruals, amounts owing to donors, retentions, levies payable, concessionaire's performance bonds and deposits on staff housing. The payables, other than retentions, concessionaires' performance bonds and deposits, are short-term in nature. Retentions and deposits are discounted only in instances where the effect is material.	Financial liability measured at amortised cost
Unspent conditional grants	Financial liability measured at amortised cost

### Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets using trade date accounting.

Financial liabilities are recognised when the transaction is entered into. The Authority's financial liabilities comprise trade creditors, accrued expenses, amounts owing to donors, project advances, accruals, retentions, amounts owing to SARS and non-interest-bearing deposits from concessionaires and licensees. Amounts owing to donors comprise interest earned on grant funding for which permission must be obtained for disbursement on the related project costs, whereupon the amounts are transferred to conditional grants.

### Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.





## Accounting Policies

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### 1.9 Financial instruments (continued)

#### Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at amortised cost.
- Financial instruments at cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

#### Gains and losses

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

#### Impairment and uncollectibility of financial assets

The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

#### Derecognition

##### Financial assets

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity :
  - derecognise the asset; and
  - recognise separately any rights and obligations created or retained in the transfer.

## Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

### Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the entity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity does not offset the transferred asset and the associated liability.

### 1.10 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.





## Accounting Policies

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### 1.10 Leases (continued)

#### Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

### 1.11 Inventories

Inventories are held for the delivery of services and includes items such as chemicals for alien plant clearing and land rehabilitation, stationery and promotional (merchandising) materials.

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the first-in, first-out (FIFO) formula. The same cost formula is used for all inventories having a similar nature and use to the Authority.

### 1.12 Impairment of non-cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Non-cash-generating assets are assets other than cash-generating assets.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

#### Designation

At initial recognition, the Authority designates an asset as non-cash-generating, or an asset or cash-generating unit as cash-generating. The designation is made on the basis of a Authority's objective of using the asset.

The Authority designates an asset as non-cash-generating when its objective is not to use the asset to generate a commercial return but to deliver services.

#### Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The Authority assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the Authority estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the Authority also tests a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.





## Accounting Policies

### 1.12 Impairment of non-cash-generating assets (continued)

#### Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

The present value of the remaining service potential of a non-cash-generating assets is determined using the following approach:

#### Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the Authority would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an oversized or overcapacity asset. Oversized assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

#### Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the Authority recognises a liability only to the extent that is a requirement in the Standards of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

### **Reversal of an impairment loss**

The Authority assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the Authority estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

### **Redesignation**

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.





## Accounting Policies

### 1.13 Revenue from non-exchange transactions

Non-exchange transactions are defined as transactions where the Authority receives value from another Authority without directly giving approximately equal value in exchange.

#### Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

#### Government grants

Government grants are recognised as revenue when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the Authority,
- the amount of the revenue can be measured reliably, and
- to the extent that there has been compliance with any restrictions associated with the grant.

The Authority assesses the degree of certainty attached to the flow of future economic benefits or service potential on the basis of the available evidence. Certain grants payable by one level of government to another are subject to the availability of funds. Revenue from these grants is only recognised when it is probable that the economic benefits or service potential associated with the transaction will flow to the Authority. An announcement at the beginning of a financial year that grants may be available for qualifying entities in accordance with an agreed programme may not be sufficient evidence of the probability of the flow. Revenue is then only recognised once evidence of the probability of the flow becomes available.

Restrictions on government grants may result in such revenue being recognised on a time proportion basis. Where there is no restriction on the period, such revenue is recognised on receipt or when the Act becomes effective, whichever is earlier.

When government remit grants on a re-imbursement basis, revenue is recognised when the qualifying expense has been incurred and to the extent that any other restrictions have been complied with.

#### Other grants and donations

Other grants and donations are recognised as revenue when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the Authority;
- the amount of the revenue can be measured reliably; and
- to the extent that there has been compliance with any restrictions associated with the grant.

If goods in-kind are received without conditions attached, revenue is recognised immediately. If conditions are attached, a liability is recognised, which is reduced and revenue recognised as the conditions are satisfied.

#### 1.14 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

##### Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.





## Accounting Policies

### 1.14 Revenue from exchange transactions (continued)

#### Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the Authority;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

#### -Park revenue

Park revenue comprises inter alia:

- **Gate-entrance fees:** The Authority charges gate entrance fees per person entering the gate.
- **Activities:** This includes inter alia revenue from events, filming and permits. The Authority has agreements with private parties to access the park for tourism activities for which monthly fee is charged. The Authority earn further revenue from adhoc events and filming activities within the park.
- **Concession Fee:** These are fees for tourism operations operated for gain by private parties within the Park. Private companies are allowed to operate within the park, whereby they can occupy tourism accommodation for rental to visitors and the authority enters agreement with private companies to pay a fee.
- **Levies:** charged at gates: The Authority charges levies per each person entering the park and management allocates the fees received towards community building activities at their discretion.

Park revenue from gate entrance and levies is recognised when visitors access the park and is paid for in cash upon entry. Park revenue from commercial activities and concession fee is due at the end of the month following which activities are performed. Invoices are raised in respect of such fees during the last week of performing activities in cases where there is a regular monthly charge and in advance of an ad hoc activity.

#### -Management and Administration fees

Management and administration fees from the management of projects are recognised on a pro-rata basis over the specific period in which the project is implemented. Management fees range from 4% to 7% whereas administration fees range from 3% to 6% of expenditure incurred on each grants.

#### -Personnel costs recoveries/fees

The Authority is also entitled to claim personnel costs recovery fees from grants. The fees claimed range from 5% to 10% of expenditure incurred on each grants.

### 1.15 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

## Accounting Policies

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### 1.16 Employee benefits

#### Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

Leave pay, medical aid and study loans are provided for as follows:

#### -Leave Pay

The Authority provides for estimated leave pay in full, based on the total days' leave accruing to employees at their respective total cost of employment.

#### -Medical Aid

Medical aid is mandatory for all staff and is included in the total cost of employment.

#### -Study Loans

The Authority provides study loans to staff. These are converted to grants on successful completion of each year of study and provided that the staff member concerned does not resign within a year of completion of the particular year of study.

#### Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

All permanent employees are advised to register for pension fund used by the authority. The authority carries no obligation for movements in funds and therefore no post employment payments may be made by iSimangaliso Wetland Park Authority.





### 1.17 Expenditure

Expenses are decreases in economic benefits or service potential during the reporting period in the form of outflows or consumption of assets or incurrence of liabilities that result in decreases in net assets.

Where an outflow of economic benefits does not result in future benefits, it is disclosed as fruitless and wasteful expenditure. The point at which an expense is recognised is dependent on the nature of the transaction or other event that gives rise to the expense. Where future economic benefits are consumed immediately or soon after acquisition, for example, contracted expenditure, projects costs and other operating expenses, the expense is recognised in the reporting period in which the acquisition of the future economic benefit occurs. Where future economic benefits are expected to be consumed over several reporting periods e.g. non-current assets, expenses (depreciation) is allocated systematically to the reporting period during which the future economic benefits are expected to be consumed; where expenditure produces no future economic benefits e.g. fines paid, an expense is recognised immediately; and where a liability is incurred without the recognition of an asset an expense is recognised simultaneously with the recognition of the liability.

Generally, expenses are accounted for on an accrual basis at fair value. Under the accrual basis of accounting expenses are recognised when incurred usually when goods are received or services are consumed. This may not be when the goods or services are actually paid for. Fair value is the amount for which an asset could be exchanged or a liability settled between knowledgeable willing parties in an arm's length transaction.

Major classes of expenses include:

- Project costs- major operating expenditure incurred in implementing projects that are funded by grants;
- Contracted services-included are costs incurred on long-term contract basis and major categories are repair and maintain assets by external parties, security services, gate operating costs, cleaning and IT services;
- Professional fees-all expenses related to professional services rendered to the Authority;
- Losses on the disposal of non-current assets are reported separately from expenses in the Statement of Financial Performance; and
- Other operating expenses which constitute several expense items which are not individually significant.

## Accounting Policies

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### 1.18 Provisions and contingencies

Provisions are recognised when:

- the Authority has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the Authority settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus.





If an Authority has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

- the amount of the fee initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from Exchange Transactions.

A contingent liability is:

(a) a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(b) a present obligation that arises from past events but is not recognised because:

- (i) it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
- (ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised, but are disclosed in note 28 unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

### 1.19 Commitments

Items are classified as commitments when an Authority has committed itself to future transactions that will normally result in the outflow of cash.

The commitments disclosed in the disclosure note are the differences between expenditure to date and expenditure contracted for as at the reporting date. Material contracts entered into after the reporting date but prior to approval of the financial statements will be disclosed under subsequent events.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost, and

## Accounting Policies

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### 1.19 Commitments (continued)

- Contracts should relate to something other than the routine, steady, state business of the Authority – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

### 1.20 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

### 1.21 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

### 1.22 Irregular expenditure

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including -

- PFMA; or
- the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- any provincial legislation providing for procurement procedures in that provincial government; or
- Provincial instructions issued in terms of section 76 of the PFMA; or
- internal policies of the public entity; or
- any applicable legislation.

National Treasury practice note no. 4 of 2008/2009 which was issued in terms of sections 76(1) to 76(4) of the PFMA requires the following (effective from 1 April 2008):

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.





Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned.

If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

### **1.23 Segment reporting**

The iSimangaliso Authority's mandate is to conserve the World Heritage values and in so doing provide eco-systems goods and services, tourism and transformation opportunities. While there are separate units in the organisation responsible for aspects of this service, management relies and uses the financial information of the business as a whole to assess performance and make decisions concerning inter alia the allocation of resources. Consequently, for purposes of GRAP 18 the businesses are considered to have one segment. There is therefore no requirement for additional notes to the financial statements in this regard. The iSimangaliso Authority operates in one geographic area viz., northern KwaZulu-Natal, in the proclaimed iSimangaliso Wetland Park. It does not distinguish between the various sections of the iSimangaliso Wetland Park in its reporting for decision making purposes and the services provided are substantially the same.

## Accounting Policies

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### 1.24 Budget information

Entities are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by Authority shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2023/04/01 to 2024/03/31.

The annual financial statements and the budget are all on accruals basis, however the budget statement includes capital expenditure and therefore a reconciliation between the statement of financial performance and the budget have been included in the annual financial statements.

Deviations between budget and actual amounts are regarded as material differences when there is a deviation of 15% or more. All differences are explained in note 40 to the Annual Financial Statements.

Comparative information is not required.

### 1.25 Related parties

A related party is a person or an Authority with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an Authority that is subject to common control, or joint control.

Related party transaction is a transfer of resources, services or obligations between the reporting Authority and a related party, regardless of whether a price is charged.

Management are those persons responsible for planning, directing and controlling the activities of the Authority, including those charged with the governance of the Authority in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the Authority.





The Authority is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the Authority to have adopted if dealing with that individual Authority or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting Authority's legal mandate.

Where the Authority is exempt from the disclosures in accordance with the above, the Authority discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the Authority's financial statements to understand the effect of related party transactions on its annual financial statements.

### **1.26 Taxation**

#### **Income Tax**

No provision is made for income tax as the Authority is exempt from income tax as per section 10(1)(cN) of the Act of Income Tax Act, read together with definition of Public Authority.

#### **Value-Added Tax (VAT)**

The Authority accounts for VAT on accrual basis and VAT returns are due on a monthly basis.

### **1.27 Risk management**

The Authority transfers risk to third parties in instances where use-rights are conferred on these parties. It imposes an obligation on all such third parties to adequately insure buildings and structures allocated for their use. The remaining risk, which the Authority carries itself, is within Authority's ability to manage.

## Accounting Policies

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### 1.28 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The Authority will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The Authority will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.



## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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### 2. New standards and interpretations

#### 2.1 Standards and interpretations issued, but not yet effective

The Authority has not applied the following standards and interpretations, which have been published and are mandatory for the Authority's accounting periods beginning on or after 01 April 2024 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<ul style="list-style-type: none"> <li>GRAP 104 (as revised): Financial Instruments</li> </ul>	01 April 2025	Unlikely there will be a material impact
<ul style="list-style-type: none"> <li>GRAP 103 (amended): Heritage Assets</li> </ul>	Effective date to be determined	Unlikely there will be a material impact
<ul style="list-style-type: none"> <li>Guideline: Guideline on the Application of Materiality to Financial Statements</li> </ul>	Effective date to be determined	Unlikely there will be a



## Notes to the Annual Financial Statements

Figures in Rand

### 3. Property, plant and equipment

	2024			2023		
	Cost	Accumulated depreciation and accumulated impairment	Carrying value	Cost	Accumulated depreciation and accumulated impairment	Carrying value
Buildings and structures	276 667 851	(71 523 948)	205 143 903	276 025 272	(74 863 011)	201 162 261
Roads and bridges	561 195 387	(127 363 784)	433 831 603	524 322 566	(116 579 631)	407 742 935
Fences	125 769 704	(30 315 144)	95 454 560	103 130 551	(24 448 569)	78 681 982
Reservoirs and boreholes	39 590 587	(11 688 573)	27 902 014	22 729 666	(10 084 588)	12 645 078
Transport assets	7 714 153	(4 274 693)	3 439 460	6 270 802	(3 537 188)	2 733 614
Computer equipment	3 216 841	(2 137 741)	1 079 100	3 046 230	(1 987 172)	1 059 058
Office equipment	2 879 910	(425 804)	2 454 106	2 675 539	(253 625)	2 421 914
Furniture and fittings	3 905 964	(1 079 367)	2 826 597	2 024 893	(883 087)	1 141 806
Operating equipment	12 021 991	(3 554 713)	8 467 278	11 423 522	(3 055 347)	8 368 175
<b>Total</b>	<b>1 032 962 388</b>	<b>(252 363 767)</b>	<b>780 598 621</b>	<b>951 649 041</b>	<b>(235 692 218)</b>	<b>715 956 823</b>

### Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions through purchase	Additions through construction	Write off	Depreciation	Impairment loss	Closing Balance
Buildings and structures	201 162 261	125 000	13 657 111	(1 255 967)	(8 301 353)	(243 149)	205 143 903
Roads and bridges	407 742 935	-	79 853 579	(27 795 536)	(23 090 948)	(2 878 427)	433 831 603
Fences	78 681 982	-	24 514 136	(606 575)	(7 134 983)	-	95 454 560
Reservoirs and boreholes	12 645 078	-	16 893 240	(2 875)	(1 277 298)	(356 131)	27 902 014
Transport assets	2 733 614	1 443 351	-	-	(737 505)	-	3 439 460
Computer equipment	1 059 058	463 799	-	(7 853)	(435 904)	-	1 079 100
Office equipment	2 421 914	235 347	-	(2)	(203 153)	-	2 454 106
Furniture and fittings	1 141 806	1 926 766	-	(18 114)	(223 861)	-	2 826 597
Operating equipment	8 368 175	1 008 897	-	(1 721)	(754 432)	(153 641)	8 467 278
	<b>715 956 823</b>	<b>5 203 160</b>	<b>134 918 066</b>	<b>(29 688 643)</b>	<b>(42 159 437)</b>	<b>(3 631 348)</b>	<b>780 598 621</b>

## Notes to the Annual Financial Statements

Figures in Rand

### 3. Property, plant and equipment (continued)

#### Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions through purchase	Additions through construction	Write off	Depreciation	Impairment loss	Closing Balance
Buildings and structures	200 513 096	-	18 634 094	(20 527)	(6 909 123)	(11 055 279)	201 162 261
Roads and bridges	350 727 351	-	88 378 087	(8 101 258)	(22 354 625)	(906 620)	407 742 935
Fences	77 954 868	-	8 754 664	(1 427 794)	(6 599 756)	-	78 681 982
Reservoirs and boreholes	9 938 549	-	3 945 320	-	(1 238 791)	-	12 645 078
Transport assets	2 587 197	877 582	-	-	(731 165)	-	2 733 614
Computer equipment	1 441 411	70 687	-	(8)	(453 032)	-	1 059 058
Office equipment	183 289	53 039	2 228 574	-	(42 988)	-	2 421 914
Furniture and fixtures	431 973	873 745	-	-	(163 912)	-	1 141 806
Operating equipment	7 814 045	418 481	904 593	(16)	(768 928)	-	8 368 175
	<b>651 591 779</b>	<b>2 293 534</b>	<b>122 845 332</b>	<b>(9 549 603)</b>	<b>(39 262 320)</b>	<b>(11 961 899)</b>	<b>715 956 823</b>

Included in property, plant and equipment above is work in progress as shown below:

#### Reconciliation of Work-in-Progress 2024

	Buildings and structures	Roads and bridges	Fences	Reservoirs and boreholes	Operating & Office Equipment	Total
Opening balance	58 982 905	86 887 392	8 472 030	3 945 320	6 084 812	164 372 459
Additions/capital expenditure	13 657 111	79 853 579	24 514 136	16 893 240	-	134 918 066
Transferred to completed items	(58 588 762)	(152 127 493)	(17 677 290)	(709 563)	(3 133 167)	(232 236 275)
	<b>14 051 254</b>	<b>14 613 478</b>	<b>15 308 876</b>	<b>20 128 997</b>	<b>2 951 645</b>	<b>67 054 250</b>

#### Reconciliation of Work-in-Progress 2023

	Buildings and structures	Roads and bridges	Fences	Reservoirs and boreholes	Operating & Office Equipment	Total
Opening balance	51 546 441	16 370 988	-	-	2 951 645	70 869 074
Additions/capital expenditure	18 634 094	88 378 087	8 754 664	3 945 320	3 133 167	122 845 332
Transferred to completed items	(142 351)	(16 955 063)	(282 634)	-	-	(17 380 048)

## Notes to the Annual Financial Statements

Figures in Rand

### 3. Property, plant and equipment (continued)

Expenditure written off	(11 055 279)	(906 620)	-	-	-	(11 961 899)
	<b>58 982 905</b>	<b>86 887 392</b>	<b>8 472 030</b>	<b>3 945 320</b>	<b>6 084 812</b>	<b>164 372 459</b>

Operating and office equipment additions of R3 133 167 in prior year included operating equipment amounting to R904 593 and office equipment of R2 228 574. These projects were both capitalised as completed in current financial year. the opening balance of R2 951 645 comprises of operating equipment only.

### Property, plant and equipment in the process of being constructed or developed

#### Carrying value of property, plant and equipment that is taking a significantly longer period of time to complete than expected:

Park signage The project has been on halt due to urgent need to prioritise road construction before road signs can be distributed across the park.	2 951 645	2 951 645
Maphelane road construction The project was delayed by flooding in the area, the contractor was terminated by mutual agreement. The scope of the project was later changed and construction is currently in progress.	10 803 362	4 725 929
	<b>13 755 007</b>	<b>7 677 574</b>

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>3. Property, plant and equipment (continued)</b>		
<b>Expenditure incurred to repair and maintain property, plant and equipment</b>		
<b>Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance under contracted services is as follows:</b>		
<b>Funded from internal operations</b>		
Buildings and structures	6 060 150	2 392 912
Fences	15 022 102	13 352 752
Reservoirs and boreholes	2 688 545	6 253 885
Roads and Bridges	7 551 332	4 647 920
Transport assets	47 534	46 637
Equipment	-	29 349
	<b>31 369 663</b>	<b>26 723 455</b>

A register containing the information of all assets is available for inspection at the registered office of the Authority.

## Notes to the Annual Financial Statements

Figures in Rand

### 4. Investment property

	2024			2023		
	Cost	Accumulated depreciation and accumulated impairment	Carrying value	Cost	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	225 852 393	(74 258 354)	151 594 039	206 107 778	(69 743 442)	136 364 336

## Notes to the Annual Financial Statements

Figures in Rand

### 4. Investment property (continued)

#### Reconciliation of investment property - 2024

	Opening balance	Additions	Impairment	Write off	Depreciation	Closing balance
Bhangazi tourist accommodation	2 093 817	3 863 458	-	-	-	5 957 275
Cape Vidal tourist accommodation	19 639 810	-	(379 846)	(20 856)	(1 209 013)	18 030 095
Charters Creek tourist accommodation	68 433 253	8 372 773	-	-	(507 790)	76 298 236
Eastern Shores hiking trails facility	768 780	-	-	-	(49 976)	718 804
False Bay tourist accommodation	292 851	-	-	-	(32 290)	260 561
Kosi Bay tourist accommodation	947 261	-	-	-	(104 488)	842 773
Mabibi tourist accommodation	2 685 425	-	-	-	(237 868)	2 447 557
Manzengwenya tourist accommodation	3 805 771	-	-	-	(254 222)	3 551 549
Maphelane tourist accommodation	1 353 627	-	-	-	(149 311)	1 204 316
Sodwana Bay tourist accommodation	24 842 609	3 925 095	-	(119 622)	(1 200 585)	27 447 497
St Lucia Estuary camp sites	3 186 969	4 102 289	-	-	(245 543)	7 043 715
uMkhuze tourist accommodation	8 314 168	-	-	-	(522 504)	7 791 664
	<b>136 364 341</b>	<b>20 263 615</b>	<b>(379 846)</b>	<b>(140 478)</b>	<b>(4 513 590)</b>	<b>151 594 042</b>

#### Reconciliation of investment property - 2023

	Opening balance	Additions	Write off	Depreciation	Closing balance
Bhangazi tourist accommodation	-	2 093 817	-	-	2 093 817
Cape Vidal tourist accommodation	21 012 962	-	(149 897)	(1 223 255)	19 639 810
Charters Creek tourist accommodation	46 774 161	22 294 627	(140 149)	(495 386)	68 433 253
Eastern Shores hiking trails facility	818 619	-	-	(49 839)	768 780
False Bay tourist accommodation	325 053	-	-	(32 202)	292 851
Kosi Bay tourist accommodation	1 158 357	-	(96 301)	(114 795)	947 261
Mabibi tourist accommodation	2 922 643	-	-	(237 218)	2 685 425
Manzengwenya tourist accommodation	4 059 298	-	-	(253 527)	3 805 771
Maphelane tourist accommodation	1 502 530	-	-	(148 903)	1 353 627
Sodwana Bay tourist accommodation	25 073 699	1 067 055	(90 847)	(1 207 298)	24 842 609
St Lucia Estuary camp sites	3 431 841	-	-	(244 872)	3 186 969
uMkhuze tourist accommodation	9 239 330	-	(388 354)	(536 808)	8 314 168
	<b>116 318 493</b>	<b>25 455 499</b>	<b>(865 548)</b>	<b>(4 544 103)</b>	<b>136 364 341</b>

## Notes to the Annual Financial Statements

Figures in Rand

### 4. Investment property (continued)

#### Reconciliation of Investment property under construction 2024

	Bhangazi Tourism accommodatio n	Charters Creek	Sodwana Bay tourist accommodatio n	St Lucia Estuary	Total
Opening balance	2 093 817	56 653 182	12 094 177	-	70 841 176
Additions/capital expenditure	3 863 458	8 372 773	3 925 095	4 102 289	20 263 615
Transferred to completed items	-	(60 892 263)	-	-	(60 892 263)
	<b>5 957 275</b>	<b>4 133 692</b>	<b>16 019 272</b>	<b>4 102 289</b>	<b>30 212 528</b>

#### Reconciliation of Investment property under construction 2023

	Bhangazi Tourism accommodatio n	Charters Creek	Sodwana Bay tourist accommodatio n	Total
Opening balance	-	34 358 555	11 027 122	45 385 677
Additions/capital expenditure	2 093 817	22 294 627	1 067 055	25 455 499
	<b>2 093 817</b>	<b>56 653 182</b>	<b>12 094 177</b>	<b>70 841 176</b>



## Notes to the Annual Financial Statements

Figures in Rand 2024      2023

### 4. Investment property (continued)

#### Investment property under construction

The carrying value of investment property under construction is R30 212 528 (Prior year R70 41 176).

#### New investment property under development

- The Lokotwayo Heritage site (Bhangazi tourism accommodation): This is being developed in conjunction with the Bhangazi Land Claims Trust. The total costs of this project is expected to be in the region of R 35million. Funding to start the project was received from the Department of Forestry, Fisheries and the Environment for the community equity.
- Charters Creek phase 2: Construction of phase 2 was partially completed during the year. Phase 2 comprises of tourism lodge and restaurant.
- Sodwana Bay Market: Construction of the project is currently in progress and funding was received from the Department of Forestry, Fisheries and the Environment.

#### Restrictions on realisability of investment property

Property cannot be alienated without the permission of the Minister of Department of Forestry, Fisheries and the Environment.

There are no contractual obligations to purchase investment property.

#### Investment property in the process of being constructed or developed

#### Carrying value of Investment property that is taking a significantly longer period of time to complete than expected

Sodwana marker construction	12 933 177	12 094 176
The project was delayed by non-performance of the service provider. The service provider was terminated during the 2023 financial year and construction resumed in 2024 financial year after a new service provider was appointed.		

	12 933 177	12 094 176
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A register containing the information of all assets is available for inspection at the registered office of the Authority.

## 5. Intangible assets

	2024			2023		
	Cost	Accumulated amortisation and accumulated impairment	Carrying value	Cost	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	1 236 293	(841 384)	394 909	1 487 663	(820 304)	667 359
Website and App	750 000	(302 054)	447 946	750 000	(151 643)	598 357
<b>Total</b>	<b>1 986 293</b>	<b>(1 143 438)</b>	<b>842 855</b>	<b>2 237 663</b>	<b>(971 947)</b>	<b>1 265 716</b>

### Reconciliation of intangible assets - 2024

	Opening balance	Amortisation	Write off	Closing Balance
Computer software	667 359	(265 485)	(6 965)	394 909
Website and App	598 357	(150 411)	-	447 946
	<b>1 265 716</b>	<b>(415 896)</b>	<b>(6 965)</b>	<b>842 855</b>

## Notes to the Annual Financial Statements

Figures in Rand 2024 2023

### 5. Intangible assets (continued)

#### Reconciliation of intangible assets - 2023

	Opening balance	Additions	Amortisation	Write off	Closing Balance
Computer software	863 557	81 070	(276 776)	(492)	667 359
Website and App	748 356	-	(149 999)	-	598 357
	<b>1 611 913</b>	<b>81 070</b>	<b>(426 775)</b>	<b>(492)</b>	<b>1 265 716</b>

### 6. Inventories

Chemicals, protective clothing and consumables	34 096	98 451
Promotional materials	40 291	84 992
Stationery	265 504	36 072
	<b>339 891</b>	<b>219 515</b>

Inventories recognised as an expense during the year 3 924 158 1 653 088

Stationery inventory recognised as an expense is included as part of printing, stationary and other consumables under other operating expenses.

#### Inventory pledged as security

No inventory was pledged as security.

### 7. Receivables from exchange transactions

Trade debtors	1 088 183	942 176
Employee debtors	28 174	90 765
Prepaid expenses	3 610 870	414 404
Project advances and study loans to staff	346 133	96 062
Deposits	164 929	154 256
	<b>5 238 289</b>	<b>1 697 663</b>

**Trade receivables are as follows:**

Gross trade receivables	2 180 506	1 819 299
less allowance for impairment	(1 092 323)	(877 123)
	<b>1 088 183</b>	<b>942 176</b>

**Trade and other receivables impaired**

As of 31 March 2024, trade and other receivables of R 1 115 299 (2023: R 932 987) were impaired and provided for.

The amount of the provision was R (1 092 323) as of 31 March 2024 (2023: R (877 123)).

**Reconciliation of provision for impairment of trade and other receivables**

Opening balance	877 123	792 010
Provision for impairment	215 200	85 113
	<b>1 092 323</b>	<b>877 123</b>





## Notes to the Annual Financial Statements

Figures in Rand 2024      2023

### 8. Receivables from non-exchange transactions

Grants and subsidies 73 850 305      1 315 000

**Grants receivable comprises of:**

GEF 7	15 354 615	-
Working for Wetlands	-	1 315 000
People and parks	51 795 690	-
Staff Accommodation Refurbishment	6 700 000	-
	<b>73 850 305</b>	<b>1 315 000</b>

Refer to note 16 for detailed grants reconciliation

### 9. VAT receivable

VAT 9 752 167      18 020 187

VAT returns are due monthly on accrual basis.

### 10. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank accounts - operational	4 270 589	66 534 515
Bank accounts - conditional grants	42 579 274	133 483 627
Bank accounts - other	2 850 524	2 881 871
Petty cash	432	1 609
	<b>49 700 819</b>	<b>202 901 622</b>

### Cash and cash equivalents pledged as collateral

There is no cash and cash equivalents pledged as security by the Authority.

## Notes to the Annual Financial Statements

Figures in Rand	2024			2023		
<b>10. Cash and cash equivalents (continued)</b>						
<b>The entity had the following bank accounts</b>						
Account number / description	Bank statement balances			Cash book balances		
	31 March 2024	31 March 2023	31 March 2022	31 March 2024	31 March 2023	31 March 2022
Operational accounts	Bank statement balances			Cash book balances		
FNB - GSLWPA - No 1 (Main) Cheque account 62032964472	3 132 740	1 266 173	8 281 692	3 132 740	1 266 173	8 281 692
FNB - GSLWPA - Gates Revenue Cheque account 62133210906	131 464	163 732	7 768 107	131 464	163 732	7 768 107
FNB - GSLWPA - Call Account Call account 62165119910	982 148	65 080 369	584 349	982 148	65 080 369	584 349
FNB - Project Advances Cheque account 62189967783	24 237	24 241	24 650	24 237	24 241	24 650
Conditional grants	Bank statement balances			Cash book balances		
FNB - Infrastructure Development Cheque account 62488499982	231 027	21 206 860	429 565	231 027	21 206 860	429 565
FNB - Bhangazi Development Project Cheque account 62607825596	13 421 092	65 801 225	196 857	13 421 092	65 801 225	196 857
FNB - Coast Care Project Cheque account 62238909123	1 917 250	129 889	1 089 005	1 917 250	129 889	1 089 005
FNB - Tourism Upgrade Cheque account 62243875856	3 494 473	29 307	29 559	3 494 473	29 307	29 559
FNB-W4W-No 6 Cheque account 62057125629	30 925	4 248 897	3 053 420	30 925	4 248 897	3 053 420
FNB- Municipal Cleaning & Greening Cheque account 62376442267	1 636 898	4 735 332	21 260	1 636 898	4 735 332	21 260
FNB - IP Infrastructure 18/21 Cheque account 62790912333	3 032 325	2 795 691	5 543 034	3 032 325	2 795 691	5 543 034
FNB - Working for Wetlands Cheque account 62307553819	145 086	36 988	400 806	145 086	36 988	400 806
FNB - HIP Fence Project	4 970 497	8 578 426	219 487	4 970 497	8 578 426	219 487





Cheque account 62307553819 FNB - HIP Fence Project	4 970 497	8 578 426	219 487	4 970 497	8 578 426	219 487
Cheque account 62711073750 FNB - Infrastructure - GEF7	161 489	3 458 581	289 157	161 489	3 458 581	289 157
Cheque account 62790914389 FNB - Environmental Monitors Project	891 987	6 853 679	11 649 112	891 987	6 853 679	11 649 112
Cheque account 62812070671 FNB - Environmental Monitors Host	2 817 759	1 508 846	1 690 329	2 817 759	1 508 846	1 690 329
Cheque account 62814398063 FNB -Groen Sebenza Grant	2 350 710	13 922 740	18 284 092	2 350 710	13 922 740	18 284 092
Cheque account 62875106017 FNB - Lotto Funding	177 547	169 998	443 284	177 547	169 998	443 284
Cheque account 62298571483 FNB - Tourism Guides	1 760 812	7 168	11 675	1 760 812	7 168	11 675
Cheque account 62669001209 Oceans & Coast	2 261 282	-	-	2 261 282	-	-
Cheque account Biodiversity Infrastructure	3 278 115	-	-	3 278 115	-	-
Cheque account						
				Bank statement balances		Cash book balances
Other accounts						

\* See Note 34 & 33

## Notes to the Annual Financial Statements

Figures in Rand	2024		2023			
<b>10. Cash and cash equivalents (continued)</b>						
FNB - Levies/Bonds Cheque account 62376455723	2 432 709	2 314 051	2 243 573	2 432 709	2 314 051	2 243 573
FNB - Rare Endangered Species Fund Cheque account 62718358618	416 840	397 512	544 795	416 840	397 512	544 795
FNB - Mfusi Trust Call account 62229462255	976	170 308	7 314	976	170 308	7 314
	Bank statement balances			Cash book balances		
Petty cash						
Cash on hand	-	-	-	4	4	3 005
FNB - Petty Cash Cheque account 62189745775	428	1 605	2 715	428	1 605	2 715
<b>Total</b>	<b>49 700 816</b>	<b>202 901 618</b>	<b>62 807 837</b>	<b>49 700 820</b>	<b>202 901 622</b>	<b>62 810 842</b>

### 11. Trade and other payables

Trade payables	19 820 184	26 414 115
Accrued expenses	722 325	3 021 746
Accrued leave pay	3 617 421	4 064 985
Employee related deductions	380 188	737 967
Amounts owing to donors	8 123 389	5 150 722
Retentions	18 478 518	19 100 451
Deposits on staff housing	42 626	42 626
Concessionaires' performance bonds	1 799 298	1 363 750
Other deposits	63 558	54 358
	<b>53 047 507</b>	<b>59 950 720</b>



## 12. Unspent conditional grants and receipts

### Unspent conditional grants comprises of:

#### Unspent conditional grants

NIHSS Humanities Hub	501 071	501 071
Working for Water	-	4 857 004
Oceans and Cost	2 163 575	4 335 077
Corridor Lubombo	2 922	2 922
GEF7	12 050 932	3 434 834
Tourism Infrastructure	-	12 604
Lotto Art, Craft & Environment Programme	167 034	168 266
Municipal and Greening programme	-	4 594 297
People & Parks	71 841 637	67 315 918
Biodiversity Infrastructure	1 176 350	8 300 000
Working for Wetlands	951 783	1 012 979
Peace Parks Foundation	63 055	63 055
Working for the Coast and dunes clearance	5 917 795	5 130 773
Staff Accommodation Refurbishment	783 609	-
Tourism Guides	5 240	6 507
IP Infrastructure	10 454 214	30 117 053
IP Value Added Industries	-	128 989
Environmental Monitors	4 583 459	4 585 625
Environmental Monitors Host	2 048 470	1 285 944
Additional allocation- Infrastructure	-	58 492
Groen Sebenza Internship	9 128 823	14 413 614
Hluhluwe Imfolozi Game fence project	19 272 720	897 700
	<b>141 112 689</b>	<b>151 222 724</b>

\* See Note 34 & 33

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>12. Unspent conditional grants and receipts (continued)</b>		
<b>Movement during the year</b>		
Balance at the beginning of the year	151 222 724	82 796 069
Opening grants receivable	(1 315 000)	(29 200 000)
Additions during the Period	292 983 310	432 635 695
Transfer from amounts owing to donors	1 569 270	-
Grant income recognition during the year	(337 342 309)	(301 850 723)
Management fees	(12 974 759)	(8 459 908)
Administration fees	(9 075 653)	(8 819 801)
Personnel cost fees	(17 805 199)	(17 193 608)
Grants receivable at year end	73 850 305	1 315 000
<b>Balance at the end of the year</b>	<b>141 112 689</b>	<b>151 222 724</b>

The nature and extent of grants recognised in the annual financial statements and the source thereof are disclosed under the reconciliation of government grants.

Refer to note 16 for reconciliation of grants and subsidies.

All amounts received are invested in a ring-fenced investment until utilised.

### 13. Park revenue

Gate entrance fees	14 601 805	11 751 894
Concession Fee	1 800 209	1 980 231
Activities and permit fees	6 173 739	4 793 716
Levies charged at gates	1 410 050	1 182 898
	<b>23 985 803</b>	<b>19 708 739</b>





**14. Interest income**

Interest income comprises of:

Bank	2 558 443	3 366 038
Prepaid accounts and staff debtors	1 834	87 067
	<b>2 560 277</b>	<b>3 453 105</b>

Interest income from bank is interest earned by the Authority on operational bank accounts. All interest earned on bank balances for conditional grants is recognised as a liability under payables as amounts owing to donors.

**15. Other income**

Sundry income	601 537	849 087
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**The amount included in Sundry income is as follows:**

Rental income	437 276	427 355
Sale of maps at gates and gate access cards	401	36 886
CATHSSETA skills development funding	136 360	51 693
Sundry cash income	-	70 050
Performance bond prescribed	27 500	263 103
	<b>601 537</b>	<b>849 087</b>

\* See Note 34 & 33

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>16. Grants and subsidies</b>		
<b>Operating grants</b>		
Unconditional grants	39 651 000	41 300 000
GEF7	6 738 517	-
Working for Water	71 850 870	70 953 789
Oceans and Cost	2 171 503	2 904 447
Hluhluwe Imfolozi Game fence project	18 804 482	-
Lotto Art, Craft & Environment Programme	1 232	1 185
Groen Sebenza Internship	22 746 969	18 852 777
Municipal and Greening programme	19 101 365	8 705 703
Working for Wetlands	2 474 204	2 972 947
Working for the Coast and dunes clearance	5 872 977	5 742 527
Tourism Guides	1 268	1 176
Environmental Monitors	2 166	365 525
Environmental Monitors Host	7 481 596	8 189 942
	<b>196 898 149</b>	<b>159 990 018</b>
<b>Capital grants</b>		
IP Equipment & Facilities	-	25 307
People & Parks	63 299 337	5 854 854
Biodiversity Infrastructure	6 194 613	-
Tourism Infrastructure	-	22 233 507
Staff Accommodation Refurbishment	9 216 391	-
IP Infrastructure	101 384 819	155 047 038
	<b>180 095 160</b>	<b>183 160 706</b>
	<b>376 993 309</b>	<b>343 150 724</b>



**Grants receipts**

Grants receipts during the year are as follows:

Conditional grants received	292 983 310	432 635 695
Unconditional grants received	39 651 000	41 300 000
	<b>332 634 310</b>	<b>473 935 695</b>

Reconciliation of conditional grants movements:

**IP Equipment & Facilities**

Balance unspent at beginning of year	-	25 307
Conditions met - transferred to grant revenue	-	(25 307)
	-	-

The grant is funded by Department of Forestry, Fisheries and the Environment.

***Purpose of grant:***

Marketing/branding materials & equipment. Facilities and boundary upgrade (electrified game fencing); Furnishing of meet & greet; purchase of field vehicles and anti-poaching equipment, and office equipment.

**NIHSS Humanities Hub**

Balance unspent at beginning of year	501 071	501 071
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Conditions still to be met - remain liabilities (see note 12).

## Notes to the Annual Financial Statements

Figures in Rand 2024      2023

### 16. Grants and subsidies (continued)

The grant is funded by National Institute of Human and Social Science.

**Purpose of grant:**

Social science funding to implement a social hub to foster a spirit of collaborative knowledge production and dissemination amongst communities, civil society and different academic disciplines.

**Working for Water**

Balance unspent at beginning of year	4 857 004	-
Current-year receipts	80 000 000	80 000 000
Transfer from presidential grant	-	10 000 000
Transfer from amounts owing from donors	1 360 686	-
Conditions met - transferred to grant revenue	(71 849 355)	(70 953 789)
Conditions met - transferred to management fees	(5 028 917)	(4 966 222)
Conditions met - transferred to administration fees	(2 155 250)	(2 128 381)
Conditions met - transferred to personnel costs recoveries	(7 184 168)	(7 094 604)
	<b>-</b>	<b>4 857 004</b>

The grant is funded by Department of Forestry, Fisheries and the Environment.

**Purpose of grant:**

Restoration of iSimangaliso land, through the empowerment of neighbouring communities, by clearing invasive alien plants.

**Oceans and Cost**

Balance unspent at beginning of year	4 335 077	2 639 524
Grants receivable opening balance	-	(2 200 000)
Current-year receipts	-	6 800 000
Conditions met - transferred to revenue	(2 171 502)	(2 904 447)
	<b>2 163 575</b>	<b>4 335 077</b>





Conditions still to be met - remain liabilities (see note 12).

The grant is funded by Department of Forestry, Fisheries and the Environment.

***Purpose of grant:***

To manage the marine protected area.

**Corridor Lubombo**

Balance unspent at beginning of year

2 922                      2 922

Conditions still to be met - remain liabilities (see note 12).

The project is funded by Department of Forestry, Fisheries and the Environment.

***Purpose of grant:***

Lubombo route development and marketing.

**GEF7**

Balance unspent at beginning of year

3 434 834                      3 434 834

Conditions met - transferred to revenue

(6 738 517)                      -

Grants receivable at year end

15 354 615                      -

**12 050 932                      3 434 834**

## Notes to the Annual Financial Statements

Figures in Rand 2024      2023

### 16. Grants and subsidies (continued)

Conditions still to be met - remain liabilities (see note 12).

The project is funded by Department of Forestry, Fisheries and the Environment through the Global Environment Facility from World Bank.

#### Purpose of grant:

To help safeguard the world's forests, land, water, climate, and oceans, build green cities, protect threatened wildlife, and tackle new environmental threats like marine plastic pollution.

#### Tourism Infrastructure

Balance unspent at beginning of year	12 604	25 580 962
Transfer to people and parks grant	(12 604)	-
Conditions met - transferred to grants revenue	-	(22 233 508)
Conditions met - transferred to management fee	-	(1 556 263)
Conditions met - transferred to administration fee	-	(666 970)
Conditions met - transferred to personnel costs recoveries	-	(1 111 617)
	<b>-</b>	<b>12 604</b>

The grant is funded by Department of Forestry, Fisheries and the Environment.

#### Purpose of grant:

Infrastructure Development Programme for Charters Creek upgrade

#### Lotto Art, Craft & Environment Programme

Balance unspent at beginning of year	168 266	169 451
Conditions met - transferred to revenue	(1 232)	(1 185)
	<b>167 034</b>	<b>168 266</b>

Conditions still to be met - remain liabilities (see note 12).

The Authority was awarded a grant by the National Lotteries Board for Youth Environmental Education, Art Skills and Craft Skills. The contract commenced on 15 July 2010. Since inception of the project, expenditure totalling R7,127,943 (since 2011/12 to 2020/21: R6,001,851) has been spent.

***Purpose of grant:***

Youth Environmental education, Art skills & Economic Development Programme and craft programme.

**Municipal and greening programme**

Balance unspent at beginning of year	4 594 297	-
Current-year receipts	14 300 000	13 300 000
Transfer from amounts owing from donors	208 584	-
Conditions met - transferred to revenue	(19 102 881)	(8 705 703)
	<b>-</b>	<b>4 594 297</b>

The project is funded by Department of Forestry, Fisheries and the Environment.

***Purpose of grant:***

Cleaning of municipal areas surrounding the park.

**People and parks**

Balance unspent at beginning of year	67 315 918	-
Current-year receipts	25 511 310	74 049 000
Transfer from tourism infrastructure grant	12 604	-



## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>16. Grants and subsidies (continued)</b>		
Conditions met - transferred to revenue	(63 299 337)	(5 854 853)
Conditions met - transferred to management fee	(4 430 789)	(409 840)
Conditions met - transferred to administration fee	(1 898 910)	(175 646)
Conditions met - transferred to personnel costs recoveries	(3 164 849)	(292 743)
Grants receivable at year end	51 795 690	-
	<b>71 841 637</b>	<b>67 315 918</b>

Conditions still to be met - remain liabilities (see note 12). For grants receivable at year end, refer to note 8.

The project is funded by Department of Forestry, Fisheries and the Environment.

### **Purpose of grant:**

Construction of roads and other Infrastructure within the park.

### **Biodiversity Infrastructure**

Balance unspent at beginning of year	8 300 000	-
Current-year receipts	-	8 300 000
Conditions met - transferred to grants revenue	(6 194 613)	-
Conditions met - transferred to management fee	(433 551)	-
Conditions met - transferred to administration fee	(185 807)	-
Conditions met - transferred to personnel costs recoveries	(309 679)	-
	<b>1 176 350</b>	<b>8 300 000</b>





Conditions still to be met - remain liabilities (see note12).

The grant is funded by Department of Environment, Forestry and Fisheries Affairs.

***Purpose of grant:***

Infrastructure Development Programme for field ranger camps.

**Working for Wetlands**

Balance unspent at beginning of year	1 012 979	367 755
Grants receivable beginning of the year (Note 8)	(1 315 000)	-
Current-year receipts	4 000 000	2 630 000
Conditions met - transferred to grant revenue	(2 474 205)	(2 972 946)
Conditions met - transferred to management fee	(173 086)	(207 983)
Conditions met - transferred to administration fee	(98 905)	(118 847)
Grants receivable at year end (Note 8)	-	1 315 000
	<b>951 783</b>	<b>1 012 979</b>

Conditions still to be met - remain liabilities (see note 12).

The grant is funded by Department of Forestry, Fisheries and the Environment.

***Purpose of grant:***

Restore functioning of degraded wetlands system.

**Peace Parks Foundation**

Balance unspent at beginning of year	<u>63 055</u>	<u>63 055</u>
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Conditions still to be met - remain liabilities (see note 12).

The project is funded by Peace Parks Foundation.

## Notes to the Annual Financial Statements

Figures in Rand

	2024	2023
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### 16. Grants and subsidies (continued)

**Purpose of grant:**

Special scientific research studies for the Transfrontier Conservation with Mozambique

**Working for the Coast and dunes clearance**

Balance unspent at beginning of year	5 130 773	9 323 299
Current-year receipts	6 660 000	1 550 000
Conditions met - transferred to grant revenue	(5 872 978)	(5 742 526)
	<b>5 917 795</b>	<b>5 130 773</b>

The grant is funded by Department of Forestry, Fisheries and the Environment.

**Purpose of grant:**

Coast clean-up, maintenance of ablution blocks, maintenance of boardwalk, jetties and viewing decks and monitoring of beach.

**EPWP Staff Accommodation Refurbishment**

Current-year receipts	3 300 000	-
Conditions met - transferred to grants revenue	(9 216 391)	-
Grants receivable at year end	6 700 000	-
	<b>783 609</b>	<b>-</b>

Conditions still to be met - remain liabilities (see note 12).For grants receivable at year end, refer to note 8.

The grant is funded by Department of Environment, Forestry and Fisheries Affairs.



**Purpose of grant:**  
Refurbishment of Staff Accommodation.

**Tourism Guides**

Balance unspent at beginning of year	6 507	7 683
Conditions met - transferred to grants revenue	(1 267)	(1 176)
	<b>5 240</b>	<b>6 507</b>

Conditions still to be met - remain liabilities (see note 12).

The project is funded by Department of Tourism.

**Purpose of grant:**  
To develop the capacity of tourist guides to enhance the overall visitor experience provided at the iSimangaliso Wetland Park.

**IP Infrastructure**

Balance unspent at beginning of year	30 117 053	10 706 409
Current-year receipts	89 645 000	186 861 000
Transfer from IP Value Added Industries	128 989	-
Transfer from Additional allocation- Infrastructure	58 492	-
Conditions met - transferred to revenue	(101 384 820)	(155 047 038)
Conditions met - transferred to administration fee	(3 041 437)	(4 651 244)
Conditions met - transferred to personnel costs recoveries	(5 069 063)	(7 752 074)
	<b>10 454 214</b>	<b>30 117 053</b>

Conditions still to be met - remain liabilities (see note 12).

The grant is funded by Department of Forestry, Fisheries and the Environment.

## Notes to the Annual Financial Statements

Figures in Rand

	2024	2023
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### 16. Grants and subsidies (continued)

**Purpose of grant:**

Charters Creek tourism development, office building, roads, fence and building maintenance and signage.

**IP Value Added Industries**

Balance unspent at beginning of year	128 989	128 989
Transfer to IP infrastructure grant	(128 989)	-
	-	<b>128 989</b>

The grant is funded by Department of Forestry, Fisheries and the Environment.

**Purpose of grant:**

Roads rehabilitation, housing, field ranger camp, libraries and ablution at schools using value add materials and development of craft market.

**Environmental Monitors project**

Balance unspent at beginning of year	4 585 625	4 972 995
Conditions met - transferred to revenue	(2 166)	(365 525)
Conditions met - transferred to administration fee	-	(21 845)
	<b>4 583 459</b>	<b>4 585 625</b>

Conditions still to be met - remain liabilities, see note 12.

The grant is funded by Department of Forestry, Fisheries and the Environment.

**Purpose of grant:**

To fund the environmental monitors





**Environmental Monitors Host**

Balance unspent at beginning of year	1 285 944	1 177 212
Current-year receipts	8 693 000	8 790 000
Conditions met - transferred to revenue	(7 481 596)	(8 189 942)
Conditions met - transferred to administration fee	(448 878)	(491 326)
	<b>2 048 470</b>	<b>1 285 944</b>

Conditions still to be met - remain liabilities (see note12).

The grant is funded by Department of Forestry, Fisheries and the Environment.

***Purpose of grant:***

To fund the environmental monitors.

**Additional allocation- Infrastructure**

Balance unspent at beginning of year	58 492	58 492
Transfer to infrastructure grant	(58 492)	-
	<b>-</b>	<b>58 492</b>

The grant is funded by Department of Forestry, Fisheries and the Environment.

***Purpose of grant:***

Infrastructure refurbishment and coast care.

**Presidential Stimulus**

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>16. Grants and subsidies (continued)</b>		
Balance unspent at beginning of year	-	10 000 000
Transfer to working for water	-	(10 000 000)
	-	-

The grant is funded by Department of Forestry, Fisheries and the Environment.

### **Purpose of grant**

To maintain infrastructure assets within the park.

### **Groen Sebenza grant**

Balance unspent at beginning of year	14 413 614	16 173 243
Current-year receipts	20 874 000	19 920 861
Conditions met - transferred to revenue	(22 746 969)	(18 852 777)
Conditions met - transferred to management fee	(1 592 184)	(1 319 600)
Conditions met - transferred to administration fee	(682 364)	(565 543)
Conditions met - transferred to personnel costs recoveries	(1 137 274)	(942 570)
	<b>9 128 823</b>	<b>14 413 614</b>

Conditions still to be met - remain liabilities (see note 12).

The grant is funded by Department of Forestry, Fisheries and the Environment.

### **Purpose of grant**

To provide leadership training and employment opportunities to youth (youth empowerment).



**Maintenance of game fence**

Balance unspent at beginning of year	897 700	897 700
Current-year receipts	40 000 000	-
Conditions met - transferred to revenue	(18 804 482)	-
Conditions met - transferred to management fee	(1 316 232)	-
Conditions met - transferred to administration fee	(564 100)	-
Conditions met - transferred to personnel costs recoveries	(940 166)	-
	<b>19 272 720</b>	<b>897 700</b>

Conditions still to be met - remain liabilities (see note 12).

The grant is funded by Department of Forestry, Fisheries and the Environment.

***Purpose of grant***

To maintain fence infrastructure surrounding and within the park.

**17. Personnel costs**

Basic salary- Permanent employees	39 435 236	33 432 426
Basic salary- Environmental monitors	7 200 336	7 309 632
Basic salary- Groen Sebenza Interns	13 694 331	14 230 154
Travel, housing, cellphone allowance and reimbursements	4 652 162	3 923 970
Medical aid - company contributions	1 903 393	1 316 340
Pension and provident fund contributions	4 787 933	1 371 143
Skills development levy	621 102	574 747
UIF	335 584	318 910
Leave expense	(365 999)	857 264
Workmen's compensation	693 952	476 695
	<b>72 958 030</b>	<b>63 811 281</b>

## Notes to the Annual Financial Statements

	2024	2023 Restated*
<b>18. Project costs</b>		
<b>Project costs comprises:</b>		
- Chemicals, materials & equipment hire and uniforms	11 040 618	6 264 413
-Marine compliance monitoring	2 171 503	2 904 447
- Coast care cleaning	43 248 410	50 557 720
-Recruitment and induction	-	38 158
-Transport and equipment hire	545 160	331 390
	<b>57 005 691</b>	<b>60 096 128</b>
<b>19. Professional, consulting and legal fees</b>		
Professional and consulting	39 907 172	48 212 786
Legal fees	10 358 779	10 815 128
	<b>50 265 951</b>	<b>59 027 914</b>
<b>20. Depreciation, amortisation and impairment</b>		
<b>Depreciation, amortisation and impairment comprises:</b>		
- Depreciation on property, plant & equipment	42 159 438	39 262 321
- Depreciation on Investment property	4 513 590	4 544 103
- Amortisation on Intangible assets	415 896	426 775
- Impairment on on property, plant & equipment	3 631 348	11 961 899
- Impairment on on investment property	379 846	-
	<b>51 100 118</b>	<b>56 195 098</b>



**21. Lease rentals on operating lease**

<b>Premises</b>		
Contractual amounts	1 524 240	1 179 055
<b>Equipment</b>		
Contractual amounts	3 158 679	2 298 554
	<b>4 682 919</b>	<b>3 477 609</b>

Refer to note 27 for detailed disclosure of lease terms.

**22. Contracted services**

<b>Contracted services comprises of:</b>		
Repairs and maintenance to assets: Refer to note 3	31 369 663	26 723 455
Cleaning services signage and visitors facilities	34 342 800	25 188 031
Gate management and access control costs	9 726 089	8 636 043
Security	51 647 262	35 409 571
Website hosting and IT support	551 489	320 994
	<b>127 637 303</b>	<b>96 278 094</b>



## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>23. Loss on disposal and write off of fixed assets</b>		
<b>Loss on disposal and write off of fixed assets comprises:</b>		
- Property, plant & equipment	29 688 643	9 549 603
- Investment property	140 478	865 548
- Intangible assets	6 965	492
	<b>29 836 086</b>	<b>10 415 643</b>
<b>24. Other operating expenses</b>		
Advertising and publicity	2 236 239	1 481 934
Audit fees - internal	3 771 958	4 111 946
Auditors remuneration	1 185 557	1 554 243
Bank charges	321 426	252 450
Board expenses	1 206 446	2 241 351
Computer expenses	-	2 056
Electricity, water, sewer and rates	1 007 944	1 065 585
Payroll processing	5 190	6 134
Fines and penalties	120 211	223 655
Insurance	420 250	261 326
License fees and Information technology expenses	1 542 447	1 270 552
Marketing and promotion	1 896 210	323 417
Recruitment costs	23 375	10 465
Postage and courier	2 670	4 294
Printing, stationary and inventory consumed	1 446 484	1 076 235
Minor assets and other expenses	224 164	22 947
Staff refreshments, consumables, fuel & toll fees and cleaning	1 383 437	1 584 352
Telephone, fax and internet expenses	1 140 318	910 276
Employee training, wellness and bursaries	1 827 517	3 752 651
Project training and development and community programmes	8 029 869	13 451 598
Travel, accommodation and catering expenses	5 191 574	7 508 958
Workshops & meetings	4 525 362	2 733 442
	<b>37 508 648</b>	<b>43 849 867</b>





**25. Auditors' remuneration**

Fees	1 185 557	1 554 243
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**26. Cash generated from operations**

Surplus	11 189 365	7 129 716
<b>Adjustments for:</b>		
Depreciation and amortisation	51 100 118	56 195 098
Loss on disposal of assets	29 836 085	10 415 643
Debt impairment	215 201	85 113
Performance bond prescribed	(27 500)	(263 103)
<b>Changes in working capital:</b>		
Inventories	(120 376)	61 226
Receivables from exchange transactions*	(155 825)	2 545 022
Other receivables from non-exchange transactions	(72 535 305)	27 885 000
Trade and other payables *	6 523 277	5 442 756
VAT	8 268 020	92 470 757
Unspent conditional grants and receipts	(10 110 035)	68 426 655
	<b>24 183 025</b>	<b>270 393 883</b>

\*Only movement in operating payables and receivables were adjusted in working capital. All payables receivables (prepayments) relating to acquisition of assets were adjusted under cash paid to acquire assets.

## Notes to the Annual Financial Statements

Figures in Rand

	2024	2023
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### 27. Commitments

#### Authorised capital expenditure

##### Approved and contracted for

• Building and structures	5 865 241	-
• Fences	23 001 961	9 390 911
• Roads	19 680 585	84 010 198
• Investment property	38 985 633	3 034 699
• Water infrastructure upgrade	7 270 372	25 380 644

##### Total capital commitments

	<b>94 803 792</b>	<b>121 816 452</b>
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##### Total capital commitments

Total approved and contracted for

	94 803 792	121 816 452
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#### Authorised capital expenditure

The commitment expenditure relates to infrastructure contracts that have been entered into with suppliers. These contracts will be financed through project grants already received and allocated for future years as per allocation letter from DFFE.

#### Operating leases - as lessee (expense)

- **Rental of photocopier machines:** The contracts in respect of photocopiers commenced in December 2021 and expires in 23 November 2024. No contingent rent is payable.
- **Rental of park home buildings:** The contract is for an initial period of 24 months commencing in July 2022 and expires end of June 2024. Rental is fixed at R127 020 per month and may continue on month to month after expiry at 8% annual increase.
- **Rental of laptops for interns:** The contract is for an initial period of 24 months commencing in June 2022 and expires end of May 2024. Rental is fixed at R217 120,94 per month. Contingent rent is payable for insurance and data usage.

The future rental commitments for all the 3 operating leases are:

#### Minimum lease payments

Payable within 12 months	881 579	4 229 107
Payable 2 to 3 years after reporting date	-	881 579
	<b>881 579</b>	<b>5 110 686</b>



## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>28. Contingencies</b>		
<b>The Authority had the following contingent liabilities:</b>		
Construction contract	12 038 123	12 038 123
Fire Claim	35 067 037	35 067 037
	<b>47 105 160</b>	<b>47 105 160</b>

### Land claims

A number of land claims have been settled on land controlled by the Authority in respect of which co-management agreements have been concluded. The agreements do not permit occupation or use of Park assets and there are no recurring fixed financial obligations for iSimangaliso.

### Construction contract

Sanyati, a construction company that is contracted to iSimangaliso, was liquidated in July 2012. The Authority took the view that it would not recover any monies due to it by Sanyati and wrote the amounts in question off in previous years. Subsequently,

Sanyati's liquidator raised a claim for work measured post liquidation, and disputed penalties levied by the Authority against Sanyati for non-achievement of labour targets. The liquidator's claim has, however, not been pursued and, in the Authority's view, may have become prescribed. Nonetheless, the Sanyati liquidator called for the issue of a final account and a final payment certificate, indicating that its claim might not, in fact, have prescribed. In the circumstances, the Authority considers it prudent to treat a potential claim from the liquidator as a contingent liability.

### Fire Claim

The Western Shores section of iSimangaliso has incorporated forestry land belonging to Siyaqubeka (SQF) by agreement. In August 2012, two fires broke out in park and forestry areas. SQF issued summons in 2015 for damages to its Dukuduku and Nyalazi plantations initially in the amounts of R705,188 and R14,342,237 respectively. After March 2015, SQF amended its pleadings and increased the claim to R3,056,150 for Dukuduku and R32,010,887 for Nyalazi. The matter has been referred to counsel. The Authority has been advised that claims involving contributory negligence may run for up to 5 years. The amount of the claim is reflected as a contingent liability.

## Notes to the Annual Financial Statements

Figures in Rand 2024      2023

### 29. Related parties

#### Relationships

Parent department

Department of Forestry, Fisheries and the Environment (DFFE)

Other entities controlled by DFFE

-South African National Parks  
-South African National Biodiversity Institute (SANBI)  
-South African Weather Services  
-Marine Living Resources Fund

#### Identity of related parties

The Authority's parent department is the Department of Forestry, Fisheries and the Environment (DFFE). The entities under the control of the DFFE are South African Biodiversity Institute, South African National Parks, South African Weather Services and Marine Living Resources Fund. The Authority receives an annual allocation from DFFE, which it uses to finance its operations. From time to time it also receives additional grants from the Expanded Public Works Programme (EPWP) managed by DFFE.

#### Related party balances

##### Approved allocation of funding with related parties

DFFE-Operations for the next financial year	41 432 000	39 651 000
Infrastructure grant for the next financial year	80 161 000	89 645 000
EPWP programs	235 358 000	188 987 000

#### Related party transactions

##### Transfers from related party

DFFE-Grants received	332 634 310	473 935 695
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#### Key management information

Class	Description	Number
Non-executive board members	All independent	8
Executive board members	CEO	1
Executive management	HODs	5

#### Key management-related activities

No loans or payments were made to management of iSimangaliso Wetland Park Authority during the year, nor were any material transactions entered into with them.



## Notes to the Annual Financial Statements

Figures in Rand

### 29. Related parties (continued)

#### Remuneration of management

#### Board members

#### 2024

	Meeting attendance fees and Reimbursements	Total
<b>Non-Executive Directors</b>		
Mr MI Tembe (Chairperson)	267 625	267 625
Ms T Sosibo (Deputy Chair)	159 166	159 166
Mr B Mhlongo	118 899	118 899
Ms N Mlambo	91 732	91 732
Mr GG Nair	112 597	112 597
Ms S Ngcobo	76 382	76 382
Mr B Ngobeni	115 934	115 934
Prof CP Small	64 752	64 752
	<b>1 007 087</b>	<b>1 007 087</b>

#### 2023

	Meeting attendance fees	Total
<b>Non-Executive Directors</b>		
Mr MI Tembe (Chairperson)	305 230	305 230
Ms T Sosibo (Deputy Chair)	23 352	23 352
Mr B Mhlongo (appointed 1 March 2023)	21 789	21 789
Ms N Mlambo (appointed 1 March 2023)	18 120	18 120
Mr GG Nair	187 847	187 847
Ms S Ngcobo (appointed 1 March 2023)	11 932	11 932
Mr B Ngobeni (appointed 1 March 2023)	10 792	10 792

## Notes to the Annual Financial Statements

Figures in Rand

### 29. Related parties (continued)

Prof CP Small	128 823	128 823
Mrs N Cawe (term ended 28 February 2023)	151 713	151 713
Mr L Lankalebalele (term ended 28 February 2023)	200 183	200 183
Mrs L Noge-Tungamirai (term ended 28 February 2023)	155 601	155 601
Prof A T Nzama (term ended 28 February 2023)	304 099	304 099
	<b>1 519 481</b>	<b>1 519 481</b>

Remuneration paid to non-executive board member is included in board expense in the Statement of Financial Performance.

### Executive Directors and Senior management

#### 2024

Name	Basic salary	Allowances & Reimbursive expenses	Medical Aid	Provident Fund/ Retirement annuity	Other statutory contributions	Total
Chief Executive Officer	2 177 592	36 595	78 067	267 662	23 807	2 583 723
Chief Financial Officer	1 540 637	125 435	70 135	189 370	18 039	1 943 616
Executive Manager Biodiversity	1 576 637	162 114	75 326	170 802	18 562	2 003 441
Executive Manager SEED	1 372 637	471 205	54 658	168 720	18 165	2 085 385
Executive Manager Tourism	1 312 637	469 317	60 578	161 345	17 773	2 021 650
Executive Manager Technical	1 145 531	456 595	-	140 805	16 768	1 759 699
	<b>9 125 671</b>	<b>1 721 261</b>	<b>338 764</b>	<b>1 098 704</b>	<b>113 114</b>	<b>12 397 514</b>

#### 2023

Name	Basic salary	Allowances & Reimbursive expenses	Medical Aid	Provident Fund/Retireme nt annuity	Other statutory contributions	Total
Chief Executive Officer	2 115 742	36 595	67 198	94 515	23 407	2 337 457
Chief Financial Officer	1 494 553	124 424	62 115	69 194	18 016	1 768 302
Executive Manager Biodiversity	1 576 637	184 955	51 845	-	19 446	1 832 883

## Notes to the Annual Financial Statements

Figures in Rand

### 29. Related parties (continued)

Executive Manager SEED	1 326 553	340 075	48 331	66 674	17 814	1 799 447
Executive Manager Tourism	1 266 553	443 186	53 649	65 774	17 692	1 846 854
Executive Manager Technical (9 months)	830 771	384 806	-	45 560	12 668	1 273 805
	<b>8 610 809</b>	<b>1 514 041</b>	<b>283 138</b>	<b>341 717</b>	<b>109 043</b>	<b>10 858 748</b>

Remuneration paid to executive directors is included in personnel costs in the Statement of Financial Performance.

### 30. Heritage assets

The iSimangaliso Wetland Park is 1 314 539 hectares in extent. The five major ecosystems found in iSimangaliso provide habitat for a significant diversity of African biota. These ecosystems are:

- The marine ecosystem, characterised by a warm sea, the southernmost extension of coral reefs in Africa, submarine canyons and long sandy beaches
- The coastal dune system, consisting of linear dunes up to 180m in height, sub-tropical forests, grassy plains and wetlands
- Lake systems, consisting of two estuarine-linked lakes (St Lucia and Kosi) and four large freshwater lakes
- The uMkhuze and uMfolozi swamps, with swamp forest, extensive reed and papyrus wetlands
- The inland western shores, with ancient shoreline terraces and dry savannah woodland.

This diversity provides important habitats for a large number of species, including those that are rare, threatened or endemic. The species' lists for iSimangaliso are the most extensive in the region, and population sizes of most species are viable. Of the over 6,500 plant and animal species known to occur in the Park, populations of those with conservation importance include 11 species that are endemic to the Park, 56 species endemic to KwaZulu-Natal, and 108 species endemic to South Africa. 467 Species are listed as threatened in South Africa. In the past, little was known about the status and viability of many rare, threatened and endemic species in the Park, particularly the lower vertebrate and invertebrate species. But studies on a number of these species are currently underway.

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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### 30. Heritage assets (continued)

The Park is situated on the southernmost extremity of the Mozambique coastal plain and, as a result, hosts numerous species not found elsewhere in South Africa. This adds to the value and importance of this unique area from a South African species-conservation perspective. The presence of some of these species north of our borders, cannot detract from the importance of conserving the South African populations, as very little information is generally available on their conservation status and distribution in other parts of southern and central Africa. iSimangaliso is clearly a critical habitat for a range of species from Africa's marine, wetland and savannah environments.

iSimangaliso also has four Ramsar sites\*, an accreditation that recognises the ecological significance of those sites', their function as wetlands and their importance as resources of economic, cultural, scientific and recreational value. The sites are:

- St Lucia Lake System: on the coast, between the iMfolozi Swamps from south of the iMfolozi River to the uMkhuze River in the north. The site was designated on 2 October 1986 (Ramsar Site # 345)
- Turtle Beaches/Coral Reefs of Tongaland: on the coast, stretching from just south of Cape Vidal northwards to the border of Mozambique. The site was designated on 2 October 1986 (Ramsar Site # 344)
- Kosi Bay Lake System: on the coast south of Mozambique on the Maputaland Coastal Plain. The site was designated on 28 June 1991 (Ramsar Site #527);
- Lake Sibaya: on the coast, north of the Cape Vidal Reserve and South of Sodwana Bay. The site was designated on 28 June 1991 (Ramsar Site # 528).

The remarkable ecological diversity and significance of iSimangaliso is, therefore, unique, not only on the African continent, but also from a global perspective. For example, available information suggests that no other locality in the world harbours such a wide range of wetland types in a single protected area. Of the 32 marine/coastal and inland natural-wetland forms recognised by the Ramsar Convention, no fewer than 23 of these forms occur within the Park.

The financial value of the Park's heritage assets cannot be reliably measured as there is no active market.

\*A Ramsar site is a wetland protected under the 1971 Ramsar Convention on Wetlands of International Importance.





### 31. Public Private Partnership

Rich Rewards (Pty) Ltd and Mabibi Development Company (T/A Thonga Beach)

The authority has a public private partnership agreement for periods of 30 years with the following two entities:

- 1) Rich Rewards (Pty) Ltd
- 2) Mabibi Development Company (T/A Thonga Beach)

The agreement was entered to allow private entities to operate and help improve tourism activities within the area.

Both companies have the right to access to designated area within the park. The agreement allows them to control all activities around the designated area. These entities can erect buildings at camp sites from which they can provide accommodation and camping activities to their visitors. They are further allowed access to drive with their visitors within the park.

The authority's contribution is limited to granting of concession contract, and giving reasonable assistance in the form of advice in dealing with the relevant Authorities. The authority reserves the right of ownership of the designated area and PPP's may not pledge any land nor assets erected against any borrowings for the duration of the agreement. No financial assistance is provided to the Concessionaire.

All immovable assets constructed by the concessionaire shall be transferred to the Authority at the end of the agreement at no cost.

#### **Concession Fees**

Concessionaire agrees to pay the authority concession fee as determined in the agreement. Both entities pay a basic concession fee monthly (subject to increase annually as per agreement).

Concessionaires shall pay additional concession fee should the basic concession fee be less than calculated concession fee. Calculated concession fee is based on percentage of revenue generated by the concessionaire annually.

The authority is further entitled to receive performance bond as security on inception of the agreement.

There was no breach of contract by either party during the reporting period.

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>31. Public Private Partnership (continued)</b>		
<b>Concession fees</b>		
Concession fees for the year	1 800 209	1 980 231

### 32. Change in estimates

#### Property, plant and equipment

The useful life of property, plant and equipment was revised in the current year after management noted that some assets have more useful life than originally estimated. The effect of this revision has reduced depreciation charges for the current period by R 294 654 and increased aggregate depreciation charges for future periods by the same amount.





## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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### 33. Prior period errors

#### Error 1

During the year, the entity noted that some prior year invoices for travel expenses amounting to R81 082 were not raised as payables. The adjustment resulted in increase in payables of R81 082 and an increase in (general expenses) telephone, fax and internet expenses of R70 506, with the balance increasing VAT receivable by R10 576.

Trade and other payables were overstated in prior year as a result of other deposits amounting to R95 431 relating to allocation of skills development income. The error was corrected by reducing other deposits by R95 431 and increasing other income and opening accumulated surplus by R51 693 and R43 738 respectively.

Project costs (recruitment and induction expenses) were overstated by R2 205 804 as a result of lease rentals of R2 182 995 and R22 809 relating to other operating expenses (travel, accommodation and catering expenses) that were incorrectly classified under project costs. The error was corrected by mapping the expenses from project costs to their correct categories.

During the year, the entity noted that some prior year invoices for awarding tenders advertised on CIDB website were not accrued for. The total adjustment resulted in increase in payables by R130 044 and corresponding increase in operating expenses (advertising) by the same amount.

SARS penalties and interest for incorrectly deducting employer tax incentive (ETI) from PAYE in prior years were not accrued. ETI for march 2022 amounting to R111 120 was also not accrued and paid. The adjustment resulted in increase in payables (employee related deductions) amounting to R331 309, for which R161 101 is interest and penalties for 2022 financial year, R59 088 is interest and penalties for 2023 financial year and the balance of R111 120 relates to ETI for March 2022.

The correction of the errors results in adjustments as follows:

#### Statement of financial position

Increase in VAT receivable	-	10 575
Increase in trade and other payables	-	(447 004)
Decrease in opening Accumulated Surplus	-	228 482

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>33. Prior period errors (continued)</b>		
<b>Statement of financial performance</b>		
Increase in other income	-	(51 693)
Increase in lease rentals	-	2 182 995
Increase in project costs	-	(2 205 804)
Increase in operating expenses (travel)	-	93 315
Increase in operating expenses (penalties and interest)	-	59 088
Increase in operating expenses (advertising)	-	130 044
<b>Error 2</b>		
Buildings were incorrectly overstated in prior year as a result of other classes of property plant and equipment under construction that were not disclosed separately. The correction of the error resulted in reclassification of assets within property plan and equipment as follows:		
<b>Property plan and equipment under construction 2023 adjustment</b>		
Decrease in buildings and structures	-	(4 590 454)
Increase in roads and bridges	-	747 723
Increase in reservoirs and boreholes	-	709 563
Increase in office equipment	-	2 228 574
Increase in operating equipment	-	904 594
	-	-

### Error 3

Commitments for investment property were incorrectly overstated by R200 000 due capturing error in the commitments register. The error was corrected retrospectively by adjusting the commitments register





### 34. Prior-year adjustments

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

#### Statement of financial position: Extract

##### 2023

		As previously reported	Correction of error	Restated
VAT receivable	9	18 009 612	10 575	18 020 187
Trade and other payables	11	(59 503 716)	(447 004)	(59 950 720)
Accumulated Surplus		(867 003 848)	436 430	(866 567 418)
		<b>(908 497 952)</b>	<b>1</b>	<b>(908 497 951)</b>

#### Statement of financial performance: Extract

##### 2023

		As previously reported	Correction of error	Restated
Other income	15	797 394	51 693	849 087
Project costs	18	(62 301 932)	2 205 804	(60 096 128)
Lease rentals on operating lease		(1 294 614)	(2 182 995)	(3 477 609)
Other operating expenses	24	(43 567 880)	(282 447)	(43 850 327)
<b>Net adjustments</b>		<b>(106 367 032)</b>	<b>(207 945)</b>	<b>(106 574 977)</b>

#### Cash flow statement: Extract

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023	
<b>34. Prior-year adjustments (continued)</b>			
<b>2023</b>			
	As previously reported	Correction of error	Restated
Cash flow from operating activities			
Other income	501 227	51 693	552 920
Personnel costs	(64 377 716)	59 088	(64 318 628)
Cash paid to suppliers	(258 421 811)	(110 782)	(258 532 593)
	<b>(322 298 300)</b>	<b>(1)</b>	<b>(322 298 301)</b>

### Disclosures

The following prior period errors adjustments occurred:

#### Capital Commitments 2023

	As previously reported	Correction of error	Restated
Investment property	3 234 699	(200 000)	3 034 699



## Notes to the Annual Financial Statements

Figures in Rand 2024      2023

### 35. Risk management

#### Liquidity risk

The Authority's risk to liquidity is a result of the funds available to cover future commitments. The Authority manages liquidity risk through an ongoing review of future commitments.

The table below shows the Authority's financial liabilities at the statement of financial position date. The amounts disclosed in the table are the undiscounted cash flows as all liabilities are due within 12 months and the impact of discounting is not significant.

#### Financial instrument

Trade and other payables	53 047 507	59 950 720
Unspent conditional grants	141 112 689	151 222 724
	<b>194 160 196</b>	<b>211 173 444</b>

#### Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, receivables from exchange transactions and receivables from non-exchange transactions. The Authority only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board.

Cash at bank is held with one of the major banks in South Africa.

These assets are not hedged for credit risk, with the exception of Trade debtors included within receivables from exchange transactions. All operators within the park are required to deposit Concessionaires' performance bonds that are held as security by the Authority. These are included as part of trade and other payables.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument		
Receivables from exchange transactions	5 238 289	1 697 663
Receivables from non exchange transactions	73 850 305	1 315 000
Cash and cash equivalents	49 700 819	202 901 622
VAT receivable	9 752 167	18 020 187
<b>Debtors past due</b>		
>120 days	1 674 667	1 089 007
>90 days	123 463	44 636
>60 days	-	100 566
>30 days	212 205	103 037
	<b>2 010 335</b>	<b>1 337 246</b>

Included in debtors past due are government debtors totalling R282,894 (Prior year R282,908 ). The risk associated with government debtors is considered low. Government debt owing for more than 120 days of R154,205 (Prior year R154,219) is in respect of utilities payable by Ezemvelo KZN Wildlife.

#### Other risks



## Notes to the Annual Financial Statements

Figures in Rand 2024      2023

### 35. Risk management (continued)

#### Interest rate risk

Surplus cash earns interest and the rate is exposed to fluctuations in the Repo rate. However, as the Authority has no significant interest-bearing assets, the Authority's income and operating cash flows are substantially independent of changes in market interest rates. Hence the risk is considered low as deposits are held with major South African bank. The Authority does not invest in equity instruments.

### 36. Going concern

As at 31 March 2024, the Authority had accumulated surplus of R 877 756 786 , however we draw attention to the fact that current liabilities exceeded current assets by R55 278 725.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the Authority to continue as a going concern is dependent on a number of factors. The most significant of these is that the government will continue to procure funding for the ongoing operations for the Authority. Note 29 (related parties) provides grant allocated by the government department to fund the future operations of the entity.

### 37. Fruitless and wasteful expenditure

Opening balance	8 239 616	8 015 961
Fruitless and wasteful expenditure incurred in current year	120 212	223 655
	<b>8 359 828</b>	<b>8 239 616</b>

#### Breakdown of fruitless and wasteful expenditure for the year

SARS penalties and interest for incorrectly withholding employer tax incentive	23 600	59 088
SARS penalties and interest for late payment of employee deductions for month of November	96 612	164 567
	<b>120 212</b>	<b>223 655</b>

Opening prior year fruitless expenditure of R7,854,860 related to over-pricing by suppliers on work performed and R161 101 relates to penalties and interest for incorrectly withholding employer tax incentives from PAYE in prior years.

### 38. Irregular expenditure

Opening balance	798 553	41 240 986
Add: Irregular Expenditure - incurred during the year	-	798 553
Less: Amounts written off and awaiting condonement	-	(41 240 986)
	<b>798 553</b>	<b>798 553</b>

#### Breakdown of irregular expenditure incurred during the year

Construction work procured from under wrong category in terms of Construction Industry Development Board (CIDB)	-	798 553
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### 39. Events after the reporting date

The Authority was not aware of any material events that may have occurred between 31 March 2024 and the date when the annual financial statements were authorised.





## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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### 40. Budget differences

#### Changes from the approved budget to the final budget

The changes between the approved and final budget are a consequence of changes in organisational plans and predictions for the year and to incorporate of new funding that was allocated to the authority during the year.

#### Material differences between final budget and actual amounts

**BC1**-Park revenue – The Authority achieved more than budget, with final achievement of 109,89% as a result of more visitors in the park than budgeted for.

**BC2**- Management and administration fees and personnel costs recoveries –The Authority achieved more than budget which is favourable. More spending was achieved on capital grants from prior year unspent grants.

**BC3**-Interest income – The Authority earned more interest than budgeted due to very good cashflow position from the beginning of the year.

**BC4**-Other income – The Authority received more other income than budgeted mainly due to CATHSSETA funds that were not budgeted for.

**BC5**-Grants – The Authority under performed due to delay in receiving GEF 7 funds that was only received after year end. The projects for GEF 7 were therefore not fully implemented and the unspent portion was rolled forward to 2025 financial year..

**B6**-Project costs – The Authority spent in line with budget for project costs.

**BC7**-Depreciation and amortization and loss on disposal of assets –Actual depreciation was more than budget during the year as a result of more assets that were written off due to damages from flooding.

**BC8**-Personnel costs – The Authority spent in line with budget, with overspending of 0,06% during the year.

**BC9**- Contracted services – The Authority spent in line with budget, with overspending of 0,36% during the year.

**BC10-** Co-management expense –The Authority spent less than budget on co-management expenses.

**BC11-**Professional,Consulting and legal fees – The Authority spent slightly less than budget on professional, consulting and legal fees.

**BC12-**Operating lease expenses – The Authority spent in line with budget on operating leases.

**BC13-**Debt impairment expenses – The authority did not anticipate any debt write, however actual results indicated that some customers are doubtful to be able to meet their obligations.

**BC14-**Other expenses – The Authority spent slightly less than budget on other expenses.

**BC15-**Capital expenditure – The authority spent more than budget due to improved spending on capital grants that were rolled forward from prior year unspent balances.

**END**





# iSimangaliso

Wetland Park



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