



**EZEMVELO
KZN WILDLIFE**

Conservation, Partnerships & Ecotourism

ANNUAL REPORT

2018/19

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OVERVIEW

EZEMVELO KZN WILDLIFE
ANNUAL REPORT 2018/19

FEATURES
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FEATURES

- Ezemvelo's mandate is derived from the KwaZulu-Natal Nature Conservation Management Act (Act No.9 of 1997), which is to direct the management of nature conservation within the province, including protected areas (PAs). This includes the development and promotion of ecotourism facilities within the PAs.
- Ezemvelo manages more than 120 PAs, which are terrestrial, coastal and marine reserves.
- Ezemvelo, as a state-owned entity, remains committed to deliver on the priorities of Government, which include job creation. This is achieved by the organisation either entering into partnerships or implementing programmes that enable job creation. These programmes are also aligned with further conservation efforts.
- Community development has been high on Ezemvelo's agenda as conservation must create tangible benefits for people, especially for those who reside in the buffer zones i.e. adjacent to PAs.
- Management plans continue to be implemented by Ezemvelo to stabilise key species, many of which have been considered vulnerable or were once on the brink of extinction. Examples of such species include vultures, white and black rhino, loggerhead turtles and wattled cranes.
- Ezemvelo is entrusted with the responsibility of managing the South African component of Maloti-Drakensberg Park World Heritage site as well as performing conservation and ecotourism activities within the iSimangaliso Wetlands Park World Heritage Site. The organisation also manages a number of Ramsar sites (wetlands of international importance), such as Ndumo Game Reserve, Kosi Bay and Lake Sibaya.
- Ezemvelo is considered by its peers to be one of the leading conservation authorities in South Africa.
- Ezemvelo is forging a distinctive identity in the field of community conservation as part of its integrated approach to enable job creation as well as environmentally sensitive land use activities.
- Ezemvelo is cognisant of the fact that conservation is a land use in direct competition with other land uses.

APPROVAL OF THE ANNUAL REPORT

Ezemvelo is committed to integrated reporting and disclosure. This will be enhanced in subsequent years to enable stakeholders to make an informed assessment of our ability to deliver services in a sustainable manner.

SCOPE AND BOUNDARY OF THIS REPORT

The Annual Report covers the performance, financial and non-financial, of Ezemvelo for the year ended 31 March 2018. The entity operates in the Province of KwaZulu-Natal within the Republic of South Africa.

Our financial reporting complies with Generally Recognised Accounting Practice (GRAP). Management has also considered the draft guidelines on integrated reporting provided by the Integrated Reporting Committee of South Africa.

ASSURANCE

Assurance of this Annual Integrated Report is provided by the accounting authority and management of Ezemvelo. The Auditor-General has provided external assurance on the financial and non-financial performance reports and the report appears on page (91-139)

APPROVAL OF THE ANNUAL INTEGRATED REPORT

The accounting authority acknowledges its responsibility to ensure the integrity of the Annual Integrated Report. The members of the accounting authority are satisfied with the content and have approved this Annual Integrated Report.



Dr L.W. Mngoma
Chairperson

CORPORATE PROFILE AND ACTIVITIES

BRIEF HISTORY

The history of Ezemvelo is a source of considerable pride for all associated with it. This organisation has been at the forefront of South Africa's conservation efforts for many decades and its reputation has a strong international standing as well. The success of Ezemvelo can be attributed to a pioneering history as well as an ongoing adherence to strategies and plans that are in line with international best practice.

VISION

"To be a world renowned leader in the field of biodiversity conservation."

MISSION

"To ensure effective conservation and sustainable use of KwaZulu-Natal's biodiversity in collaboration with stakeholders for the benefit of present and future generations."

CORE VALUES

- **Passion** – We shall be passionate in what we do
- **Respect** – We shall perform our duties in a professional, ethical manner
- **Trust** – We shall act transparently with integrity and honesty in all we do
- **Innovation** – We shall embrace a culture of learning, adaptation and creativity at all times
- **Excellence** – We shall strive to apply best practices to achieve the highest quality and standards at all times

AIMS OF EZEMVELO

Ezemvelo, in terms of the KZN Nature Conservation Management Act 9 of 1997, is mandated to:

- a) Direct the management of
 - i. nature conservation within the province;
 - ii. protected areas; and
 - iii. the development and promotion of ecotourism facilities within the protected areas.
- b) Ensure the proper, efficient and effective management of the Conservation Service.





EXECUTIVE REPORTS

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MESSAGE FROM THE MEC

HON. NOMUSA DUBE-NCUBE, MPL

Executive Authority: Member of Provincial Legislature
MEC for Economic Development, Tourism and
Environmental Affairs



It is again my pleasure to table the 2018/19 Ezemvelo annual report. I read with excitement what this entity achieved during the year under review, and I am fully aware that it was not easy.

During the year under review we welcomed additional board members to the Kwazulu-Natal Nature Conservation Board. Their arrival followed the departure of some Board members at the end of their term. The current Board has to manoeuvre through a maze of possibilities where one wrong step could have a debilitating result on our conservation efforts. These members have my full support and I trust they will make prudent decisions during their term of office.

The integration of Ezemvelo KZN Wildlife and the Sharks Board is at an advanced stage. The two organisations continue to meet to discuss how the whole integration process will be implemented. These meetings happen through what has become known as the Joint Management Committee, comprising senior managers drawn mainly from affected entities as well as the Department. It is important to note that the decision to integrate these organisations emanated from the national government decision to review the functionality and efficacies of state-owned enterprises in terms of implementing government strategies to accelerate socio-economic transformation. It is our plan to see this process completed within the next financial year.

I would not be doing justice if I do not compliment the men and women who put their lives in danger, day and night, caring for our protected areas. Through their unflinching commitment, the year under review indicates that there has been a drastic decline in the number of rhinos poached in protected areas within KwaZulu-Natal. In 2017/18 we lost 222 rhinos while in 2018/19 we managed to keep the figures down to 142. Well done to all of you.

The Department will continue to support biodiversity conservation in the province: we are convinced our lives depend on goods and services provided by our ecosystems.

HON. NOMUSA DUBE-NCUBE, MPL

Executive Authority: Member of Provincial Legislature
MEC for Economic Development, Tourism and
Environmental Affairs



MESSAGE BOARD CHAIRPERSON'S REPORT

It is an honour for me as the new Chairperson of the Board to present the KwaZulu-Natal Nature Conservation Board's Annual Report for the 2018 / 2019 financial year.

The new Board was appointed on 1 July 2018 for a three year term of office. I would like to acknowledge the contribution of the outgoing Board Members and Chairperson Mr Zwile Zulu for the foundation that they laid which has contributed towards achieving our mission to ensure effective conservation, the sustainable use of biodiversity and the promotion of eco-tourism within KwaZulu-Natal for the benefit of present and future generations.

During the year under review the Board reviewed the Annual Performance Plan and undertook a strategic review of the entity. The Board will focus on ensuring that the entity delivers on the targets set.

It is certainly a challenging time in the history of Ezemvelo KZN Wildlife. The entity has experienced crippling budget cuts over the last few years. The entity will end the year with a R52.4 million recorded deficit. This is of grave concern to the Board, as it places the survival of the organisation, in particular the management of protected areas and biodiversity conservation at serious risk. To reduce dependency on government funding, the Board is considering various initiatives including fund raising and the review of unfunded mandates.

The planned commercialisation process which will be critical for financial sustainability and the generation of additional revenue has attracted private investors who have shown an interest in various tourism initiatives. I would like to express my appreciation for the input being made by officials of the Department of Economic Development, Tourism and Environmental Affairs, and the commitment by Provincial Treasury to assist with the facilitation of the process and the provision of technical expertise required for the assessment of business proposals. I am hopeful that as we continue in our endeavour to generate additional revenue, that we will find the means to improve the situation.

The moratorium on the filling of vacant posts has resulted in a 30% vacancy rate which is impacting on the entity's operations. This is hardest felt in our protected areas as our decreasing law enforcement troops struggle to fight the scourge of rhino poaching on the ground. Rhino Poaching remains a critical concern and continues to place demands on resources and attract media attention. With the support of the Provincial Government, NGOs, law enforcement agencies and other stakeholders we are joining

our collective minds to find solutions to these challenges. The Board is acutely aware that the struggle against rhino poaching will not be won alone. I commend our staff on the ground for their tireless efforts to confront and contain this crisis. I am confident that the recent appointment of a high level security manager will help our plight.

I would like to thank our many stakeholders for their ongoing support. We remain committed to continuously engaging with them as we work together to achieve mutual goals.

I would like to express my gratitude to the management and staff for their dedication with which they have worked to ensure that our targets were met.

On behalf of the Board I would like to express my appreciation to the Acting Chief Executive Officer, Mr Sthabiso Chiliza who has held the fort for over the past year and continues to steer the ship with dedication under trying circumstances until a permanent CEO is appointed.

I thank my fellow Board Members for their time and commitment towards carrying the Board's oversight function and serving the people of our Province. The Board is conscious of the enormous responsibility placed on it, and the expectations that must be achieved during its term of office.



DR L.W. MNGOMA
Board Chairman



BOARD MEMBERS

THE FOLLOWING INDIVIDUALS ARE MEMBERS OF THE BOARD



DR WILLIAM MNGOMA
CHAIRPERSON



MS. SEEING PAT LEBENYA
DEPUTY CHAIRPERSON



MR. SIPHO MTOLO



MS. DIANA HOORZUK



MR SIHLE NDLOVU



MR. VUSI MVELASE



MR ROBERT HASWELL



**MR IAIN CAMPBELL
EWING**



MS SNEGUGU NCUBE



MR. THULISA NDELELA



**MS THANDEKA
NTSHANGASE**



**INKOSI BONGINKOSI
SHILO MTHEMBU**



MEMBERS OF THE BOARD

DR WILLIAM MNGOMA (CHAIRPERSON)

Dr Mngoma was appointed to the KwaZulu-Natal Nature Conservation Board in 2018, and previously served on the Board as the Shareholder Representative. He obtained his Doctor of Philosophy (PhD) in Public Administration in 2008 from the University of KwaZulu-Natal. The title of his study was Environment and Development: The case study of KwaZulu-Natal. His Master's Degree in Environmental Education was obtained between 2001 and 2003, and his Master's Degree in Geography from 1995-1998.

Previous leadership positions Board Member of the South African Association for Marine Biological Research from July 2014 until retirement in June 2017. Dr Mngoma was the project steering committee member for Sacude Sluse (Southern African Consortium of Universities for Development and Environment: Sustainable Land Use) focusing on the Masters and Doctoral Degree Programme. He represented the former Universities of Natal and Durban Westville. He was appointed member of the International Geographical Union from 2002 until 2008.

He is a former task team member developing a national qualification for environmental impact assessment (SAQA process), is passionate about community development and was instrumental in establishing community gardens and projects aimed at fighting hunger and clothing needy children in Ward 16 (known as Dr W. Mngoma ward) of uThukela District. Between 2006 -2012 he was appointed into a five member team looking at the creation of a single national Registration Body for Environmental Assessment Practitioners and Reviewers. In 2017 he received a Lifetime Conservation Achiever award from WESSA, which recognised him as one of the 90 remarkable individuals who have made a lifetime contribution to environmental conservation in South Africa. In 2018 he was a part time lecturer in the Social Sciences Education Department at the University of Zululand.

MS SEENG PAT LEBENYA (DEPUTY CHAIRPERSON)

Ms Lebenya is serving her second term on the Board, and was nominated to represent the Provincial Tourism Authority. She holds a Diploma in Business Management, and is a former Member of Parliament in the National Assembly.

MS DIANA HOORZUK

Ms Diana Hoorzuk was appointed to the KwaZulu-Natal Nature Conservation Board in 2018. She is Director of Ashton Windsor 08 INV - a managing consultancy established in 2009. She has wide experience in community en-

agement and is Vice Chair of the Aids Healthcare Foundation (USA), the largest HIV NGO operating worldwide, with clients in more than 33 countries, including Swaziland, Rwanda, Uganda, Europe and Asia.

She is employed by Oxygen, a project management company that has had as one of its clients Public Works, since 2016. Previous leadership positions include being a former member of African National Congress PEC, Business Women's Association, and a councillor in the City of Durban (eThekweni Municipality) as well as Deputy Chair of Mangosuthu University of Technology for 15 years.

MR THULISA NDELELA

Mr Ndelela is Chairperson of the Board's Finance and Governance Committee. He holds a BA degree (Legal Studies) and a BSc. Hon (International Relations). He held the position of Programme Officer, Operations Division for the African Centre for the Constructive Resolution of Disputes (2013-2016). He serves as a member of the Invest Durban, an advisory executive committee advising the city of eThekweni on matters of investment. He also serves as a member of the Prince Mshiyeni Memorial Hospital Board. He currently leads the Ayigobi Group of Companies which operates within the maritime sector.

MR VUSI MVELASE

Mr Mvelase is Chairperson of the Board's Commercial Services Committee. He holds a Diploma in Mass Communication and a Diploma in Marketing, Management and Finance. He is currently the Director of Vusi Mvelase & Associates CC., a communications consultancy, and Vusi Mvelase & Associates CC. Construction Co., and Chairman of Kukhanyakwezwe Social Development Initiatives NPO. Mr Mvelase also holds a postgraduate Dip-Business Management and is currently doing his MBA Studies

MR SIPHO MTOLO

Mr Mtollo is the Chairperson of the Operations and Community Affairs Committee. He is a former member of the South African Defence Force and Umkhonto Wesizwe. He is currently a businessman involved in construction.

INKOSI BONGINKOSI SHILO MTHEMBU

Inkosi Mthembu was officially bestowed as Inkosi of the Somopho area in 2008, the traditional council area on the outskirts of Empangeni. Previously, he worked for various companies in the financial sector from 2001-2007. He is a Member of the KwaZulu-Natal Provincial House of Traditional Leaders, and Deputy Chairperson of King Cetshwayo District Local House of Traditional Leaders. He also serves in the district and local municipalities of uMhlathuze. He is the Director of Nselweni Bush Camp and was nominated by the House of Traditional Leaders to serve on the KwaZulu-Natal Nature Conservation Board in June 2017.

MR SIHLE NDLOVU

Mr Sihle Ndlovu holds an MBA among other qualifications, including an Advanced Diploma in Management Accountant (CIMA), a National Diploma in Cost and Management Accounting (CMA); and a post-graduate Diploma in Accounting and Finance. He is doing his final year of Doctoral in Business Administration (DBA) Degree candidate at University of KwaZulu Natal. He professional accountant with the South African Institute of Professional Accountant and is also a non-executive Director of Utility Systems and Ithala development Finance Corporation. He is also the Chairperson of the Board of Built Environment Support Group. 2015 Young Farmer of the year in South Africa and won an award with MTN Foundation. Areas of expertise cover a range of fields: Financial Management, Credit and Investment Management, Agriculture, Planning (Budgets and Forecasts), Strategy Formulation and Management, Performance Management as well as Social Ethics. He serves on numerous Boards: the KZN Agricultural Union, Joburg Market, Advisory Council Agriparks (uMgungundlovu Region), among others.

MR ROBERT HASWELL

Alderman Rob Haswell has an MSc in Geography, and was a senior lecturer at the University of KwaZulu-Natal before joining local government. He was a member of parliament and both a Mayor and Municipal Manager of Msunduzi municipality. He played a role in the proclamation of the St Lucia Wetland Park and nature reserves within Pietermaritzburg. In his retirement he remains active in various development issues and projects.

MS SNEGUGU NCUBE

Ms Snegugu Ncube was appointed to the Board in July 2018. She holds a B.Com Accounting and B.Com Honours, Management Accounting, from the University of KwaZulu-Natal. Leadership roles include being a member of the SALGA KZN Technical Finance Reference group since 2014, and Chairperson of Dr Nkosazana Dlamini Zuma Municipality Audit and Performance Audit Committee.

She is the former Secretary General of the Albert Luthuli Professionals Forum (2014/15), with extensive experience in governance and financial management, having held key

managerial positions in local government. These include Supply Chain Manager and Deputy Director-Internal Audit within the Ulundi Municipality, and former CFO of uMuzi-wabantu Municipality, Acting Municipal Manager and CFO of Ingwe Municipality as well as the Director-Expenditure for the KwaDukuza Municipality. She is currently Chief Financial Officer of Umgungundlovu District Municipality and is enrolled for a Masters in Commerce in Development Finance at the University of Cape Town

MS THANDEKA NTSHANGASE

Ms Thandeka Ntshangase was appointed to the Board in July 2019. She is employed by Logico Logistics as the Strategy & Supply Chain Director. She holds a B.Com in Economics and Supply Chain Management, which she obtained in 2010 from the University of KwaZulu-Natal. Other qualifications include certificates in Leadership Development (Common Purpose: Africa Venture Programme); Massmart Management Programme (GIBS, University of Pretoria). She is currently doing an MBA with the Business School-Netherlands. She is a registered member of the Institute of Directors Southern Africa.

MR IAIN CAMPBELL EWING

Mr Iain Campbell Ewing studied marketing and thereafter law, before joining Ewing Trust Company in 2001. After joining the asset management business, he completed a Certificate in financial planning. Mr Ewing worked in Hlabisa, in northern KwaZulu-Natal, from 1996 to 1999 on a social upliftment and development project, as well as along the periphery of the Hluhluwe iMfolozi Game Reserve, to create sustainability through community involvement. This was part of a project under the Ian Player Magqubu Ntombela Foundation, of which Mr Ewing is Chairman.

He is the Director of Ewing Trust Company, Ewing Executive Services, Mandleve and Armour Trust Company (New Zealand) and is a trustee of a number of numerous family, will, investment and charitable Trusts (both locally and internationally). They include the Ian Player Magqubu Ntombela Foundation, the Wilderness Leadership School, Kathleen Hastie Charitable Trust and Awesome SA, among many others. He has served on the Board of Ezemvelo KZN Wildlife since his appointment in June 2018.



INDEPENDENT AUDIT COMMITTEE



**MR. BHEKABANTU
WILFRED NGUBANE**



**MR. NJABULO
FREEMAN MCHUNU**



MS SNEGUGU NCUBE



MR. THULISA NDELELA



MS. NATHI MHLONGO



MR. SANDILE DLONGOLO

MR. BHEKABANTU WILFRED NGUBANE

Mr. Bhekabantu Wilfred Ngubane has been an independent Audit and Risk Committee member since January 2013, and has been the Chairman since the 1st of December 2014. He is a partner, and the CEO of Ngubane & Co. Chartered Accountants. He was appointed for his extensive knowledge of the business sector. He holds a BCompt (Unisa), DipAcc (UDW) and he is an accomplished Chartered Accountant (SA). He has served on various Audit Committees and various Boards in the past.

MR. NJABULO FREEMAN MCHUNU

Mr. Njabulo Freeman Mchunu was appointed as an independent member of the Audit and Risk Committee on the 1st of November 2014. He is a Director in a consulting company and has extensive experience in the private and public sector, due to his previous positions in Accounting and Auditing. He also serves on various other Audit Committees. He holds a B.Com (UKZN) and is a Chartered Accountant. He has served his articles with the Office of the Auditor-General in Durban.

MS. NATHI MHLONGO

Nathi Mhlongo is the Managing Director at Key-dimensions Risk & Advisory Services (Pty) Ltd. KRS

specialises in Enterprise Risk Management, Internal Audits and Training. Nathi previously served in the public sector management space for over 25 years as Chief Risk Officer, Executive Manager: Internal Audit, Process Manager (Expenditure), a Deputy Director (Municipal Finance) and Senior Educator. She has served as Chairperson of Risk Management, Audit and Performance Management Committees at a Provincial Government Department, District and Local Municipalities, as well as Public Entities. Nathi is an Associate member of the Institute of Risk Management South Africa (IRMSA) and Chairperson of KZN IRMSA Sub-Committee. She delivered papers at various national and local conferences and workshops in Finance and Risk Management. Nathi has a MBA, BComm; Diploma in Secondary Education; and Course in Public Entities Accounting and Auditing.

MR. SANDILE DLONGOLO

Mr. Sandile Dlongolo is a Director at Senzakwenzeke Consulting Group (SG) (Pty) Ltd. SG specialises in New Venture Creation, ICT Audit and SMME Development and Business Re-Engineering. Sandile is a Bcom Accounting professional with Internal, External and ICT Audit experience gained from various public and private sector reviews. He is a member of the South African Institute of Business Accountants and COBIT5 Foundation certified through APMG.

MESSAGE FROM THE CEO

DR STHABISO CHILIZA ACTING CEO

As part of our efforts to conserve biodiversity, Ezemvelo managed to add an area that equals 12202 hectares to its portfolio. The area has contributed towards increasing the land reserved for conservation purposes. Through our Biodiversity Stewardship programme we managed to declare the following areas as protected areas.

- Mgundeni Community property
- Mun-Ya-Wana Conservancy
- Ingula
- eThekweni Metro Reserves
- Umgano Community Project

The media continues to support us by informing and educating our communities about the benefits of biodiversity conservation in general. I am also grateful for its role in creating awareness regarding certain projects, like poaching, in particular. Media houses like on-line News24 and provincial based radio stations continue to support our programmes by giving us space, which we could never afford to buy. The number of national and international filming companies that choose our protected areas as their filming sites increased. However, I feel that we still need to do a lot more to bring more film makers into our protected these areas, as I believe that we have the best natural landscape in our protected areas in these.

I am also humbled by the knowledge that, although my organization is experiencing financial constraints, it however managed to provide work experience to more than 700 young people through programmes such as internship, Environmental Monitors and Youth Environmental Services. The experience that they have gained will stand them in good stead in future when they apply for jobs. It is unfortunate that we had to release them as we would have loved to employ most of them, had our financial position been different. Ezemvelo will continue to implement these programmes, provided our partners continue to support us.

The growing unemployment rate and the inability of the conservation sector to respond to these problems continued to place our staff in direct confrontation with various communities adjacent to our protected Areas. The problem was further exacerbated by our refusal of certain developmental projects permit applications that promised to

create jobs at the expense of our natural environment.

Ezemvelo's decision to oppose mining projects in the proximity of the protected areas will never make sense to those who are looking for employment opportunities, as they do not understand the benefits of conserving our ecosystems. I remain thankful that, through our conservation efforts, Ezemvelo is still able to ensure that the province continues to receive services such as climate regulation, water purification and regulation, and protection against natural and man-made hazards.

During the year under review we witnessed our staff being either prevented from leaving community meetings or being prevented from attending community meetings. Ezemvelo cars were stoned and Ezemvelo staff lives were in danger on a number of occasions but I am thankfully that they were never hurt, although I know that they were emotionally shaken.

During the year under review we formed partnerships with a number of private companies. Ezemvelo would not have been able to achieve all that we achieved without their involvement. Through companies like Peace Parks Foundation we have been able to install high level technology that we use in our fight against various kinds of poaching. Some of these organizations, like Old Mutual, have been willing to contribute towards supporting the community projects adjacent to our protected areas as well as our activities aimed at improving the staff moral, like the annual excellency awards.



I continue to believe that conservation will only succeed when the nearby communities begin reaping the fruits of living in close proximity to our protected areas. Our conservation programmes must always be initiated with their support. They are also very critical in providing intelligence reports to our Field Rangers. These intelligence reports have resulted in a number of arrests during the year under review. The reduction in poaching statistics that was experienced in 2018/19 was due to the support received from these communities. May they continue supporting all of our conservation initiatives.

The recent study that was done by the University of Pretoria on visitors' behaviour in Kruger National Park, more especially focusing on millennials between the age of 23 and 38 with disposable income, shows a new paradigm shift from traditional travellers to this new surge. Also, our statistical analyses shows that if you over-invest on inbound tourism market, you might be missing the boat as the domestic market now takes the lion's share of people who visit our resorts. This calls for reconfiguration of our product positioning and marketing niche.

Ezemvelo participated in a number of national and international events, like the WTM- London and ITB- Berlin. It is during these exhibitions that we are able to establish new relationships with various tour operators from various countries and also listen to complaints and ideas from Tour Operators that have been our partners for a number of years. The meetings held with them were very successful and some have already started engaging us with possible specials for their clients. The success of our participation in these international exhibitions will only become clearer in the coming years, when they start booking our facilities.

My heartfelt appreciation to a number of Ezemvelo officials who retired during the year under review after serving this organization for decades. We are grateful for their contribution and we promise to protect our organization and ensure that it achieves its mandate. Amongst those who retired during the year was Mr. Bheki Khoza, who retired after

37 years of service. He served in various junior positions and climbed the ladder until he retired when he was an acting CEO of the organisation. I wish to salute him for all his contribution and will never forget the quote he used during his farewell speech, which proves that conservation runs in his blood. : "The earth is sacred, and men and animals are but one part of it. Treat the earth with respect so that it lasts for centuries to come and is a place of wonder and beauty for our children," Mr Khoza quoted the famous Native American Chief Seattle.

The organisation is facing the challenge of improving the skills of the remaining officials as most are still very new in the organization. Our succession plan is in full drive and a number of officials have already been identified as potential replacement officials long before the retirement of our long-serving officials.

Ezemvelo is proud of its scientists, who continue to contribute towards conservation science. At the close of the 2018/19 financial year the cumulative publication RG Score increased from one RG score of 145,29 during the 2017/18 financial year to 145,65 during the year under review. This RG Score equates favourably with predominantly pure conservation research institutions. It however, it remains a challenge to attract more scientists to our organisation as other, mainly private, institutions offer them better packages. We are grateful to all Scientists who have remained with our organisation in spite of offers that they keep on receiving.

We look forward to the new financial year and hope that our financial position will improve and, in the process, allow us to achieve more than we did in the past.



DR STHABISO CHILIZA
Acting CEO



3 Part

ACHIEVEMENTS AND CHALLENGES

EZEMVELO KZN WILDLIFE
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OPERATIONS SERVICES

UKHAHLAMBA DRAKENSBURG PARK (THE REPUBLIC OF SOUTH AFRICA COMPONENT OF THE MALOTI-DRAK- ENSBURG PARK WORLD HERITAGE)

The KwaZulu-Natal Nature Conservation Board (later referred to as the Board) is the appointed Management Authority of the uKhahlamba Drakensberg Park (which is the Republic of South Africa part of the Maloti-Drakensberg Park World Heritage).

This report forms part of the KwaZulu-Natal Nature Conservation Board's Annual Integrated Report 2018/2019. This section of the report is submitted in compliance with Section 42 of the World Heritage Convention Act (Act No. 29 of 1999). The management of the site is guided by the approved Integrated Management Plan (IMP). The Integrated Management Plan for uKhahlamba Drakensberg Park (UDP) is the primary and overarching management document for the World Heritage Site. The Integrated Management Plan (IMP) forms the framework within which the Park is managed.

All reports for the year under review indicate that this was not an easy year for the KwaZulu-Natal Nature Conservation Board. However, we feel that we have succeeded in meeting our obligations in terms of the convention, the operational guidelines and fulfilment of performance indicators for the World Heritage Site.

The park would also like to confirm that all procurement activities were conducted through the Board's Supply Chain Management systems. The Board did not acquire any land or rights in land by contract or otherwise.

The KwaZulu-Natal Conservation Board would like to express its profound and sincere appreciation for the unwavering support from the Acting Chief Executive Officer and his staff for their hard work, and staff from the Department of Environmental Affairs for their support.

INTEGRATED MANAGEMENT PLAN IMPLEMENTATION

The IMP for UDP is the primary and overarching management document for the World Heritage Site. It was developed in 2011 and approved by the Minister of Environmental Affairs in July 2013 for the period 2013 to 2018. The protected area's management objectives are performed and reflected through an Annual Plan of Operation (APO) in Table 1. The Board is committed to the implementation of this plan.

OUTLOOK (2019/2020)

To finalise the IMP review and submit it to the Department of Environmental Affairs for Minister's approval.

LEGAL COMPLIANCE AND LAW ENFORCEMENT

The most prevalent illegal activities in the Park include arson, illegal entry, poaching, and cattle incursions. A number of illegal incidents in different categories were also recorded (Figure 1 and 2, many between June and September: these include arson, illegal entry and poaching). A total of 142 illegal incidents were recorded in the Park as opposed to 173 in the last financial year, which is slightly less compared with the previous years. Most frequent illegal activities include arson, illegal entry, cattle incursions, prohibited activity, poaching, search and rescue (not an illegal incident), theft and damage to property. A total of 389 head of cattle and 21 horses were impounded inside the Park, while 23 cattle, eight goats and 135 sheep were seized by field rangers, stock suspected to be stolen from

**TOTAL REPORTED INCIDENTS - UKHAHLAMBA MALOTI-DRAKENSBURG PARK
APRIL 2018 TO MAR 2019**

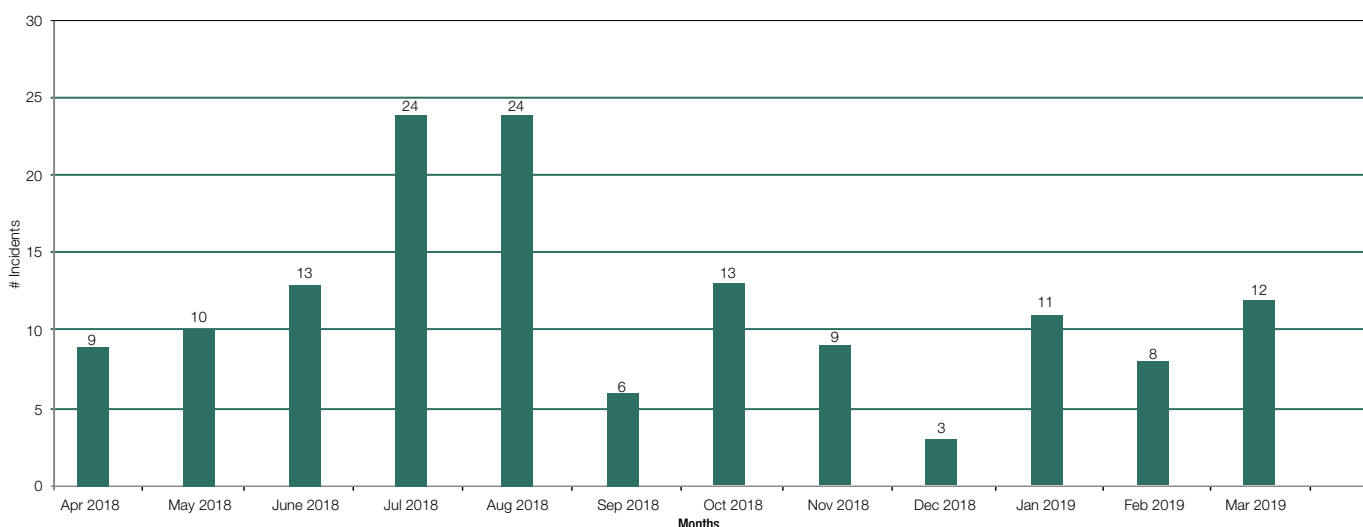


FIGURE 1: TOTAL REPORTED INCIDENTS FOR THE PERIOD APRIL 2018 TO MARCH 2019

TOTAL REPORTED INCIDENTS - UKHAHLAMBA MALOTI-DRAKENSBERG PARK APRIL 2018 TO MAR 2019

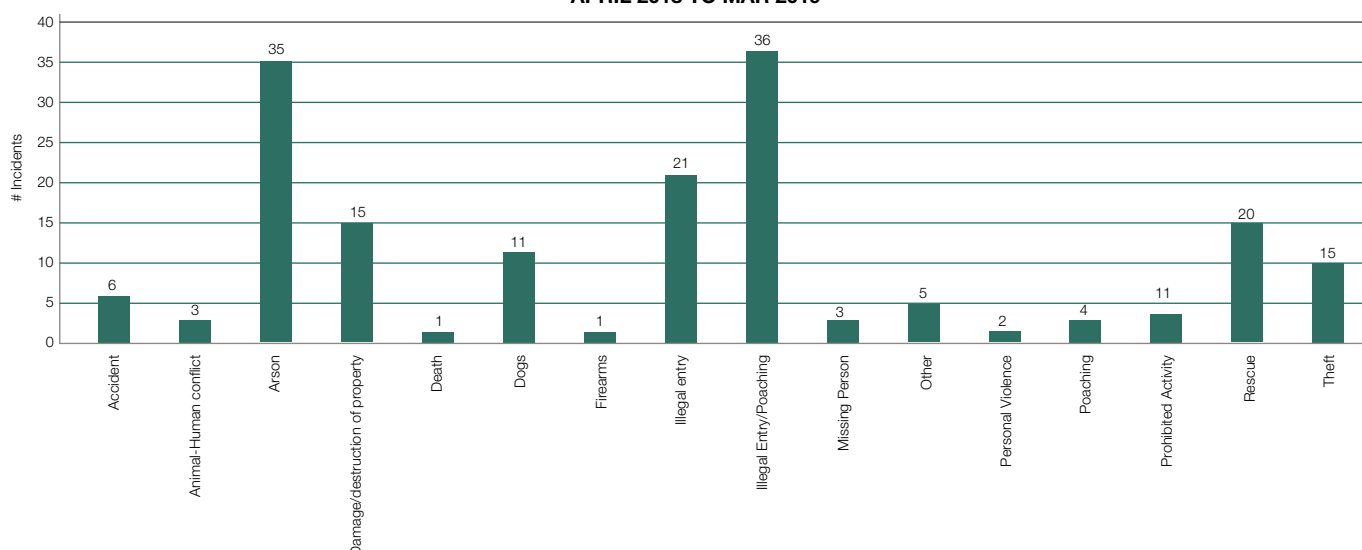


FIGURE 2: INCIDENT CATEGORIES FOR THE PERIOD APRIL 2018 TO MARCH 2019.

Lesotho. The animals were handed over to the local Stock Theft unit. A total of 20 search rescue operations were reported.

STAKEHOLDER ENGAGEMENT

As part of the Board's commitment towards stakeholder engagement, several Neighbour Relations Liaison Forum meetings were held quarterly with traditional authorities, local and provincial authorities as well as interested and affected parties. Stakeholder engagement and consultation was undertaken as part of the IMP review process. The review process started in August 2017 and was finalised in late 2018.

HONORARY OFFICERS

The Southern Drakensberg, Kamberg and Royal Natal Honorary Officer Groups fall under the supervision of the Conservation Manager Southern uKhahlamba Drakensberg Park, Officer-in-Charge Kamberg and Royal Natal. A combined report of their projects and activities has been compiled for the financial year 2018/19. The Honorary Officers assisted with the following in the Park:

- Secured curtains for the Pholela Hikers' Hut in Cobham
- Made metal platform for "weather station"
- Secured donation of braai grids for Vergelegen
- Arranged a Sani Pass clean-up
- Advised Ezemvelo KZN Wildlife on the baboon problem at Drakensberg Gardens Resort.
- Serviced three Ezemvelo vehicles – possible value R15 000
- Assisted Ezemvelo and the roads' consultant with advice on signage on Sani Pass – entrance signs, tourist signs, restrictive signs
- Annual game/bird counts, vulture count, Cape Parrot count and oribi count.
- Ultra-Trail Run
- Giant's Cup Trail Run
- Sani2C – assisted Sisonke Bird Club
- Joberg2C - assisted Sisonke Bird Club

- Drak Descent MTB Race
- Sani Stagger Marathon
- Dr Jacques Flamand, an Honorary Officer with the Southern Drakensberg Honorary Officer Group, carried out his annual inspection of all horses within the southern sub-region of the uKhahlamba Drakensberg Park

ECO-CULTURAL TOURISM

The Sustainable Tourism Strategy (2019-2029) was finalised and submitted to UNESCO World Heritage Centre for consideration before final approval. The strategy was developed in close collaboration with Lesotho. The main purpose is to develop heritage-based tourism focused on the Outstanding Universal Value of the properties.

OUTLOOK (2019/2020)

The 2019/20 financial year goal is to implement the Sustainable Tourism Strategy.

CONSERVATION MANAGEMENT

The national minimum protected area management effectiveness required score is 67%. For the past few years the average management effectiveness score for the UDP has been set at 70%. The previous years of assessment showed a healthy increase over the Park's assessment in 2010/11, which was recorded at 64.3%. In 2011/12 the score was 72%, in 2012/13 it was 78%, the 2013/14 score was 75.16%, in 2014/15 it was 79.74%, the 2015/16 score was 57.38% and in 2016/17 the score was 63.35%. The score for 2017/18 was 70.33%, an increase of 6.98% from the previous year's score. The METT score for 2018/19 is 67.22%, which is a decrease of 3.11% from the previous year's score. This decrease in the management effectiveness score could be attributed to the lack of staffing, insufficient budget for maintenance, and lack of budget for critical management functions (capital budget and infrastructure maintenance).

It is also important to note that the Management Effectiveness Tracking Tool (METT) was changed in 2015/16, hence a decrease in our management effectiveness score in that financial year.

OUTLOOK (2019/2020)

Freezing of posts and budget cuts made this financial year under review very challenging. Despite this, we aim to maintain management effectiveness score at 67% for the 2019/20 financial year.

Fire - is one of the most important ecosystem drivers requiring management to maintain the biodiversity of the UDP. Mandatory and strategic firebreaks were maintained as per statutory requirements. Fire application and management aims to achieve the objectives of each protected area comprising the UDP. Through an adaptive process, the fire management strategies are evaluated and revised to ensure best practice for the World Heritage Site.

OUTLOOK (2019/2020)

Unscheduled wild fires and freezing of posts made this financial year under review very challenging. The 2019/20 financial year goal is to continuously implement our Fire Management Plan and monitor results.

Invasive Alien Species - invasive and alien species have been identified globally as one of the most significant threats to biodiversity, second only to habitat destruction. Invasive alien plants are the biggest threat to South African protected areas. The authority has developed an Alien and Invasive Species Management Plan, which sets up objectives and targets for the Park. A total of R3 512 875 million to clear an area of 17 434ha was granted by the Department of Economic Development, Tourism and Environmental Affairs Alien Invasive Species Programme. A total of 16 493-person days (employing 292 community members) was achieved through this programme and significant progress has been made. Almost all work undertaken in the past 13 years has been from external job-creation funds.

OUTLOOK (2019/2020)

To ensure implementation of the Joint Alien and Invasive Species Management Plan.

Natural Resource Management - the authority has policies and guidelines to regulate natural resource use inside the Park. There are several monitoring programmes that have been implemented to ensure sustainable resource utilisation.

Cultural Heritage Management - A joint Cultural Heritage Management Plan has been consolidated with the Sehlabathebe National Park's plan. Routine cultural heritage site monitoring is in place. However, it is critical to

improve the authority's institutional capacity regarding this.

Currently the management authority lacks institutional capacity regarding cultural heritage management. We need to focus on sourcing funds to secure institutional capacity in this field.

Environmental Awareness Programme - an Environmental Awareness Plan is in place. The S'fundimvelo Environmental Education Programme is also implemented in neighbouring schools around the park. This programme is aligned to the Grade 6 National Curriculum syllabus. In the 2018/19 financial year, the programme has involved more than 8000 learners and 300 educators.

An extensive teacher environmental excursion programme was also hosted by the Park.

On the 21st - 23rd and 28th - 30th November 2018, the S'fundimvelo Environmental Education Programme had two overnight trips with Vukani Youth Group from Umlazi Township in Durban, and Skhubuntu NGO from Sobantu Township in Pietermaritzburg. Overnight trips provide the opportunity to include children living away from Ezemvelo's Protected Areas.

The S'fundimvelo Environmental Education Programme is planning hydraulic fracking workshops for Grade 6 educators to create awareness about the environmental impact of hydraulic fracking, which is likely to be proposed around the uKhahlamba Drakensberg World Heritage Site.

OPERATIONAL MATTERS

The Park has a serious lack of resources, both human and financial, to effectively deal with the operations and infrastructure maintenance backlog. There is serious budget shortfall for hiking trails maintenance, boundary fence, roads and tracks, which needs URGENT attention for the Park to succeed in achieving its objectives. A significant amount of effort has been directed towards applying the best management principles; this has yielded good results in many instances. However, there is still a lot to be accomplished in the coming years.

OUTLOOK (2019/2020)

The current condition of our hiking trails, roads, fences and staff accommodation is disastrous. We need to URGENTLY secure funds to improve our infrastructure.

PRIORITIES FOR STRATEGIC OUTCOMES

The purpose of prioritising activities is to direct funds and resources to the most important activities. As a result, priorities are placed in an order of three categories, which have been determined in Table 1 as follows:

PRIORITY 1: a management target that is central to the responsibilities and mandate of Ezemvelo KZN Wildlife, or that addresses an aspect of management fundamental to the protection of the values and purpose of the MDP.

PRIORITY 2: a management target that addresses an aspect of management that contributes towards community involvement and support for the conservation of the UDP, which is a key principle of effective protected area management.

PRIORITY 3: a management target that indirectly contributes towards the protection of biodiversity or the development of social and/or economic benefits and opportunities for the UDP and/ or its surrounding communities.

The priorities are presented in the table below using the colour system above, which depicts the level of priority shown for the particular strategic outcome. In addition, a date is indicated in the priorities column for each strategic outcome, which is intended to convey the end date by which the management target must have been achieved.

BUDGET

The figures presented in this report were extracted from the audited financial statements as presented in the Kwa-Zulu-Natal Nature Conservation Board's Annual Report 2018/2019.

The estimated present (2018/19) management cost for the Park after revenues have been deducted is R309.09 per annum (R75 108 000/ 243 000 ha) as opposed to R258.31 in the past financial year. This is slightly more, compared with the last financial year (see Appendix 1B).

Appendix 1A shows the income and expenditure trends for the Park over 18 financial years (April – March) from 2000/01 to 2018/19. The figures only represent the income and expenditure (salaries and operating expenses) of the conservation management and tourism operations components. Other Park expenditure from corporate components, e.g. major technical works, capital expenditure, special projects and donor funding, is not included here, as these figures are not readily available for the Park specifically. The figures therefore do not reflect the total expenditure for the Park.

CONSERVATION MANAGEMENT: 2000/01 TO 2018/19

Expenditure on conservation management has increased

from R14.6m to R69.5m over the past 19 years. The main contributing factor was the improvement of staff conditions of service over the period. Since 2000, not only have basic salaries been increased at a higher than inflation rate, but other benefits have been introduced, such as payment for overtime, standby allowances, night shift allowances, housing allowances and medical aid. However, a concern at present is the fact that personnel-related expenses account for more than 80% of the total conservation management expenditure budget. This is significantly higher than generally accepted norms and this trend has been the experience since the start of this reporting period. This also indicates that the current conservation operating expenditure budget is under-funded.

ECOTOURISM OPERATIONS: 2000/01 TO 2018/19

Income increased from R11.9m to R38.1m. This is relatively high compared with the previous year's income of R35.5m. Financial performance varies greatly from resort to resort.

It is felt that with more focus and innovation linked to the Park's Sustainable Tourism Strategy, the Ecotourism Operations within the Park will be able to generate a more substantial financial contribution to conservation operations. The potential is certainly there for a significant improvement in these figures.

The Operating Surplus from Ecotourism Operations decreased from R258 to -R5.5m over the financial period. It must be noted that the 2018/19 year shows a decrease, compared with the last financial year: conversely there was also a significant increase in salaries and decline in operating expenses. The recent slide can be attributed to poor revenue growth and a failure to market and promote the Park as a destination.

EXTERNAL FUNDING

The Park has benefited enormously over the years from external investment. Some examples are the Invasive Alien Species Programme and Working on Fire programme. External funding is likely to play a greater role moving forward considering the number of unfunded projects that have been identified. It is imperative that sufficient funding is obtained over the next few years for the infrastructure to be effectively maintained and sustained.

TABLE 1: UDP IMP: OBJECTIVES AND STRATEGIC OUTCOMES – ANNUAL PLAN OF OPERATION

KEY PERFORMANCE AREA	OBJECTIVE	STRATEGIC OUTCOME	MANAGEMENT ACTIVITIES	MANAGEMENT TARGETS	PROGRESS	PRIORITY
Table 6.2.1 Framework for Legal Compliance, Law Enforcement and Stakeholder Engagement [UDP IMP Page 79]						
Legal Compliance and Law Enforcement	Comply with and enforce legislation pertaining to the protection, development and management of the park.	Confirmation, demarcation and interpretation of the exact boundaries of the park.	Survey those sections of the park that have not yet been surveyed and implement a phased programme for the demarcation of all boundaries.	Survey report for relevant sections.	The following areas (Management Units) within the park were surveyed: Sani Top and iKanti at Cobham, Garden Castle, Royal Natal, Cathedral Peak and Lotheni. All management units' boundaries have now been surveyed except Hillside.	YEAR 2
			Negotiate a joint understanding with Lesotho on the exact boundary with South Africa.	Memorandum of Understanding regarding the Lesotho / South African Boundary.	The assistance of the Department of Environmental Affairs is required in this regard. [Land Surveyor General Report – the Department of Environmental Affairs has been requested to facilitate the process of appropriate western boundary demarcation (Lesotho and RSA)]. There is no progress in resolving the international boundary, this issue falls outside the Management Authority's jurisdiction.	YEAR 2
			Ensure that the title deeds reflect the World Heritage status.	Title deeds that reflect the protection status of the park.	As part of the process of clearly defining the boundaries of the South African component of the Maloti-Drakensberg Park World Heritage Site, the professional surveyor service provider provided a list of 450 parcels of land, in South Africa, that constitute the Park. This information is critical for the Registrar of Deeds to endorse parcels of land with their protected area status and therein add an additional layer of protection to the World Heritage Site. Unfortunately the provisions in the NEM: Protected Areas Act 57 of 2003 do not empower the Registrar to give effect to endorsement of Deeds for World Heritage protection. For this reason Ezemvelo KZN Wildlife elected to re-declare the Park (in addition to the World Heritage declaration) as a nature reserve, which provides the Registrar with the necessary legal authority for this exercise. This declaration will be finalised in the 2018/19 financial year.	YEAR3
		Consolidate and facilitate proclamation of wilderness areas.	Initiate a process to proclaim candidate wilderness areas.	Increase in proclaimed wilderness areas.	The baseline view shed analysis, measuring the location and extent of visual impact of human disturbance, has been completed. The amalgamation of the modelled surfaces into a sensitivity index still has to be completed. A field verification exercise will then be initiated before the zonation is finalised.	Year 3
Table 6.2.1 Law Enforcement [UDP IMP Page 80]						
		Address security issues and illegal activities to ensure the integrity of the park, in participation with stakeholders, security services and the justice system.	Work collaboratively with external security stakeholders to implement the UDP security strategy. Implement a Cyber Tracker based programme of patrols of the park and its boundaries.	Regular patrols covering strategic areas in the park. Prosecution of any offender caught committing an offence. Regular documented reports on security incidents.	There is a low number of law enforcement staff due to the freezing of vacant posts; hence law enforcement operations are hindered due to resource constraints. A significant number of field ranger and six Officer-in-Charge (OIC) posts are vacant and urgently need to be filled. That has a significant impact on the number of patrols conducted. Most field rangers have undergone EMI training and are now designated EMIs. 5489 routine law enforcement patrols were conducted throughout the Park, and meetings are held on a quarterly basis with local SAPS. All illegal incidents are reported centrally using the EKZNW incident report format. The Law Enforcement and Prosecution Officer post has been filled. Law enforcement designated staff members attended South African Police Service and Rural Safety Committee and policing forums monthly meetings. A total of 1142 illegal incidents recorded in the Park. Most frequent illegal activities include arson, illegal entry, cattle incursions, prohibited activity, poaching, search and rescue (not an illegal incident), theft and damage to property. Total of 389 head of cattle and 21 horses were impounded for illegally grazing inside the Park. 20 rescue operations reported. 23 cattle, eight goats and 135 sheep were seized by field rangers, stock suspected to be stolen from Lesotho. All stock was handed over to local Stock Theft units. 22 arrests made	Ongoing
			Implementation of the Reaction unit.	Functional reaction unit.	Law Enforcement and Prosecution Officer has been appointed, suitable candidates for other positions have been identified but not appointed due to the restructuring process and freezing of posts.	Year 2

KEY PERFORMANCE AREA	OBJECTIVE	STRATEGIC OUTCOME	MANAGEMENT ACTIVITIES	MANAGEMENT TARGETS	PROGRESS	PRIORITY
		Address security issues and illegal activities to ensure the integrity of the park, in participation with stakeholders, security services and the justice system.	Develop and implement a Park Air Space Norms and Standards. Develop a joint position statement on air space use over World Heritage sites with iSimangaliso Wetland Park. Formalise relations and operating rules for military and police use of air space, as well as for stock theft pursuit.	Documented Air Space Norms and Standards.	Within the financial year of 2018/2019, 18 flight applications were received and processed, requesting to fly over the park. Most of these applications were for high altitude training, and filming. Interim decision-making process and guidelines with respect to aircraft use within the air space of uKhahlamba Drakensberg Park World Heritage Site are in place.	Year 2

Table 6.2.1 Stakeholder Engagement [UDP IMP Page 80]

Stakeholders' Engagement	Maintain effective linkages with affected communities and other stakeholders in order to ensure collaboration management.	Constructive stakeholder involvement in the Park management through an effectively functioning local board and liaison forums	Regular meetings of a functional UDP Local Board. Regular meetings of the Liaison Forums for the separate management units within the UDP.	Quarterly meetings of the Local Board and Liaison Forum.	Local Board term of office expired in March 2018. The process of appointing new Local Board is under way and will be concluded soon. The Neighbour Relations Liaison Forum meetings take place on a quarterly basis for different Management Units (15) within the park.	Ongoing
		Provision of support to the community in developing its capacity to make inputs into the management of the Park.	Ongoing development and mentorship programme for the UDP Local Board for new members.	Implemented mentorship programme for the UDP Local Board.	South UDP Officers-in-Charge attended five Drakensberg Honorary Officer meetings.	Ongoing
		Provision of support to the community through externally funded projects and the Community Levy Fund.	Facilitation of development projects in the community through the Community Levy Fund in line with the Conservation Partnership Policy of EKZNW.	Community development projects reflected in the Annual report and audit report of Community Levy Fund.	The construction of Busingatha Community Lodge started in 2017/18 financial year is still under way and will be completed soon.	Ongoing
		Engage internal and external stakeholders in an effort to brand the MDP as a World Heritage Site.	Develop and implement an MDP branding strategy including a strategy to communicate the IMP to communities, visitors and other stakeholders.	Documented branding strategy.	A draft Sustainable Tourism Strategy (2016-20125) has been developed and submitted to UNESCO World Heritage Centre for approval. The process of internal approval is under way.	Year 1

KEY PERFORMANCE AREA	OBJECTIVE	STRATEGIC OUTCOME	MANAGEMENT ACTIVITIES	MANAGEMENT TARGETS	PROGRESS	PRIORITY
Table 6.4.1 Framework for Buffer Zone Protection and Regional Management [UDP Page 84]						
Buffer Zone Protection and Regional Management	Protect the Park values from activities, processes or land uses outside its boundaries, which may threaten it, through an established buffer zone that is accepted by the broader communities and stakeholders.	Prioritisation of key buffer zone area within the provincial protected Area Expansion plan.	Focus efforts of the Biodiversity Stewardship and Protected Area Expansion Programme on priority areas in the buffer zone around UDP's boundaries.	Legal protection of key buffer zone areas through establishment of biodiversity management plans or protected environments.	<p>The KwaZulu-Natal Biodiversity and Protected Area Bill makes provision for the MEC to declare a buffer zone. The farms Wostjin, Diedlof and Maatschapi in the Northern UDP have expressed interest in joining the Stewardship Programme. An application has been submitted by a private land owner (sub-division of farm Wostjin) to join the Stewardship programme. The application is being dealt with. Similarly, several private land owners bordering Culfargie/Bell Park wish to join the programme. These two applications will be processed in the current year. The Cathkin Connection Conservancy has been successfully recognised and registered.</p> <p>Status of the Stewardship sites along the Park.</p> <p>The Stewardship unit has little capacity to unlock the challenges posted by the proposed Upper uThukela Community Conservation Area. There are various challenges which hinder progress of this site, including disputes among participating communities regarding land ownership. This issue also affects the finalisation of the land survey. Efforts to cooperate with the Ingonyama Trust Board have not been successful.</p> <p>Allendale: The complete approved documents were approved by the Board in March 2014. However, the landowner is unwilling to sign the final documents and until this is completed, the process has been placed on hold. The facilitators for the site have since left and no further work has been done. Snowflake: Stewardship progress on the site was delayed by issues relating to the negotiating of grazing leases between the landowner and surrounding community. The site was placed on hold by the Stewardship Working Group in February 2016. A Buffer Land Agreement was signed (February 2018) by the Land Owner and Ezemvelo.</p>	Annually
		Maintain the Transfrontier linkages between the park, authorities and communities bordering Lesotho	<p>Maintain collaborative Transfrontier structures through regular meeting with the Joint Management Committee.</p> <p>Work collaboratively with the MDTP to achieve joint objectives of Maloti-Drakensberg Transfrontier Conservation Area Conservation and Development Strategy (2008-2028).</p>	<p>Quarterly meetings of the Joint Management Committee.</p> <p>Achievement of objectives and outcomes of the Maloti-Drakensberg Transfrontier Conservation Area Conservation and Development Strategy (2008-2028).</p>	<p>One Joint Management Committee (JMC) meeting was held on 29th March 2019 at Golden Gate Highlands National Park (GGHNP).</p> <p>The next JMC meeting is scheduled for the 10th July 2019 at Lesotho. South UDP management organised and attended Golden Gate Highlands National Park. South UDP management organised and attended the joint sub-regional annual fire workshop at Sehlabathebe National Park. The six-monthly management meetings between Sehlabathebe and Garden Castle (EKZNW) are held at Sehlabathebe National Park (Lesotho).</p> <p>EKZNW contributes to MDTP through annual financial obligations as a Lead Agent in South Africa. EKZNW is represented in various working groups such as Cultural Heritage Working Group, Protected Area and Biodiversity Working Group, National Coordination Committee, Bilateral Coordination Committee, Bilateral Security Working Group, and Tourism Working Group. MDTP is also facilitating the establishment of a Community Conservation Area in Witsieshoek which will form a buffer on the Free State side.</p>	Ongoing

KEY PERFORMANCE AREA	OBJECTIVE	STRATEGIC OUTCOME	MANAGEMENT ACTIVITIES	MANAGEMENT TARGETS	PROGRESS	PRIORITY
Table 6.4.1 Local and Regional Planning [UDP Page 85]						
		Ensure tourist infrastructure to access the UDP (access roads) safely are identified and maintained.	Liaise with the South African National Roads Agency in determining agreed upon access roads to UDP that require upgrade and maintenance.	Adoption of agreed upon access routes to the various protected areas within the UDP. Upgrade and maintenance of degraded access routes.	<p>There is a formal and continuous engagement with the Local Department of Transport to maintain and repair access roads to iNjisuthi, Cathedral Peak, uMkhomazi and Cobham. Minor maintenance has been carried out but major repairs have been requested to be attended to, however, there is no progress because funding was not made available. Roads were maintained by filling potholes.</p> <p>The main access road leading up to Garden Castle is well maintained by the Department of Transport. Giants Castle access road is also being rehabilitated by the Department of Transport.</p> <p>The Authority has engaged Provincial Treasury to secure funding for Cathedral Peak access road, R37m has been secured.</p>	Year 1 thereafter Annually
		Declaration of the park buffer as the buffer for the World Heritage Site.	Submit proposed buffer zone requirements to UNESCO for approval.	Gazetted buffer zone.	The buffer delineation has been finalised. The stakeholder engagement and participation process was completed in August 2016. In April 2017, an extra-ordinary meeting was convened with the Underberg Farmers Association to discuss details of the proposed Buffer Zone Policy. The proposed Buffer Zone Policy was submitted to the Department of Environmental Affairs for further processing.	Year 1
		Evaluate and respond to development applications within the park buffer through a coordinated and consistent process.	Implement the standard policy to guide responses to development applications in the UDP buffer area.	Consistent documented responses to development applications.	Formal comments on all land use change applications received and formal responses were provided. Four applications were received and processed in the 2017/18 financial year.	Ongoing
Table 6.5.1 Framework for Eco-cultural Tourism [UDP Page 88]						
Eco-cultural Tourism Development	Respect and give access to the Park's biodiversity, cultural and wilderness values in order to sustainably capitalise on the tourism potential for the Park and its surrounding areas.	Integrate Park tourism activities with tourism strategies and plans for the region.	Capture visitor information and statistics.	An understanding of annual tourist numbers.	The Park is confident that the data for guests accommodated overnight is accurate. Auditable data is collected in all major entry points, however, there is still a challenge of the credibility of day visitor numbers entering the Park through smaller control points as well as informal entry points. While it is desirable to improve on this, the cost of implementation is high and the potential return both as data and as income is questionable. The management authority continues to explore more affordable payment and monitoring methods, including electronic payment prior to arrival at the Park.	Daily
			Develop and implement a Park Tourism plan including strategies to address the following: Branding and marketing. Linkages with other bioregional tourist initiatives. Income generation opportunities, legislative and zonation constraints of new developments and activities.	MDP WHS Tourism Plan.	<p>This target has not been achieved, but the process to develop the plan has been initiated.</p> <p>A draft Sustainable Tourism Strategy (2016-20125) has been developed and submitted to UNESCO World Heritage Centre for approval.</p>	Year 2
		Implement standards developed for signage.	Implement a phased programme for replacing signage with the standardised formats.	Appropriate signage, located at all access routes to the Park. Trail signage that conforms to EKZNW standards.	A total of 16 entrance sign boards were erected at different entrance gates in the Park. The new sign boards were amended to reflect the new Park name. Furthermore, 100 "Unauthorised Entry" sign boards were erected along the eastern boundary fence where illegal entry occurs. uKhahlamba Drakensberg Park Visitor Information Directory - Trail signage standards and guidelines have been developed.	Year 1
		Ensure that energy efficiency measures are implemented in all resorts.	Implement a phased programme to retrofit all resort infrastructures with energy efficient technology.	Increase in energy efficient technology in resorts.	This project has been initiated and project proposals have been submitted to potential funders. This has been incorporated into the Climate Change Adaptation Response Plan. A meeting was held with Professor Smith of the University of KwaZulu-Natal to investigate the possibility of establishing hydro power within the Park focusing at Monk's Cowl and iNjisuthi management units but there is no positive progress to date.	Year 4

KEY PERFORMANCE AREA	OBJECTIVE	STRATEGIC OUTCOME	MANAGEMENT ACTIVITIES	MANAGEMENT TARGETS	PROGRESS	PRIORITY
		Development of Transfrontier activities and travel in line with new vision for Transfrontier Conservation Areas (Walking-based lower carbon footprints tourism activities) in South Africa.	Develop a detailed project proposal and costing for establishment of a world class trekking route.	Submitted proposal for trekking route.	The proposal was completed and submitted to the Maloti-Drakensberg Transfrontier Programme and is now awaiting further processing and funding. Drakensberg Ways Hiking Trail - project proposal submitted to DEA through EPIP.	Year 1
		Development of indigenous gardens around resorts.	Implement a phased programme to remove alien plants from resort gardens. Implement a phased programme to interpret natural vegetation around resorts.	Reduction in alien plants in camp gardens. Interpretation material for resort gardens.	A Giant's Castle Resort indigenous garden manual has been developed. Interpretation material for resort gardens is still to be developed. Alien trees are removed on an as and when basis within intensive use areas in the Park.	Year 2

Table 6.6.3 Framework for Conservation Management – Soil Erosion [UDP Page 99]

		Implementation of procedures to identify, rehabilitate and manage areas that have been significantly impacted by accelerated human caused soil erosion.	Implement soil erosion control and rehabilitation measures, focusing strategically on key areas such as those affecting watercourses or that are growing larger.	A detailed map depicting areas of soil erosion within the Park. Implementation of soil erosion control measures in areas of accelerated soil erosion.	Due to financial constraints, only 72km of hiking trails were maintained in the park. Maintenance was carried out on the Giant's Cup Trail both at Cobham and Garden Castle. A new section of the Giant's Cup Trail for the third day has been surveyed and approved.	Ongoing
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Table 6.6.4 Framework for Conservation Management – Alien Animal Control and Resource Utilisation [UDP Page 103]

		Implementation of procedures to manage alien animals found within the UDP.	Develop and implement an equitable policy for keeping personal and official domestic animals and livestock in the Park that includes procedures for dealing in a consistent manner with alien animals that stray into the park. This policy must clearly address: -Threats to biodiversity conservation as a priority. -Reducing the numbers of such animals to an absolute minimum. -Designating areas where these animals must be kept. They must not be allowed to roam or feed in the Park (except for official patrol horses when on patrol) or interfere in any way with tourists. -The proper and hygienic care of these animals. -Minimum standards (aesthetic acceptability, sizes, neatness and cleanliness) of facilities housing these animals e.g. stables, camps, cages etc. -Disciplinary measures for staff transgressing these regulations. -Community awareness.	<ul style="list-style-type: none"> Control of alien animals found in Park. Awareness of communities of the implemented strategy. 	<p>Standard Operating Procedure - Confiscation of stray livestock in the uKhahlamba Drakensberg Park World Heritage Site is in place.</p> <p>Two stray cats were destroyed during the year.</p> <p>Horse care and stable management guidelines have been developed. Horse care, stable management and correct horse-riding procedures were covered during the horse-riding training course offered by the SAPS Mounted Academy, Potchefstroom.</p> <p>Horse sickness vaccinations were administered throughout the Park from October to December 2018. Horses were dewormed in October to December 2018. Dr J. Flamand carried out an annual horse inspection at Vergelegen, Lotheni, uMkhomazi, Garden Castle and Cobham. Horse registers maintained as well as horse rotation register. Regular tick control was also carried out.</p> <p>A stallion was gelded at Monks Cowl. There are currently no stallions at either Monks Cowl or Culfargie.</p> <p>An Environmental Awareness Plan has been produced and agreed upon.</p> <p>S'fundimvelo Environmental Education Programme is implemented in neighbouring schools around the Park, this programme is aligned to the Grade 6 National Curriculum syllabus.</p> <p>S'fundimvelo Environmental education Programme has covered more than 8000 learners and 300 educators as participants in the 2018-19 financial year.</p> <p>Teacher extensive environmental excursion programme was hosted by the Park.</p> <p>S'fundimvelo Environmental Education Programme is planning a hydraulic fracking workshop for Grade 6 educators to inform them about the environmental impact of hydraulic fracking, likely to be proposed around uKhahlamba Drakensberg World Heritage Site.</p>	Year 2 Ongoing
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KEY PERFORMANCE AREA	OBJECTIVE	STRATEGIC OUTCOME	MANAGEMENT ACTIVITIES	MANAGEMENT TARGETS	PROGRESS	PRIORITY
			Develop and implement a management strategy that will minimise the negative impact of alien fish, specifically trout.	Reduction of alien and invasive fish species in UDP.	The trout species is addressed in the Park's Alien and Invasive Species Management Plan. Trout have demonstrated impacts on biodiversity globally and locally. However, it is also acknowledged that trout have some economic value to the Park (although very limited); trout fishing has heritage value to sectors of society. The Park therefore acknowledges trout have historically and are continuing to have impacts on aquatic systems but recognise that no large-scale eradication is feasible or indeed possibly even desirable. Consequently, a number of natural barriers to the upstream movement of trout have been identified and these can serve as places above which eradication operations can take place in future if the need arises; eradication of trout from rivers without natural barriers is impossible because of constant reinvasion from outside the Park.	Year 3
			The grazing concession in the south of the Park must be reviewed, confirmed, clarified and documented to allow the relevant manager to effectively monitor compliance and biodiversity impact.	Reviewed and documented grazing concession.	The Ikhanti/Mqatsheni and Cathedral Peak Grazing Concession Agreements are currently being revised with Regional Land Claims Commission and Ingonyama Trust Board. The Ingonyama Trust Board has agreed in principle for a discussion document to facilitate grazing concessions' agreements with the Traditional Councils.	Year 1

Table 6.6.4 Framework for Conservation Management – Resource Utilisation [UDP Page 103]

		Ensure that if extractive resources use is undertaken, it is done legally and conforms to EKZNW policy. Manage resource use in accordance with the Park Resource Use Guidelines and Park zonation plan.	Raise awareness on the Park approach to sustainable extractive natural and cultural resource use in the park.	A communicated approach to extractive resource use.	Resource use returns are submitted on a monthly basis and report on the State of Biodiversity produced for the Park. The Park had 474 bundles of thatch grass (<i>Hyparrhenia hirta</i>) harvested. Three bundles of Broom Grass (<i>Merxmüllera macowanii drakensbergensis</i>) were harvested and 62 bundles of bristle grass. In addition, 13 bundles of uHashu were extracted by women from the local community.	Ongoing
			Documented resource use application and records.	Biological returns were analysed and a report produced (State of biodiversity report).		Ongoing
		Ensure that if bio prospecting is undertaken, it is done legally and conforms to EKZNW policy.	Only allow the collection of biological materials or samples if the appropriate permits or permission has been given in accordance with national as well as EKZNW policy.	Records of permits for bio prospecting.	Not applicable – bio prospecting permits are issued by the Department of Environmental Affairs (DEA) responsibility. EKZNW is responsible for controlling and issuing relevant collection permits within the Park where bio prospecting permits have been issued by DEA.	Ongoing

Table 6.6.5 Framework for Conservation Management – Wildlife Management [UDP Page 107]

		Development and implementation of a strategy for management of the wildlife in the UDP in accordance with EKZNW policies and norms and standards.	-Develop a Disease Control Contingency Plan. -Develop operational guidelines for the management of feeding sites for vultures.	Disease Control Contingency Plan. Guidelines for vulture feeding sites.	A Draft Disease Risk Management Protocol is in place. Adopted – Endangered Wildlife Trust Guidelines for establishment of vulture feeding sites. A feeding site management plan still to be developed for Giant's Castle and Cathedral Peak.	Ongoing
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KEY PERFORMANCE AREA	OBJECTIVE	STRATEGIC OUTCOME	MANAGEMENT ACTIVITIES	MANAGEMENT TARGETS	PROGRESS	PRIORITY
		Development and implementation of a strategy for human-wildlife conflict that complies with provincial and national norms and standards.		-Annually meet with stakeholders, as required in the Drakensberg Eland Management Strategy to discuss permits, fencing and human-wildlife conflict. -Undertake preventative measures, such as boundary fence construction and maintenance, and removal of all exotic fruit and oak trees to minimise the need for human- animal conflict control. -Implement the human-wildlife conflict control strategy for the park.	-Minutes of annual stakeholder meetings as per the Drakensberg Eland Management Strategy requirements. -Effective procedures and good working relationships with hospitality staff and neighbours in dealing with damage causing animals. Two eland meetings were held this year, one at Underberg and one at Kamberg. Total of eight events of chasing eland off farmland neighbouring Cobham. Total of six events of chasing eland off farmland neighbouring Garden Castle. EKZNW Human- Wildlife Conflict Management Strategy is currently in place. An Environmental Awareness Plan has been produced and agreed upon. Animal-proof bins have been installed in various resorts and staff accommodation units.	Ongoing
		Capacitate managers as well as Community Conservation Officers to deal with human-animal conflict in neighbouring communities and landowners.		Trained staff members to deal effectively with human and animal communities	Training and awareness presentations are currently ongoing.	Ongoing

Table 6.7.1 Framework for Cultural Heritage Resource Management [UDP Page 109]

Cultural Heritage Management	Promote the conservation management and public appreciation of all cultural and heritage resources within the park in accordance with statutory regulations.	Manage the globally significant cultural heritage and living heritage to ensure their preservation for present and future generations.	-Review the Cultural Heritage Management Plan including a monitoring programme for the Park in accordance with the relevant legislations: World Heritage Act and NHRA. -Develop specialist institutional capacity to ensure and champion the effective heritage management process of the Park's diverse cultural heritage. -On-going survey for new cultural heritage sites. -Develop control mechanisms for research and tourism.	-An implemented Cultural Heritage Management Plan for the Park. -Institutional capacity exists to manage cultural heritage. -Identification and documentation of various types of heritage resources within the Park. -Ensure a working partnership and management of stakeholders.	A Draft Cultural Heritage Management Plan has been produced. A Rock Art Clustering Programme is in place and being implemented. Finalisation of the condensed report needs further refinement. At this stage, rock art monitoring cards are being used until the electronic monitoring form is finalised. The Cultural Heritage Specialist post is still vacant due to financial constraints. A Built Environment and Public Memorial Survey report was completed. Quarterly Cultural Heritage Management and Amafa/EKZNW Liaison meetings are taking place. MDTP Cultural Heritage Working Group is also active and meets quarterly, this working group focusing largely on Maloti-Drakensberg Park.	Year 1 and ongoing
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Table 6.8.1 Framework for Environmental Education and Awareness [UDP Page 111]

Environmental Education and Awareness	Create awareness, understanding and appreciation of the Park's natural, cultural and wilderness values.	Development and implementation of a Park specific environmental education and awareness programme.	-Develop and implement an environmental awareness programme specifically for UDP's neighbouring communities, visitors and special interest groups. -Develop and implement an interpretation programme in a standard format for each management unit within the Park.	Implemented Park specific environmental education and awareness programme.	An Environmental Awareness Plan has been produced and agreed upon. The Management Unit specific plan has been developed for 2018/19 financial year.	Year 3
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Table 6.9.1: Framework for Research, Ecological Monitoring and Reporting [UDP Page 114]

KEY PERFORMANCE AREA	OBJECTIVE	STRATEGIC OUTCOME	MANAGEMENT ACTIVITIES	MANAGEMENT TARGETS	PROGRESS	PRIORITY
Research, monitoring and reporting	Facilitate adaptive management through the assessment of management intervention and the provision of information for achieving the objectives of the Park.	Comply with legislative requirements for reporting in terms of NEMPA, WHCA and the Ramsar Convention.	-Prepare and submit the following reports: -Annual report to the Minister on the status of the WHS. -Six yearly report to the WHS Committee on the status of the WHS. --Reporting on the status and integrity of the Ramsar Site.	Legislative compliance in terms of reporting.	Annual Report for 2018/2019 in terms of World Heritage Convention Act – section 42 has been produced.	As Required
		Provide opportunities for both applied and theoretical research in the UDP.	-Develop a standard for assessment of research requests. -Investigate the potential in or near the Park for the development of a permanent research facility in the south. -Maintain a prioritised park biodiversity and cultural heritage research project list. -Develop a Park bibliography, reference library facilities and procedures to maintain hard and digital copies of all Park related research work, all documents listed as management supporting documentation. Strict curation rules must apply and the ultimate responsibility for the curation of this library must be allocated to the most senior reserve management position and the Ecological Advice Co-ordinator at the uKhahlamba Regional Office.	-Guidelines for assessment of research projects. -Prioritised research list. Accessible research records and supporting documentation.	EKZNW research application and approval process is in place and being fully implemented. Protocol has been updated to fully meet the requirements of the ToPs, BABS and administration of World Heritage Sites regulations. The priority research list has been finalised. A priority research project list is on the EKZNW website but will never be finalised – it is a living document that is continuously updated. The uKhahlamba Drakensberg Park World Heritage Site Reference list has been completed. This is a living database that is continuously updated as new references are found or as new publications are released.	Year 2 then Annually
		Critical ecological processes and functions are maintained within the UDP.	-Implement a monitoring programme for water quality below all water treatment plants. -Work collaboratively with SAEON on catchment monitoring and fire exclusion plots.	Monitoring and water quality reports.	Water samples are collected for testing on a monthly basis at Royal Natal, Didima, Injisuthi Monk's Cowl and Giant's Castle and water quality reports are produced. The Water Technician from Midmar monitors water quality throughout the Park on a monthly basis. Officer-in-Charge Kamberg takes water samples, which are posted directly to the Department of Water and Sanitation. A Memorandum of Agreement between EKZNW and SAEON (monitoring project and equipment worth over R2m) is in place.	Ongoing
		Rare and endangered species management is undertaken using the best available scientific knowledge.	Adopt procedures for the management of rare and endangered species within the Park, particularly those for which specific conservation targets have been set, based on available literature and known best practices (eland, oribi and all crane and vulture species).	Maintenance and increase in population numbers of rare and endangered species within the park.	The eland and bearded and Cape vulture management plans are in place and actions are implemented according to existing plans. Monitoring plans are being developed. Provincial crane, oribi and cycad management plans are in place and monitoring is conducted according to existing plans. Two eland workshops were held at Underberg and at Kamberg valley	Ongoing

KEY PERFORMANCE AREA	OBJECTIVE	STRATEGIC OUTCOME	MANAGEMENT ACTIVITIES	MANAGEMENT TARGETS	PROGRESS	PRIORITY
			Undertake monitoring of key rare and endangered species (eland, oribi and all crane and vulture species).	Monitoring of flagship species.	<p>The oribi, crane, eland, otter and bearded and Cape vulture annual monitoring programme is in place.</p> <p>Oribi counts were carried out in August. Eland counts were carried out during December and January. Annual game observation counts were carried out from April to June. Bearded vulture nest monitoring was carried out in September. A remote camera was installed at a bearded vulture nest at Cobham (Emerald Stream) a couple of years ago.</p> <p>These species have an approved management plan (not otter) and monitoring is conducted according to specific schedules monthly calendar at specific times of the year.</p>	Ongoing
		Processes are established to determine the success of management interventions in protecting the ecosystems, communities and species of the park.	Develop and implement surveillance and monitoring plans for key management interventions in accordance with the EKZNW policies and norms and standards.	<p>-Surveillance and monitoring plans for key threatening processes.</p> <p>-Monitoring plans for key rare and endangered species.</p>	<p>The following plans and programmes are in place:</p> <ul style="list-style-type: none"> • Fire Management Plan • Wilderness Management Plan • Alien and Invasive Species Plan • Trails Maintenance Manual • Provincial Crane, Oribi and Cycads Management Plans • Oribi, eland, otter and bearded and Cape vulture monitoring programme • Brotherton Plots • Burgess Plots • SAEON Long-term catchment research and surveillance • Fixed Point photographs 	Ongoing

Table 6.10.1 Framework for Operational Management – Financial and Human Resources, and Facilities and Infrastructure [UDP Page 119]

Operational Management	Provide adequate human resources, equipment and funding to enable the effective protection, development and management of UDP.	Develop a five-year financial plan that identifies the resource needs to achieve the objectives for the Park.	Undertake an assessment of past income and expenditure trends in the Park. Develop a five-year projection of income and expenditure targets that will allow for the effective achievement of the Park's objectives.	Adequate funding to achieve the objectives of the Park.	The Park Strategic Plan and Annual Financial Plan in terms of World Heritage Convention Act – section 36 and 37 were produced to secure funds.	Year 1
		Ensure that the Park is adequately staffed for its effective management and operation.	<p>-Employ sufficient, appropriately skilled staff to meet the management and operational requirements of the Park.</p> <p>-Undertake regular training and skills development to ensure that staff are able to effectively complete their duties.</p>	Appointment of staff in all positions in the Park.	<p>Park staff establishment is not adequately resourced. There are also staff incapacity challenges and frozen vacant posts. Five field rangers are on secondment to Hluhluwe-Imfolozi Park.</p> <p>Park staff establishment is 565 posts excluding support services. Out of 565 posts only 388 filled, 177 positions are vacant (30% vacancy rate). Approximately 425 staff employed on fixed term (seasonal) contract. Total employment on permanent and seasonal/fixed term contract is 820 excluding Working on Fire and Joint Venture Programmes.</p> <p>Routine annual shooting practices were carried out.</p>	Year 2
		Ensure that all facilities and infrastructure in the Park are adequately maintained.	Develop and implement a scheduled maintenance programme to maintain facilities and infrastructure in a condition that meets relevant environmental, health and safety requirements.	Regular scheduled maintenance of all facilities and infrastructure.	<p>A Facility Maintenance Schedule is in place but not operational, due to budget constraints, and as a result is therefore limited.</p> <p>Occupational Health and Safety Compliance Register is in place.</p>	Ongoing
		Ensure that existing and new roads, tracks and paths in UDP are maintained.	<p>-Maintain roads, tracks and paths according to standards that ensure safety and avoid environmental harm such as erosion.</p> <p>- Undertake regular assessments of the condition of roads, 4x4 tracks and specifically paths to determine and implement scheduled maintenance needs.</p>	Rehabilitation and maintenance of roads, tracks and paths that are unsafe or are causing environmental damage.	A road and trails maintenance plan is in place but is not operational, due to budget constraints.	Ongoing

KEY PERFORMANCE AREA	OBJECTIVE	STRATEGIC OUTCOME	MANAGEMENT ACTIVITIES	MANAGEMENT TARGETS	PROGRESS	PRIORITY
		Service infrastructure and practices in UDP must not cause environmental harm.	<ul style="list-style-type: none"> -Where service infrastructure, including that for water supply, electricity and sewerage, is causing environmental harm, ensure proper maintenance is being undertaken and if necessary, upgrade infrastructure or modify practices to address this. -Develop an integrated waste management plan for the Park. -Develop, install and maintain effective standardised solid waste receptacles for the Park that are animal-proof. -All sewage systems in the Park must be investigated for legal compliance and a phased programme to upgrade existing systems and septic tank/French drain systems must be implemented. -Develop a phased programme to install standardised (reliable and tested) water- and energy-saving devices throughout the Park. -Conduct an assessment of all landfill sites and implement a rehabilitation programme. Assessment of all redundant infrastructure in the Park. 	Appropriately functioning service infrastructure and systems that do not cause harm to the environment.	<p>A road and trails maintenance plan is in place but is not operational, due to budget constraints.</p> <p>A concept Integrated Waste Management plan has been developed. All refuse in the Park is transported to the local municipal dumps.</p> <p>Animal-proof bins have been installed throughout the Park in resort facilities.</p> <p>All raw sewage plants in the Park are monitored on weekly bases, water samples are collected weekly for testing.</p> <p>Problems with the sewerage plant at Royal Natali was rectified, the system is now fully functional.</p> <p>Water and energy saving mechanisms have been incorporated in a climate change and adaptation response plan.</p>	Year 2 and scheduled maintenance ongoing

MDP WHS Historical Expenditure and Revenue (Excluding externally funded projects): Appendix 1A																			
Financial Year	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19
CONSERVATION	R000's	R000's	R000's	R000's	R000's	R000's	R000's	R000's	R000's	R000's	R000's	R000's	R000's	R000's	R000's	R000's	R000's	R000's	R000's
	-13,229	-15,281	-15,367	-18,414	-18,934	-19,828	-21,507	-23,992	-25,397	-27,683	-35,336	-39,468	-43,906	-46,418	-48,524	-50,829	-52,724	-56,226	-59,693
	-1,396	-1,555	-2,472	-4,077	-6,167	-5,342	-5,100	-5,500	-5,494	-5,988	-6,013	-6,286	-6,557	-8,987	-7,381	-7,780	-7,584	-8,329	-9,901
	-14,625	-16,836	-17,839	-22,491	-25,101	-25,170	-26,607	-29,492	-30,891	-33,671	-41,349	-45,754	-50,463	-55,405	-55,905	-58,609	-60,308	-64,555	-69,594
Actual Conservation expenses																			
ECOTOURISM OPERATIONS																			
	Income	11,906	13,547	19,768	22,841	23,532	28,989	30,051	34,167	37,242	29,645	33,230	33,588	33,423	37,962	34,015	34,703	35,550	38,107
	Salaries and Related Expenses	-4,393	-3,586	-6,483	-8,590	-8,484	-9,257	-10,597	-12,246	-13,348	-15,460	-16,741	-17,549	-17,704	-18,308	-17,788	-18,895	-21,519	-26,191
	Operating Expenses	-2,520	-3,072	-3,962	-6,134	-6,838	-8,005	-10,601	-9,747	-10,170	-11,085	-10,784	-11,659	-15,289	-13,118	-20,583	-15,551	-12,245	-17,430
Actual Operating Surplus	4,994	6,889	9,322	8,116	8,210	7,060	8,131	9,707	11,751	12,809	3,401	4,830	750	2,601	-929	3,144	258	1,787	-5,513
Grand Total	-9,632	-9,947	-8,517	-14,375	-16,891	-18,110	-18,476	-19,785	-19,140	-20,863	-37,948	-40,924	-49,713	-52,804	-56,834	-55,465	-60,051	-62,768	-75,108

Appendix 1B

MDP WHS Projected Total Expenditure and Revenue 2013-2019

Financial Year	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21
	R000's	R000's	R000's	R000's	R000's	R000's	R000's	R000's
CONSERVATION								
Salaries and Related Expenses	-46,418	-48,524	-50,829	-52,724	-56,226	-59,693	-61,164	-64,834
Operating Expenses	-8,987	-7,381	-7,780	-7,584	-8,329	-9,901	-5,391	-5,714
Total:	-55,405	-55,905	-58,609	-60,308	-64,555	-69,594	-66,555	-70,548
ECOTOURISM OPERATIONS								
Income	33,423	37,962	34,015	34,703	35,550	38,107	42,501	45,051
Salaries and Related Expenses	-17,704	-18,308	-17,788	-18,895	-21,519	-26,191	-27,864	-29,536
Operating Expenses	-13,118	-20,583	-13,083	-15,551	-12,245	-17,430	-18,139	-19,227
Total:	2,601	-929	3,144	258	1,787	-5,513	-3,502	-3,712
Operating Total	52,804	56,834	55,465	60,051	62,768	75,108	70,057	74,260
Average Operating Cost Per Hectare	217.30	233.88	228.25	247.12	258.31	231.95	246.56	246.56
Projects (Refer to Appendix 3B)	12,795	68,717	55,418	51,744	54,663	54,663	54,663	54,663
Total Funding Required	65,599	125,551	110,883	111,795	117,431	129,771	124,720	128,923
CURRENT FUNDING SOURCES								
EKZNW State Subsidy	52,804	56,834	55,465	60,051	47,887	50,878	54,057	54,057
DEA	450	0	6,000	6,000	6,000	6,000	6,000	6,000
N3 Gateway	350	0	0	0	0	0	0	0
DWA	6,000	0	0	0	0	0	0	0
Wildlands Conservation Trust	50		250	250	250	250	250	250
Total Current Funding	59,654	56,834	61,715	66,301	54,137	57,128	60,307	60,307
Shortfall	5,945	68,717	49,168	45,494	63,294	53,899	54,271	54,271
Inflation Estimate	6.00%	3.90%	4.60%	6.13%	5.80%	6.30%	6.30%	6.30%

ISIMANGALISO WETLAND PARK WORLD HERITAGE

After 104 years of formal conservation, iSimangaliso Wetland Park was listed in the World Heritage List by UNESCO in 1999 for its unique ecological and biological processes, superlative natural phenomena, and biological diversity. The St Lucia Estuary, which is central to the listing, is, in global terms, one of a kind. What began as 16 parcels of land was consolidated to form one Park, now extending from Maphelane in the south to Kosi Bay in the north and westward to include uMkhuze, which comprises 9% of South Africa's coastline. It is 358 534 ha in size, includes five different eco-systems, and is one of 47 marine World Heritage Sites and one of 23 combined marine/terrestrial sites. iSimangaliso provides critical habitats for a wide range of species. Three phenomena have been judged outstanding by UNESCO: the shifting salinity states of St Lucia Estuary (the estuary shifts from fresh water to water that's saltier than the sea); the large numbers of nesting turtles, and the populations of dolphins, whales, and whale sharks that migrate offshore; and the large numbers and breeding colonies of waterfowl such as pelicans, storks, flamingos and herons. The species list for iSimangaliso runs to more than 6 500, with 11 species that are endemic to iSimangaliso, and 108 endemic to South Africa.

In terms of protected area management effectiveness score version 3, iSimangaliso is the best managed park in South Africa, topping the list with 83.33%.

LEGENDARY TURTLE MONITORING

The Maputaland Marine Turtle Conservation Programme, established in 1965, is considered a flagship conservation programme in South Africa, and one of the longest running conservation monitoring programmes of its kind. Implemented annually without fail for 55 years, the programme is dedicated to the protection of nesting leatherback (*Dermochelys coriacea*) and loggerhead (*Caretta caretta*) turtles, their nests and their progeny. Leatherback turtles are critically endangered, while loggerheads are endangered. The beaches that these two populations of nesting turtles use span more than 200 km in length and are in a marine protected area within the iSimangaliso Wetland Park World Heritage Site in South Africa, adjacent to the Ponto da Oura Partial MPA in southern Mozambique. This programme has resulted in a steadily increasing population of nesting loggerhead turtles, and the stabilisation of the population of leatherback turtles using these beaches. Collecting and analysing data of both turtle types nesting in the area through tagging helps to estimate latest population trends, determine their current threat status, and ultimately ensure the maintenance or increase of viable populations of this IUCN red-listed species.

LAW ENFORCEMENT, COMPLIANCE AND MONITORING

All illegal activities are recorded per month and per reserve within the Park to show trends and direct planning and intervention plans. Quantitative key performance indicators are recorded per activity.

**TOTAL REPORTED INCIDENTS - COAST ISIMANGALISO WETLAND PARK
APR 2018 TO MAR 2019**

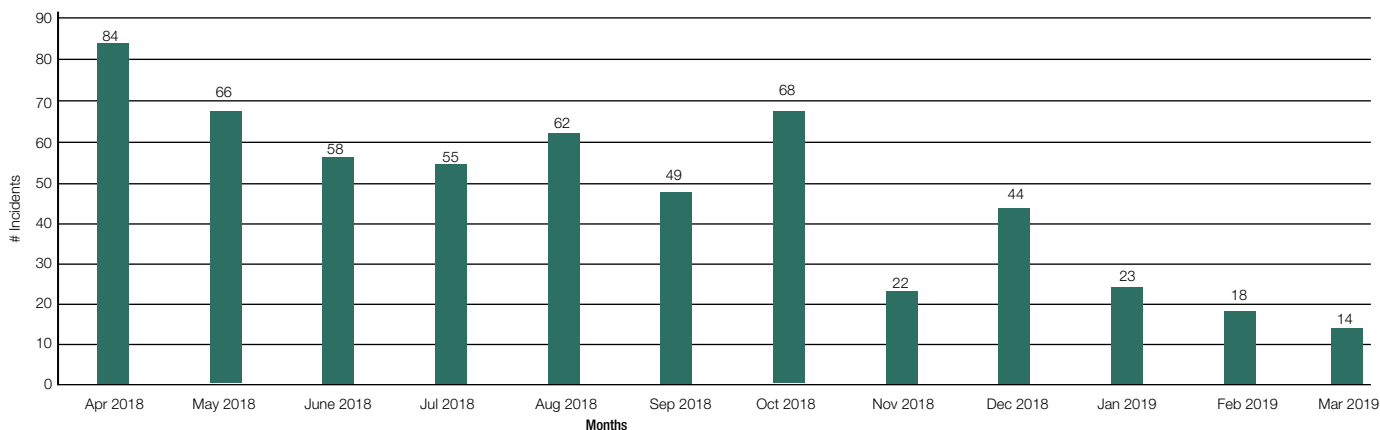


Figure 1. Reported incidents per month

**TOTAL REPORTED INCIDENTS - COAST ISIMANGALISO WETLAND PARK
APRIL 2018 TO MAR 2019**

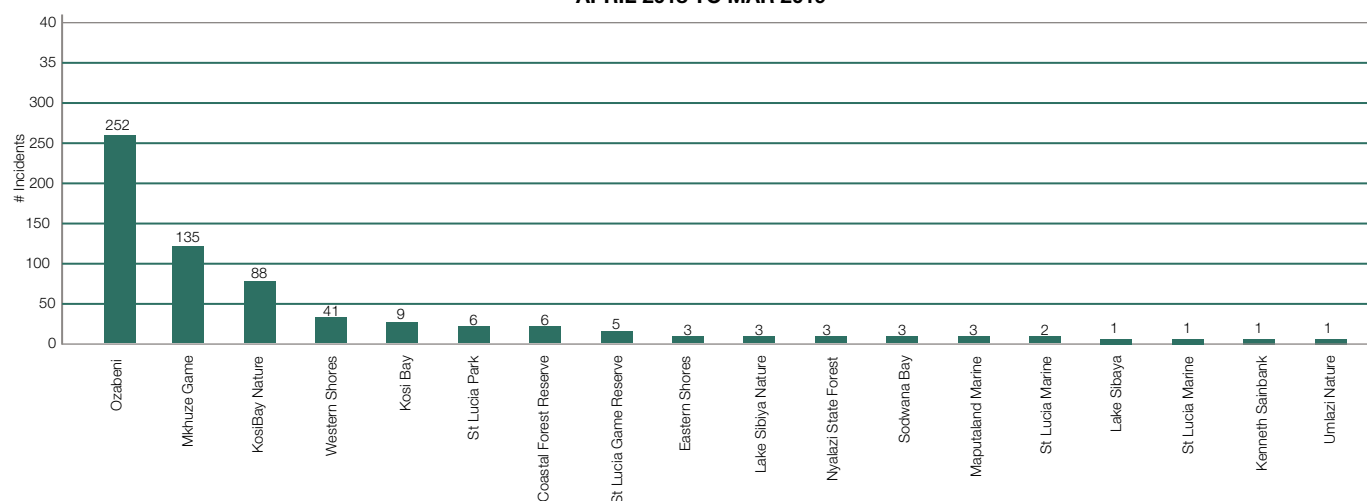


Figure 2. Reported incidents per reserve

PATROLS	NUMBER	INSPECTIONS	NUMBER
Vehicle seashore patrols	192	Boats (Estuary / Lake)	56
Km	2328	Dive boats	1473
Hrs	13 376	Angling permits (line-fish skiboat)	5 913
Foot patrol seashore	578	Ski-boat line fish (recreational)	3 170
Km	2997	Ski-boat line fish (commercial)	10
Hrs	7 618	Ski-boat line fish (charter)	25
Boat sea (ski-boat)	3	Shore entry spearfishing	77
Km	140	Ski-boat spearfishing	143
Hrs	14	Seashore line fishing	2 064
Dive patrols – SCUBA	0	Estuary shore line fishing	44
Vehicle estuary shore patrols	14	Subsistence fishermen	283
Km	28	Harvesters inspected	82
Hrs	351	Launches	3 639
Foot estuary / lake shore patrols	186	Launches SCUBA	1 390
Km	1085	Launches pleasure trip / snorkelling	80
Hrs	6 694	Jet skis inspected	85
Boat estuary / lake patrols	33	Restaurant / sales outlet	0
Km	446	Launch site	45
Hrs	505		

Figure 3. Marine Patrols and Inspections Key performance indicators

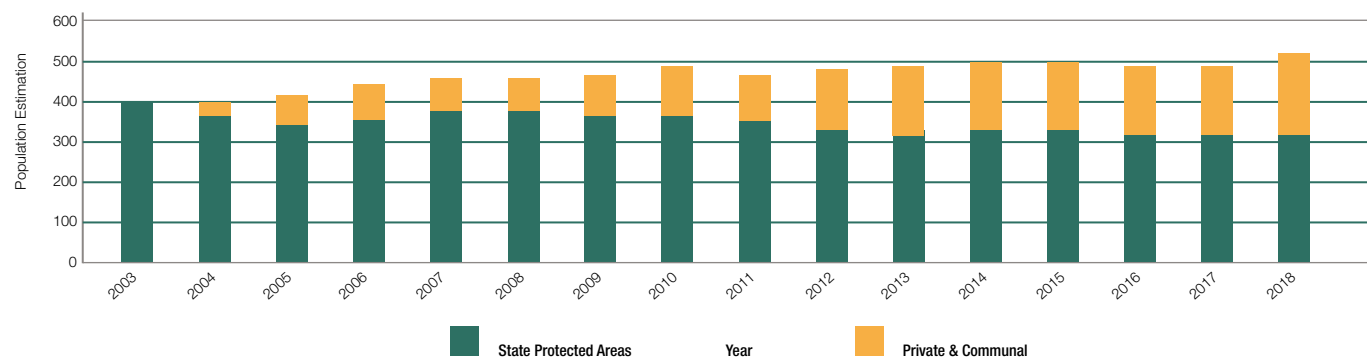


Figure 4. Trend in the population size of black rhino in protected areas, private and communal land in KZN.



Figure 5. Trend in the population of white rhino in protected areas and on private and communal land in KZN 2004-2018.

CHALLENGES AND DEVELOPMENTS

The KZN population status and trend for black rhino and white rhino is reflected in the graphs below. Black rhino, despite the poaching, have remained fairly stable, but white rhino numbers, the hardest hit by poaching, have declined but are now stabilising.



Figure 6. New staff accommodation for field rangers

OUTLOOK FOR 2019 / 2020

The Park is positioned to maintain its dominance in protected area management effectiveness at an 80% range and be among the top three in the country. In terms of infrastructure we are planning to revamp four field ranger camps within the Park through iSimangaliso project funding, and upgrade roads in the coastal forest.

SODWANA AND MAPHELANE

Continue with a carefully planned community engagement through various programmes. As we closed on a high note on stumping rhino poaching, we hope to continue with significant reduction in the 2019/20 financial year.

HLUHLUWE IMFOLOZI PARK

The Hluhluwe iMfolozi Park (HiP) has faced several pressing challenges during the year. The constant poaching threat to the rhino population, hostile communities on the boundary, alien plant infestations, poorly maintained infrastructure and the boundary fence are but a few examples. In addition, numerous staff within the Park were transferred to other stations due to poor performance. In addition, three senior managers were also transferred out.

Significant progress has been made in terms of infrastructure upgrades and improvements. A total of 25 visitor accommodation buildings, ranging in size from mere rondavels to a lodge, have been rethatched during the year. This included the main structure (craft centre) at the Centenary Centre and entry gazebo.



Figure 1: Centenary Centre gazebo

Management also focused on staff housing and management offices at Mpila. These structures were all rethatched due to their extremely poor condition and leaking during rain.

CHALLENGES AND DEVELOPMENTS

RHINO POACHING

The threat to the Park's rhino population is immense; however, poaching statistics were down (year to year) on the previous financial year (2017/2018). This was due to several issues, including the upgrading of the iMfolozi Nerve Centre, a new helicopter contract and service provider, motivated law enforcement staff and a few new initiatives that were introduced.

Unfortunately, the ratio of convictions compared with the number of arrests is still unacceptably low. This is beyond our control; however, the matter has been raised at a national level by the Rhino Security Unit.

The field staff are all well trained and equipped. There were a few extremely dangerous encounters with poachers but fortunately no injuries to staff. Anti-rhino poaching remains the focus. Poaching statistics are detailed in the Rhino Security Unit's Annual Report 2018/2019.

COMMUNITY CONSERVATION

There has been some hostility from communities living adjacent to the Park. There are 10 Amakhosi areas, 36 Izinduna and 52 communities living on the Park boundary. Generic issues are employment opportunities, boundary fence and human wildlife conflict. All three issues were addressed by management during the year, which has resulted in a vastly improved relationship with the neighbouring communities.

Several activities involving local communities took place at the HiP during the year. These included grass cutting (thatch), employment in the alien plant teams (550 people a day), boundary fence construction (67 people per day) and formation of a small business committee with the Nompondo Community at Memorial Gate.

The Park Manager HiP was personally involved in attending 66 community related meetings during the year. Community Conservation Officers attended an additional 42, so a total of 108 formal community meetings were attended by management staff.

In addition, the Corridor of Hope Trust (co-management structure) also sat on four occasions during the year. On 12th September 2018, the Trust organised a legal peaceful march from the Nkangala Store at Machibini to the Nyalazi Gate at iMfolozi Game Reserve, protesting against the Regional Land Claims Commission and land claim payments. The protest had nothing to do with Ezemvelo or its management of the Park. The relationship between Ezemvelo and the Trust is excellent.

In addition, three Amakhosi meetings were held with management. These are informative and extremely important for both community and the well-being and support of the Park by the community leadership.

One concerning incident occurred at the eSiyembeni Community Hall on 8th August 2019, where two Ezemvelo staff were held hostage by the community and their vehicle badly damaged. This was because of the community not accepting an employment opportunity decision taken at a higher level. Neither employee was injured but they were shaken up and received counselling from the Wellness staff after the incident. The matter was reported to the Amakhosi committee as a concern. Because of this incident, new meeting procedures were put in place with the Mgeza Traditional Authority, which are still in place and working well.

Due to the severe budget cuts over the past three years, bursary opportunities have been limited. Staff have, however sourced funding from NGOs and this has resulted in two community members (Machibini and Mdletsheni) graduating with Diplomas in Nature Conservation from the Mangosuthu University of Technology in Durban.



Figure 2: Local community graduates

ALIEN PLANT PROGRAMME 2018/2019

Work on the alien plant infestations both inside and outside the Park, resumed in August 2018 after a break of almost three years. The forced break was due to a fatal incident in 2016 involving an elephant. A decision was taken not to allow alien plant workers to work inside any Ezemvelo parks where dangerous game was present, without armed protection. The organisation had 40 Environmental Monitors (EMs) trained on bolt action rifles and these contract staff were deployed into the field with the 32 Alien Plant teams in 2018.

Unfortunately, much of the work done in previous years had retarded and most of the areas previously treated were once again re-infested. This was an unavoidable situation, which also restricted the number of employment opportunities and had a knock-on effect with the community and Ezemvelo relations. During the year under review the Park hosted 32 Alien Plant teams and two specialised teams, which focused on Parthenium, a species which has presented in abundance within the HiP.

HiP BOUNDARY FENCE

This is possibly the biggest challenge facing the Park. In certain areas on the eastern boundary there is no fence, posing a massive risk for several reasons. Animal disease and wildlife security are the most prominent risks and are currently being addressed by Park management.



Figure 3: (Above) Existing dilapidated eastern boundary fence at the HiP fence.



Figure 4: (Above) New fence at Memorial Gate, the only section that was erected according to the contract specification by the service provider.

Management is re-erecting the fence along the eastern boundary, using local community labour. Two retired ex-employees have also been employed as supervisors, as they have vast fencing experience.

OUTLOOK FOR 2019/2020

To reduce the wildlife security threat in the Park.

To continuously improve techniques and strategies to deal with the poaching onslaught.

Corruption among staff at the HiP cannot be ignored and management will continue to investigate all information received in this regard.

Team work between the law enforcement staff, managers and the Rhino Security Unit will continue and should improve arrest rates.

Community involvement in the battle against wildlife crime in the Park is critical and conservation staff are focusing on an awareness campaign among the community leadership, which is filtering down to the individual community members. This is a programme initiated under current financial review, which has already begun to work in several of the adjacent areas.

The introduction of the “green school” initiative spearheaded by the Wildlands Conservation Trust (WCT) is being tried in 2019. A total of 20 local schools will be selected for the programme, which will also employ 40 community members to work with the educators and learners. The programme will be fully integrated with Ezemvelo community and awareness staff. It is hoped that the Sontuli Education Centre will be upgraded and used extensively in the 2019/2020 financial year.

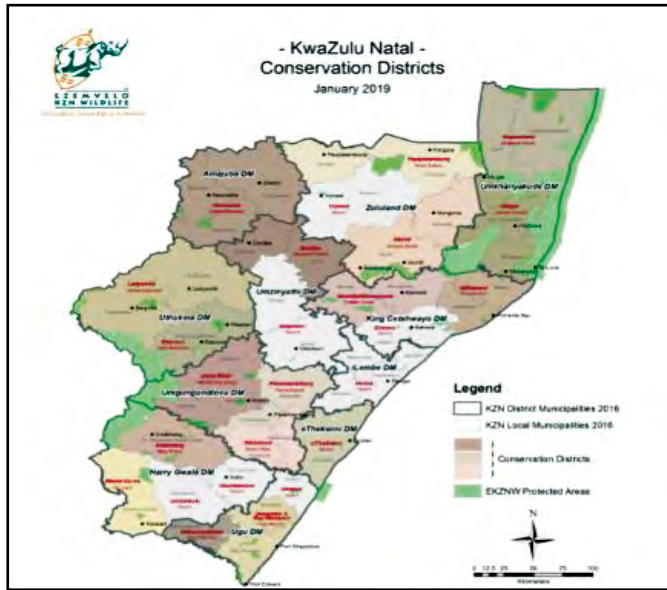
Although the Environmental Monitor (EM) programme ended on 31st March 2019, there is hope it will be continued by the Department of Environmental Affairs on another three-year contract basis. It is important that the programme continues as it offers employment opportunities and training to the local community youth. Further, the 40 EMs who were trained previously in the use of firearms are important for the success of the alien plant work in the Park.

The Department of Economic Development, Tourism and Environmental Affairs (EDTEA) has committed to continue with the alien plant programme throughout the province. It is estimated that 32 general and two specialised teams will be utilised within the Park in the 2019/2020 financial year, constituting approximately 510 jobs for the community.

The boundary fence at the HiP is an ongoing challenge and will be for some time. The eastern boundary from the southern shore of the Hluhluwe Dam to the confluence south of eSiyembeni will hopefully be fully functional and complete by August 2019. Using local community members as the work teams is of tremendous value and has improved relations between Ezemvelo and the people surrounding the Park.

The maintenance and upgrading of the infrastructure throughout the Park will continue using both organisational and donated funding to achieve our objectives. Visitor accommodation, staff housing and management facilities will all be addressed but obviously be dependent of funding. Operational funding for all sections within the Park will be closely monitored during the year. Over expenditure will not be acceptable and budget holders will be required to explain should over expenditure occur.

DISTRICT CONSERVATION MANAGEMENT



The reconfiguration of the organisation's operating model to optimise resources and streamline operations and administration resulted in conservation districts being aligned to include all operations to District Municipality boundaries

The District Management Effectiveness Tool format was finalised and confirmed as the first draft to undertake an assessment of five district municipalities. The Effectiveness

Tool Assessments were completed by district managers as the Conservation Services were not able to undertake independent assessments as required by the due process. The minimum compliance rating was not finalised due to this being the first assessment, but it can be assumed that 50% would be the initial minimum effectiveness score to ensure compliance with the Annual Performance Plan. It was resolved that the minimum compliance standard score be done once the first assessment was completed, and independent of the actual assessment process. The District Management Effectiveness Tool format will be assessed and a minimum compliance score recommended. Compliance inspections are now recorded to ensure compliance of the environmental legislation, especially the KwaZulu-Natal Nature Conservation Ordinance, and National Environmental Management Act. All districts undertake both compliance and permit inspections. A total of 329 recorded inspections took place, with 16 actions being issued, therefore a 4% transgression.

Continuous advisory and support was provided by District Conservation staff to stewardship, and community conservation areas, which included donation of wildlife, supporting the Biodiversity Economic Initiative. Community members also participated in awareness campaigns, such as litter clean up, of community areas.

Human wildlife conflict continued, with Conservation District staff attending to and assessing claims. Most claims related to livestock being killed by predators.

INCIDENT CATEGORIES REPORT APRIL 2018 TO MARCH 2019

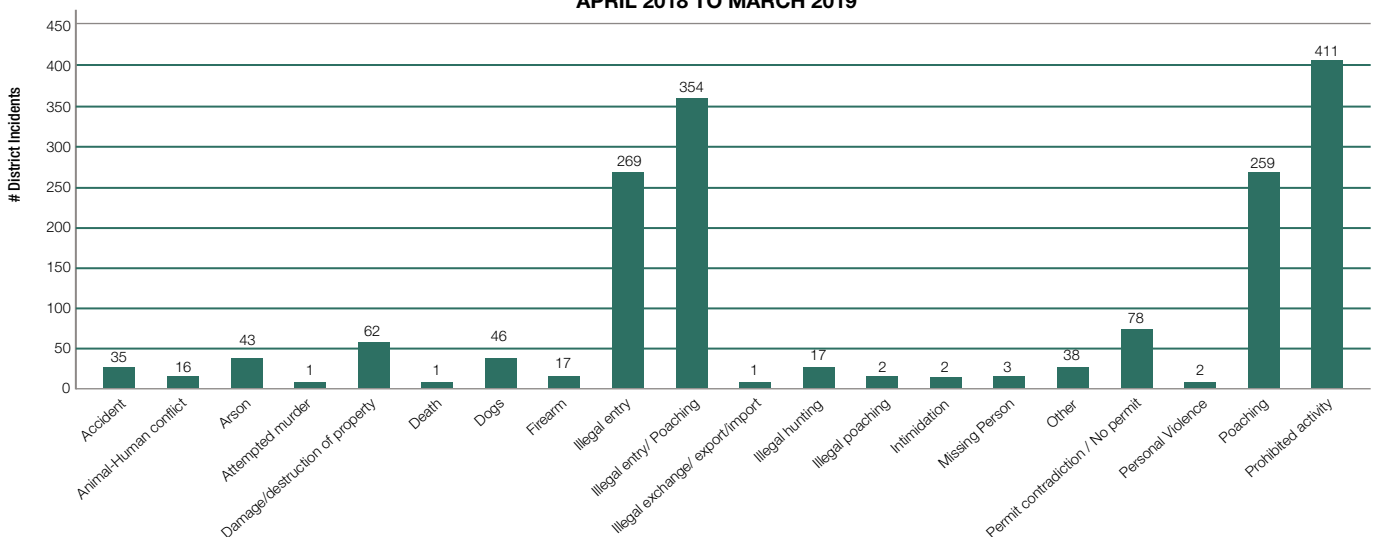


Figure 1: Incident Categories Report 01 April 2018 to 31 March 2019

PRIORITY SPECIES – NO. OF INDIVIDUALS AFFECTED APRIL 2018 TO MARCH 2019

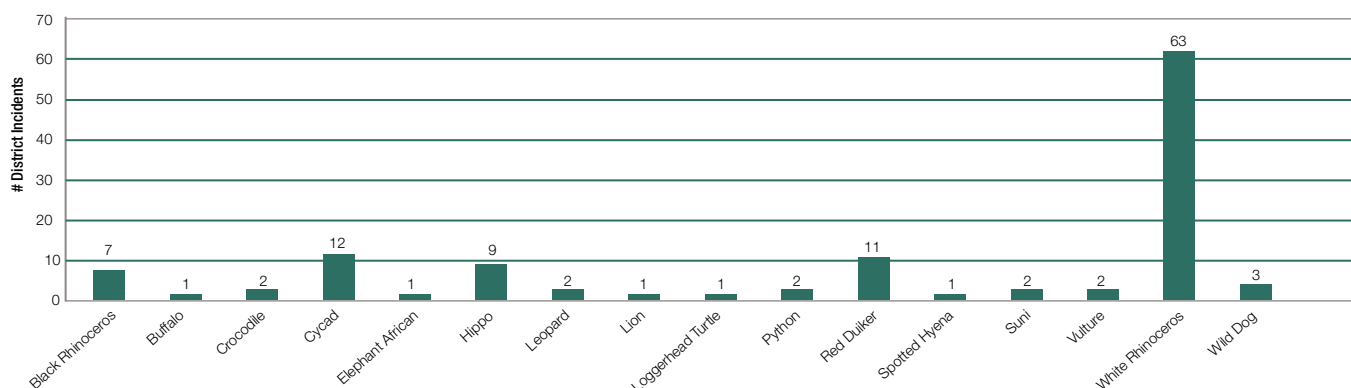


Figure 2: Incident Priority Species Report 01 April 2018 to 31 March 2019

CHALLENGES

Budget allocations shortfalls restrict District staff, who therefore prioritise inspections of legislative requirements like permits. The added pressure of manpower shortage means Conservation Officers having to oversee more than one district.

Land invasion in protected areas is a big challenge as development takes place within the protected areas without authority. If the illegal developments are not prohibited at the very early stages, an extensive legal process has to be followed. The implementation of compliance targets must be considered to be included into the District Management Effectiveness process, as the two are linked in accountability and management of districts.

OUTLOOK FOR 2019/2020

The District Management Effectiveness Tool format will be assessed and a minimum compliance score recommended.

The application to each Conservation District needs to be assessed, whether at Municipality or District level: the tool is designed for municipal level but due to differing responsibilities in each district, consideration needs to be given to a single assessment done at District level.

RHINO SECURITY

REVIEW 2018 / 2019 * The statistics presented in this report are for calendar year 01 January to 31 December 2018 that aligns with the national reporting by

Department of Environmental Affairs.

The rhino poaching threat in SA is affecting all nine provinces, and the Kruger National Park (KNP), where most of the rhino have been illegally hunted. The poaching is being driven by an international illegal trade in and demand for rhino horn. The criminal activities are being coordinated at all levels internationally and nationally by organised crime elements, with some identified syndicates operating in the Mpumalanga area. It is suspected that Mozambique, Swaziland and Zimbabwe are used by these crime structures to target neighbouring rhino populations, with Mpumalanga, Limpopo, North West and KwaZulu-Natal being the most prominent provinces. Rhino poaching has no form of subsistence harvesting at all, and is high value contraband, just like drugs and diamonds.

Most of the poaching activity in KwaZulu-Natal is planned and executed by Mpumalanga syndicates, which have set up safe houses, transporters and routes in the province. Last year, the majority of suspects arrested originated from Mpumalanga. The counter intelligence from infiltration into staff was investigated by the South African Police Services (SAPS) detectives and crime intelligence. The KwaZulu-Natal operation and strategy was executed via the National Rhino Protection Operation as set out by the National Priority Committee on Wildlife Crime. This had established a Mission Area Joint Operations Command (MAJOC), following the National Integrated Strategy to Combat Wildlife Trafficking (NISCWT), which broke down provincial borders and old nature conservation silos, and allowed SAPS to place all services under one command structure, endorsed by the Joint Crime Prevention Security Cluster (JCPS).

TOTAL NUMBER OF RHINO POACHING MORTALITIES KWAZULU-NATAL 01 JANUARY TO 31 DECEMBER 2018

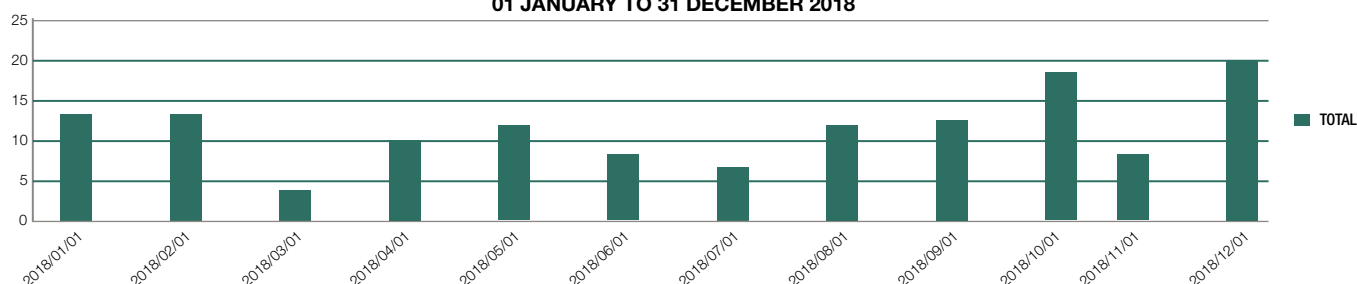


Figure 1: Total Rhino Poached KwaZulu-Natal: 01 January to 31 December 2018 per month

**TOTAL NUMBER OF WHITE AND BLACK RHINO POACHING MORTALITIES KWAZULU-NATAL
01 JANUARY TO 31 DECEMBER 2018**

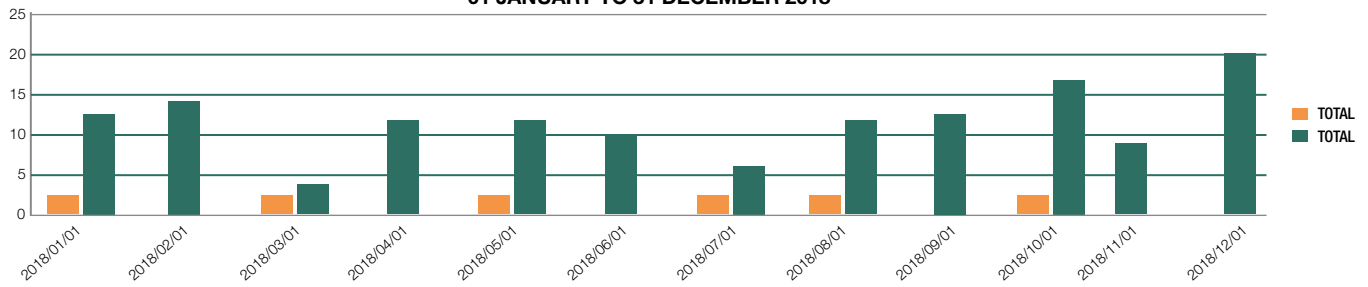


Figure 2: Total White and Black Rhino Poached KwaZulu-Natal:01 January to 31 December 2018 per month

**TOTAL NUMBER OF RHINO POACHING MORTALITIES STATE / PRIVATE PROTECTED AREAS
01 JANUARY TO 31 JANUARY 2018**

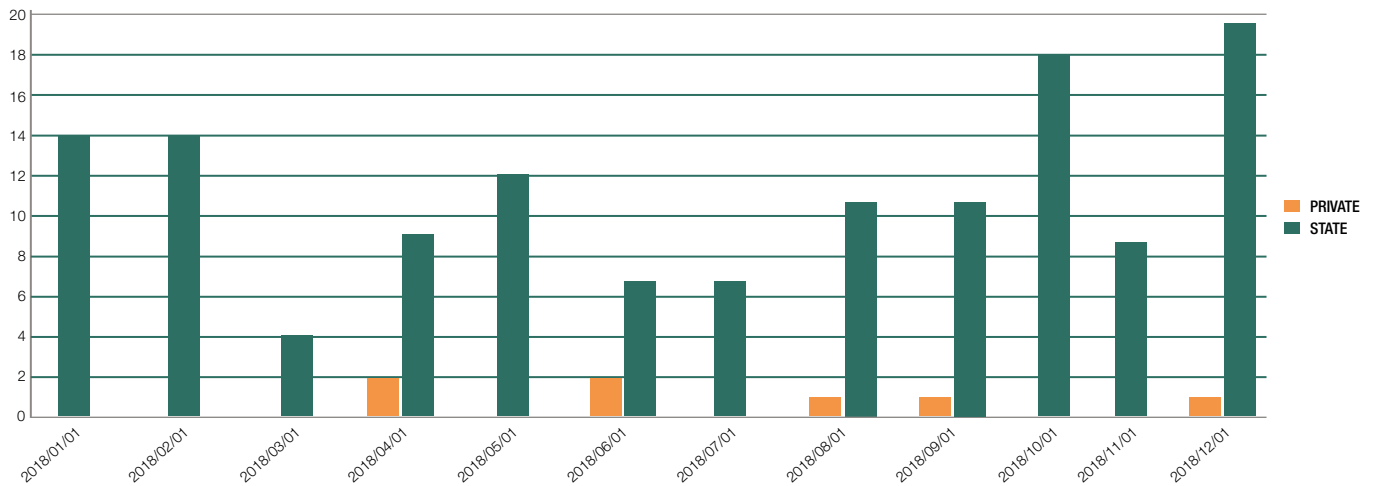


Figure 3: Total Rhino rhino poached State / Private Protected Areas KwaZulu-Natal: 01 January to 31 December 2018 per month

KZN RHINO POACHING FIGURES AS AT 31 DECEMBER 2018

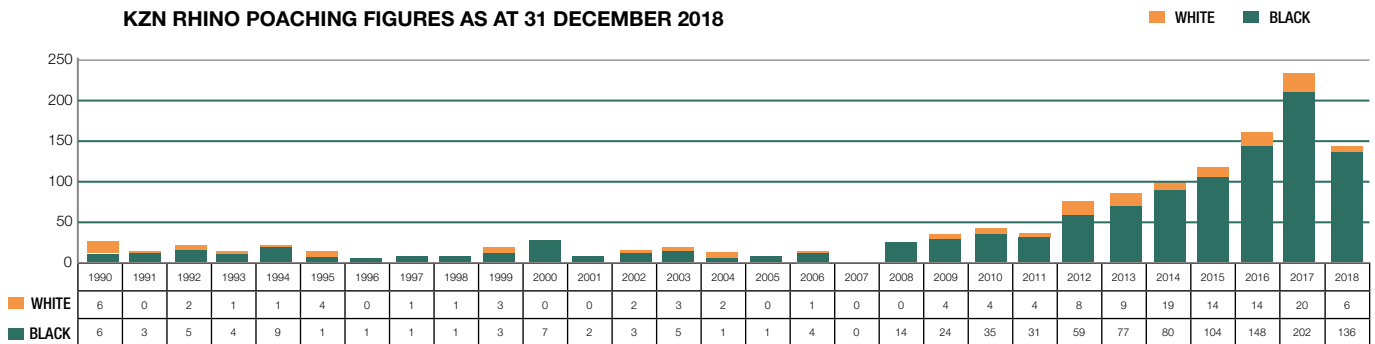


Figure 4: KwaZulu-Natal Rhino Poaching Mortalities 01 January 1991 to 31 December 2018

**WHITE RHINO (AS AT 31 DECEMBER 2018)
IUCN STATUS: NEAR THREATENED**

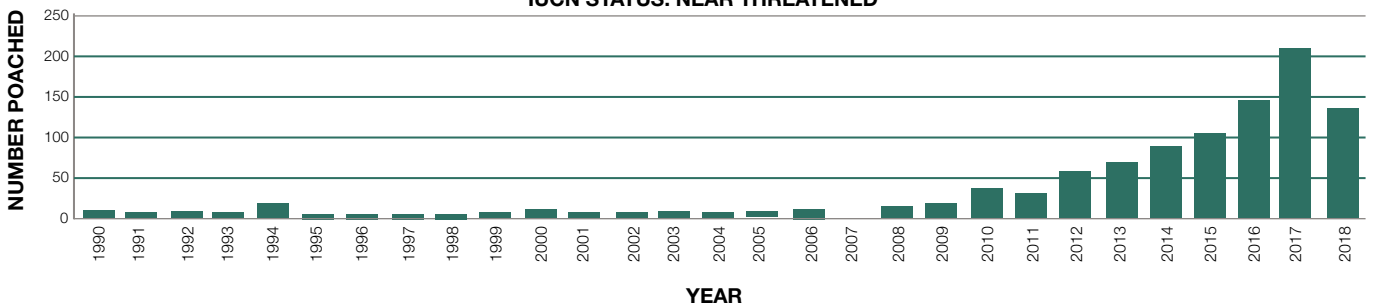


Figure 5: KwaZulu-Natal White Rhino Poaching Mortalities 01 January 1991 to 31 December 2018

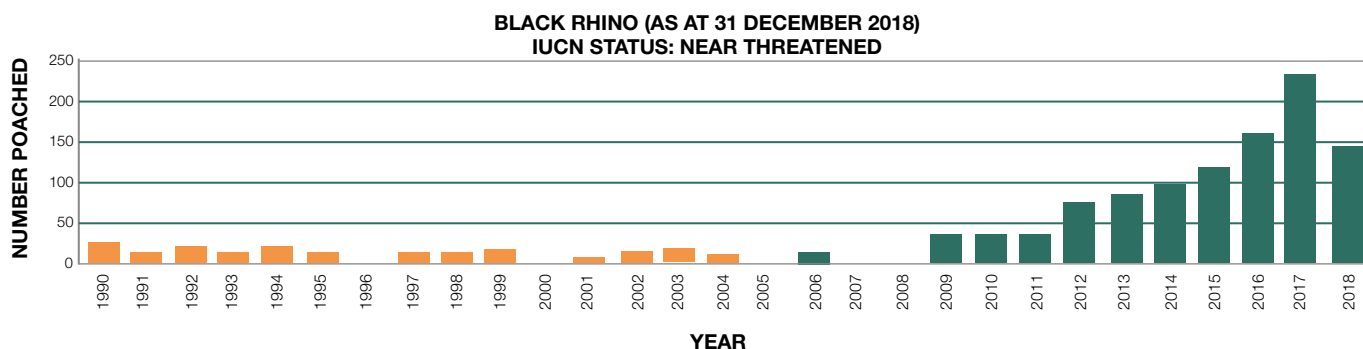


Figure 6: KwaZulu-Natal Black Rhino Poaching Mortalities 01 January 1991 to 31 December 2018

The dehorning of rhino, especially in the private sector and Ezemvelo, has continued as a threat abatement strategy. It is critical to note that dehorning does not totally eliminate risk: these dehorned animals still get targeted. A total of 11 dehorned animals were poached in 2018, so law enforcement measures, even at reserves where dehorning has taken place, will remain in place and a priority.

Ezemvelo's strategy is aligned to the National Department of Environmental Affairs (DEA) Strategy (National Strategy for the Safety and Security of Rhinoceros Populations in South Africa), and the South African Police Service (SAPS), National Joints Instruction 3/2011 17 February 2011. This was reviewed by the KwaZulu-Natal Cabinet Provincial Task Team appointed by the KwaZulu-Natal Provincial Executive Council, via the Justice, Crime Prevention and Security Cluster. This team was mandated to work with all stakeholders and state departments to produce a list of recommendations, but as at 31 March 2019, no report has been received. The recommendations of this task team are to be included in the 2018 to 2021 Strategic Plan.

The comparative impact on KwaZulu-Natal rhino poaching mortalities is in line with the KwaZulu-Natal rhino management strategies for both black and white rhino

COMPARISON KWAZULU-NATAL SAME DATES YEAR ON YEAR 2017 / 2018	2017	2018	% DIFFERENCE
KwaZulu-Natal Rhino Crime Stats as at 20 December 2018	222	142	-36.04%
Total number of White Rhino Poached Carcasses:	202	136	-32.67%
Total number of Black Rhino Poached Carcasses:	20	6	-70.00%
Number of Rhino Poached in Ezemvelo State Parks:	210	135	-35.71%
Number of Rhino Poached Carcasses in Private / CCA Parks:	12	7	-41.67%

Figure 7: Rhino Poaching Mortalities Comparative KwaZulu-Natal: 01 January to 31 December 2018

PERCENTAGE OF POPULATION KWAZULU-NATAL 2018	% OF POPULATION
White Rhino	1.21%
Black Rhino	5.02%
Total	4.43%

Figure 8: Rhino Poaching Mortalities Impact as Percentage of Population KwaZulu-Natal: 01 January to 31 December 2018

DEVELOPMENTS JOINT TACTICAL OPERATIONS

The Hluhluwe iMfolozi Park (HiP) appointed a law enforcement officer to co-ordinate all law enforcement in the HiP. This has ensured improved planning and execution of counter poaching operations. This link into SAPS operations allows for improved reactions and follow up on information, which has allowed more arrests of suspects intending to illegally hunt rhino. The Intensive Protection Zones' (IPZ's) principles have been authorised, but the implementation of the actions is being funded by external projects, and is therefore reliant on these short term funding allocations. This has been identified as a risk by Internal Audit.

HLUHLUWE IMFOLOZI PARK TACTICAL OPERATIONS CENTRE (NERVE CENTRE)

The Hluhluwe iMfolozi Park Tactical Operations Centre (Nerve Centre) is now fully operational with command and control platforms and staff, 24/7. This was as a result of external support from project funding. It has three contracted duty staff, one funded by Working on Fire, and the other two by Peace Parks funding from the United States INL funding. The Nerve Centre presently performs the command and control for all Zululand area, but this will change as the other centres come on line. The uMkhuze Nerve Centre is presently under construction and forms part of the Peace Parks project.

JOINT PROJECT WITH PEACE PARKS FOUNDATION - RHINO TRACKING AND PROTECTION

The HiP Smart Park, which will allow rhino to be tracked by sensors and give an alert for horn separation, has had the network installed, which also provides the platform for other smart detection and prevention sensors. The purpose is to track and get early alert of disturbance and/or poaching. The testing and trialing of the sensors has already started. The insertion of devices needs to be refined to be compatible with the rhino itself. The deployment of sensor technology to early detect illegal incursions has been implemented.

HLUHLUWE IMFOLOZI PARK K9 UNIT

The introduction of a K9 Unit into HiP for the tracking of suspects is complete, with the purchase of tracking dogs and appointment of dog handlers. A fully equipped K9 base was achieved by the conversion of the old Masinda staff accommodation into a K9 and Reaction Base, with kennels and accommodation for up to 10. Two tracking canines have been purchased and one detection canine is on loan from the Endangered Wildlife Trust, giving a total of three operational canines. This Unit, while funded by projects, is an internal dog unit and supervised directly by Ezemvelo.

JOINT PROJECT ETHEKWINI COMMUNITY FOUNDATION, WORLD WILDLIFE FUND SOUTH AFRICA ENDANGERED WILDLIFE TRUST

COMMAND AND CONTROL

The Cmore command, control and monitoring system is fully operational in HiP and uMkhuze, with devices and networks up and working. Ezemvelo is able to monitor and command its resources in a real time 24/7. This electronic platform now allows efficient communications and data integrity between state agencies.

JOINT PROJECT DEPARTMENT ENVIRONMENTAL AFFAIRS AND PEACE PARKS FOUNDATION - OPERATION RHINO NATIONAL SAPS PRIORITY PROGRAMME WILDLIFE CRIME

The Hluhluwe Tactical Joint Operations Command (TAC-JOC) continues to function as per national instruction but at reduced capacity since national funding was withdrawn and provincial resources were allocated. Ezemvelo, through project funding, still facilitates the Hluhluwe TACJOC and has appointed a Joint Operations Manager. The implementation of a Provincial Priority Committee Rhino Poaching (PPC RP), and Intelligence Co-coordinating Committee (ICC), within the mandate of the national and provincial policing and security structures, being National and Provincial Joints, has formalised the State's contribution to combatting poaching. This structure has enabled the implementation of a Joint Operations Command to co-ordinate and guide all rhino crime combating operations in the province, for state and private rhino reserves, but not undertake the actual rhino reserve crime prevention and security function. This has been boosted via the National Department Environmental Affairs Rhino LAB Programme, linking SANParks, KwaZulu-Natal and Environmental Affairs information sharing via the Notebook Analysis IBase system, pulling the whole country into a single system compatible directly with the SAPS. This system has already led to arrests across provincial and agency boundaries.

JOINT PROJECT WILDLANDS CONSERVATION TRUST - STAFFING

The recruitment and filling of vacant posts in all rhino reserves remains a priority and there has been progress in the filling of posts at Ezemvelo rhino reserves. There is, however, a need to ensure the support staff to law enforcement operations receives the same priority.

STAFF INTEGRITY

The counter information of corrupt Ezemvelo staff providing strategic, and or logistical information to poaching syndicates has resulted in actions being taken against employees. Information on staff is handed to SAPS Crime Intelligence and State Security for follow up, but where immediate action is required, joint operations are conducted. Ezemvelo has approved the Integrity Testing Policy now being rolled out with the assistance of the State Security Agency. The screening and vetting of staff is also done by the State Security Agency: this remains a key task as counter information initiatives try to create doubt and discredit loyal employees.

COMMUNITY AWARENESS

There have been a number of community awareness initiatives, which are important to communicate the work being done to protect the rhino, and ensure communities support and acknowledge rhino conservation and security. The informer policy extends to neighbouring communities, who have provided information leading to significant arrests.

RADIO NETWORKS

The rhino reserves have all implemented improved digital radio communication networks, with air to ground culpabilities. There is still a need to introduce "Voice Over to Internet" that will then connect all voice command and control to the nerve centres. The Department funded helicopter response capacity, which has been invaluable in speeding up reaction time to incidents and possible incursions. This helicopter now has NVG culpabilities, which allows night reaction and deployment.

JOINT PROJECT PEACE PARKS FOUNDATION INTERPROVINCIAL COUNTER POACHING OPERATIONS

The alliance between the Department of Environmental Affairs and SANParks ensures projects are developed to target and arrest identified people. A total of 13 joint targets were identified and to date three have been arrested. This collaboration ensures the traditional provincial boundaries of conservation enforcement cause no problems in cross provincial reactions, investigations and arrests, and allows Ezemvelo, the Department of Environmental Affairs, and SANParks to combine resources on interprovincial suspects and syndicates.

JOINT PROJECT DEPARTMENT ENVIRONMENTAL AFFAIRS AND SOUTH AFRICAN NATIONAL PARKS - AIR SUPPORT SERVICES

Ezemvelo renewed its air support services to include Night Vision Goggle (NVG) flights, which has assisted in night responses and disruptive operations, along with demarcated night landing zones, marked by infra-red beacons. Reaction staff have also been trained and certified in night boarding and disembarking under operational conditions.

CHALLENGES AND DEVELOPMENTS

- Sustainable appointment of critical manpower (numbers and capacity), within rhino reserves, which includes the support staff and standby staff required for law enforcement operations.
- The maintaining of sustainable funding and maintenance of critical infrastructure, roads, accommodation, staff facilities, fences, equipment and vehicles.
- Ensuring joint operations are maintained for the entire province, including private rhino reserves' participation.
- The total implementation of the Integrity Policy not only in rhino reserves but any role that has management influence in counter rhino poaching operations, and setting up of internal investigation capacity.
- Long term implementation of SAPS Mission Area deployments to full capacity.
- Full time rhino case monitoring and assessment, in conjunction with SAPS and National Prosecuting Authority.
- The implementation of staff wellness to deal with trauma under high risk and pressure work load.
- There has been improvement in the speed in changes of modus operational environments when syndicates try to counter law enforcement. As anti-poaching initiatives are successful, operational deployments and arrangements need to change to focus on new syndicates, poaching tactics, and areas of threat.
- Funding annual dehorning as an effective deterrent.
- Private game farm owners moving away from having rhino as part of their game assets due to the high security cost and risk, has resulted in shrinking rhino populations and habitat.

PEACE PARKS FOUNDATION (PPF)

Ezemvelo has had significant support from the Peace Parks Foundation from the national Rhino Protection Programme. The facilitated the setting up and testing of key projects:

1. Smart Park and Rhino Tracking Project
2. United States Bureau of International Narcotics and Law Enforcement Affairs (INL) Risk and Threat Management.
3. Rhino Crime Information Systems.
4. Rhino Protection Programme

These projects have all aligned to ensure IPZ & JPZ are communicating as one command and control to ensure improve planning and execution of tactical operations fighting rhino crime both in and out of reserves. The Hluhluwe iMfolozi Park Operations (Nerve) Centre was initiated and is now fully functional in digital monitoring and sensor technology, which improves detection and reaction times. This ensures rhino anti-poaching staff are fully functional at night, as well as day. It also ensure data and information is used effectively to plan anti-poaching and disruption operations. The linking of these systems with DEA and SANParks is proving very effective.

WILDLANDS CONSERVATION TRUST (WCT)

The Wildlands Conservation Trust continued to support the Joint Operations Co-ordination staffing in Zululand, in that the Detection K9 operations and Joints Operations Co-ordinator are both funded by this programme. These are strategically linked with SAPS Hluhluwe Tactical Joint Operations Command (Hluhluwe TACJOC) as required in the National Strategy and provincial operations.

WORLD WIDE FUND FOR NATURE SOUTH AFRICA (WWF-SA)

The World Wide Fund for Nature South Africa has supported Ezemvelo with equipment and renovations of key facilities that will support Ezemvelo's Night Vision Goggles (NVG) air support operations.

AFRICAN WILDLIFE FOUNDATION (AWF)

The African Wildlife Foundation programme supports the rhino security monitors on the R618 Corridor road that transects the Hluhluwe iMfolozi Park. This security project works closely with SAPS Hluhluwe TACJOC to monitor the high risk area.

AFRICAN CONSERVATION TRUST (ACT) / PROJECT RHINO

The Project Rhino programme continued to support the Zululand Anti-Poaching fixed wing aircraft, which monitors predominantly private game reserves, and the Hluhluwe TACJOC - that acts as a central command for the SAPS Operation Rhino programme in the Mission area of Zululand. This is done at no cost to the SAPS and or Ezemvelo.

DUNADVENTURES CC

Dunadventures, with support from Wildlife Environmental Society South Africa (WESSA), initiated the establishment of a Tracking Dog Unit in the Hluhluwe iMfolozi Park. This was mostly achieved despite a number of logistical and operational challenges. The use of tracking dogs definitely allows improved reaction to incursion, and operational standards need to be developed to ensure optimal use of this unit.

UPDATES

As the majority of KwaZulu-Natal's poaching threat comes from outside the province, it is critical that the strategic partnerships with other state law enforcement agencies are sustainable and maintained. The analysis of threat information reveals that an estimated 90% of poaching efforts are planned and executed from outside the province. The participation of SAPS Rhino 8 and Provincial Visible policing provides the majority of rhino crime proactive and preventative capacity. Ezemvelo will continue to actively support and collaborate with these law enforcement agencies within the National Security Cluster.

The sustainability of these projects is imperative: they complement the national and provincial strategies and operations, a prime example being the setting up of a Smart Park at the Hluhluwe iMfolozi Game Reserve. This supports early detection technology, and management of the command and control of law enforcement resources. These requirements are noted in initiatives such as the National Integrated Strategy Combat Wildlife Trafficking (NISCWT), and the National Department of Environmental Affairs Rhino Lab Rhino Anti-poaching Programme (RAP).

It is important that private, smaller state rhino reserves form part of the priority, as poaching pressure moves to these areas when other areas are deemed high risk/low reward by poachers. The Joint Operations Zone supports this principle and must be supported by all role players. The monthly private rhino owners' meetings are not well attended and efforts will be made to improve this in 2018 / 2019. The Private Rhino Owners' Association (PROA), the official recognised association for rhino owners, has not regularly attended the Provincial Priority Committee Rhino Poaching meetings, with restricted information dissemination to private rhino owners. However, a detailed weekly report is sent to all private rhino owners, to ensure they are kept informed of current threat and poaching pressure.

The Provincial Rhino Crime Combating Task Team that was required to advise on strategic direction to combat poaching has not yet made its finding and/or recommendations. This has a direct impact on not being able to finalise provincial strategy and resources. These recommendations will also guide the Provincial Joint Crime Prevention and Security Cluster (JCPS) in its setting up of provincial targets and strategies.

OUTLOOK 2019/20

The continuation of National SAPS Operation Rhino (Rhino 9) into the 2019 / 2020 year is extremely positive, and the impact of this team to combat and react must be noted as a very key intervention.

Ezemvelo has initiated the Hluhluwe iMfolozi Park Command and Control Centre (Nerve Centre), which now has

early detection equipment feeding directly into the facility, improving early detection and rapid response. The use and continued use of the Cmore operating platforms now fully operational at the Hluhluwe iMfolozi Park has allowed for improved use, coordination and accountability of law enforcement operations.

The finalisation of the helicopter air support operation to Night Vision Googles (NVG) has allowed Ezemvelo to gain better advantage into the night hours. Night operations will continue in 2019 / 2020.

Ezemvelo will continue to ensure the Integrity Testing Policy is prioritised for implementation, with negotiations during the past year producing some positive progress.

The organisation started filling field ranger posts in its rhino reserves, and the plans are to continue with this recruitment into 2019 / 2020, with more recruitment and training taking place.

Joint operations with other state and conservation agencies will continue, especially where joint threats have been identified. The National Minister forum MINMEC has identified and instructed that provincial conservation agencies, and National Parks work jointly in combating rhino crime. This is being prioritised and facilitated through the National Working Group 4.

GAME CAPTURE OPERATIONS

GAME SALES

The game capture unit is responsible for capture and delivery of all animals allocated to game sales. In the 2018 season 680 animals were sold, realising a turnover of more than R4 354 850.00

GAME CAPTURE SERVICE DELIVERY

The game capture unit was responsible for the capture of 1 822 animals.

	TARGET	ACHIEVED	PERCENTAGE
Total animals captured	2 005	1 825	91%
Capture mortalities	< 2%	18	1.0%
Boma mortalities	< 2%	11	2.9%
Transport mortalities	< 1%	4	0.2%
Game captured for sale	721	680	94%
Game translocated internally *	427	360	84%

Figure 1: Targets achieved against plan

PRIORITY SPECIES MANAGEMENT

The following species were immobilised for the purposes of fitting tracking devices and identification notches.

SPECIES	NUMBER
Lion	18
Wild dog	24
Cheetah	2
Elephant	8
Black rhino	13

Figure 2: List of priority species fitted with tracking devices

The unit was also successful in dehorning 81 white rhino and 36 black rhino in support of the organisation's rhino horn demand reduction strategy.

DISEASE MANAGEMENT - BOVINE TUBERCULOSIS

In July 2018, 277 Hluhluwe Imfolozi Park (HiP) buffalo from four herds were captured in a site in the Mbulunga area, Mbuzane section, and tested for Bovine Tuberculosis (Btb) and Brucellosis. Herd Btb prevalence varied from 11.25% to 50% and a total of 69 (24%) buffalo were selected for further lethal testing at the Mpila abattoir. After completion of the post mortems, the initial results indicate an overall prevalence of approximately 20%. These results are similar to the 18.8% prevalence detected in the same area in 2010.

The ongoing BTB control programme has the principal objective of limiting the prevalence of BTB in the HiP buffalo population, reducing the risk of spillover into other species. No new herbivore spillover hosts have been identified since it was last diagnosed in kudu in 2003.

Risk: TB remains the most important disease threat for biodiversity conservation in the province. The increase in the number of positive cases throughout the Northern Zululand Region is a cause for concern. We anticipate that stricter quarantine measures may be applied by the Department of Veterinary Services in the future and that these stricter control measures could also be extended to rhino in both HiP and Mkhuze.

BRUCELLOSIS

Ongoing sampling of the buffalo in HiP and on the Eastern Shores confirms the absence of the disease. Brucellosis is, however, present in the communal cattle surrounding the park.

Risk: Minimal impact on buffalo population performance. However, there are zoonotic implications for staff handling infected material and additional constraints on the movement of buffalo out of protected areas.

FOOT AND MOUTH DISEASE (FMD)

The recent outbreak of FMD in Limpopo Province had a serious impact on game export quotas, but there were no direct consequences on the movement of livestock and game within KwaZulu-Natal.

Risk: Until such time as adequate control measures are implemented along the Mozambique border, the risk of another outbreak and subsequent spread to wildlife populations remains high.

RABIES

KwaZulu-Natal has experienced an upsurge in animal rabies over the past three years. This outbreak started in King Cetshwayo district and has spread south through iLembe and into iNanda, with eight human fatalities confirmed for 2018.

Risk: While rabies has been traditionally successfully controlled through extensive vaccination of domestic dogs, the development of a jackal cycle is difficult to control and remains a concern.

FORENSIC POST MORTEMS

A total of 143 rhino post mortems were conducted on both private and state owned land, which is 33 less than the previous year. The majority of these were in Hluhluwe Imfolozi Park, most of which were related to poaching. The increase in veterinary capacity has ensured that each crime scene was timeously attended to without affecting other key veterinary functions.

TREATMENT OF FREE RANGING GAME AND DOMESTIC STOCK

A total of 38 treatments were carried out on various species during the year.

CHALLENGES

The game capture unit has had a challenging year, with significant cuts in operating budgets. Despite this, the unit achieved a 93% success rate on planned targets. This was mainly due to it recovering direct operating costs from end users. The outlook for 2019/20 is again expected to be a difficult one with significant budget cuts continuing to hamper service delivery. The inability to recruit permanent staff into critical vacancies is one of the greatest risks facing the unit as this reduces capacity and competencies and leads to poor service delivery.

OUTLOOK FOR 2019/2020

- Despite the ever diminishing budget, the unit is hoping to maintain a cost effective and competent service in the upcoming year.

- The anticipated translocation of black rhino to a SADC country as part of the ongoing black rhino range expansion project. This will be the first time the project is moving outside our borders and is indicative of Ezemvelo's commitment to the management of black rhino at the metapopulation level.
- The unit is expecting to play a significant role in the ongoing fight against rhino poaching by providing its expertise in projects that are developing innovative technologies to combat the scourge.

HONORARY OFFICER CORPS

The Honorary Officer Corps continued to give valuable assistance to Ezemvelo KwaZulu-Natal Wildlife in its nature conservation mandate throughout the province during the year in review. Corps members have dedicated themselves with enthusiasm to their volunteer work in the protected areas and district conservation areas, despite them facing increasing pressures in respect of their personal time with family, businesses and financial resources.

The Honorary Officer Corps comprises 46 groups and 925 honorary officers. There are nine groups in the East Terrestrial Region, 18 in the West Region, 11 in Zululand, and eight covering the KwaZulu-Natal coastline. They have been extremely active in a wide range of activities that include:

- Fund raising and seeking donations of equipment and materials;
- Awareness programmes;
- Compliance activities;
- Biodiversity conservation projects;
- Reserve and District Conservation management and maintenance;
- Visitor facility maintenance;
- Training;
- Education and public awareness, and;
- Special projects – producing brochures and pamphlets.

The Honorary Officers have raised the funds and donated equipment and materials for projects and work in the various reserves and district conservation areas. This has been achieved in spite of the tough economic climate that South Africa is experiencing, where donor funds are limited. Their success can be attributed to the good relationships they have developed over time with the business sector and various organisations. In addition, the work of the Honorary Officer Corps is also regarded as a worthy cause.

HOURS OF VOLUNTARY WORK, KILOMETRES TRAVELLED AND FUNDS RAISED AND SPENT

The hours and mileages contributed by these officers in the performance of their duties and projects are a mini-

mum figure as not all of the groups had submitted their statistics in time for this report. However, this is a significant contribution and support for Ezemvelo KZN Wildlife's nature conservation mandate. The Honorary Officer Corps has committed 71 230 hours and 567 998 km during the year under review. They raised R2 527 506 for the various projects undertaken and spent 87% of these funds (R2 199 656). It is very encouraging to note that all the funds raised are being used. The value of the combined efforts of each Honorary Officer regarding hours and mileage totals R18 607 784. The Specialist Group does not raise funds but its contribution for time and mileages totals R717 984.

PLANT SURVEY AND MONITORING

The HO Group has worked with and supported CREW in conducting surveys and monitoring important plant communities in their area.



Figure 3: HO undertaking plant survey

Visitor facilities - upgraded picnic area and visitor information at Krantzkloof Nature Reserve



Figure 4: Upgraded picnic tables and signage



Figure 5: Krantzkloof visitor Information

CONSERVATION SERVICES

COMMUNITY CONSERVATION UNIT PROGRAMMES

PEOPLE AND PARKS

The People and Parks programme is implemented by the Community Conservation Unit as part of the national Department of Environmental Affairs Mandate, with quarterly provincial meetings co-ordinated by Ezemvelo KZN Wildlife and quarterly national meetings co-ordinated by the national Department of Environmental Affairs.

Provincially, the meetings provide an excellent platform for all structures under the Community Conservation Unit Programme to come together, to discuss community development and challenges affecting communities neighbouring Ezemvelo Protected Areas or who are land claimants through the land restitution process. In the 2018/19 financial year, four People and Parks provincial forums took place, Ithala and Hluhluwe Imfolozi Park Game Reserves being alternating venues. The meetings are held over two days, the first allowing for community representatives, youth and officials to get together. The second day is the bigger forum, with all the community representatives from the various structures. The People and Parks Forum is a good platform for representatives to discuss challenges in their various neighbouring parks, as well as have access to other units that might be able to assist in employment opportunities for communities such as the Project and Infrastructure Unit or Scientific Services. Informative presentations are made before the start of any Forum, based on conservation topics members would like to know more about.

LAND CLAIMS AND CO-MANAGEMENT

While land restitution is not an Ezemvelo KZN Wildlife mandate, but a Department of Rural Development and Land Reform (DRDLR) mandate nationally through the Chief Land Claims Commission (CLCC) and Regional Land Claims Commission (RLCC) provincially, Ezemvelo KZN Wildlife still works closely with the claimants, who are approved land restitutions in terms of the Section 42D and the settlement agreement. The Restitution of Land Rights Act, 1994 ("Restitution Act") provides for restitution of rights in land to people/ communities who were dispossessed of those rights as a result of past racially discriminatory laws and practices

The Cabinet decision was given effect by the signing of a Memorandum of Agreement (MoA) by the Minister of Agriculture and Land Affairs, and Minister for Environmental Affairs and Tourism in May 2007. This details process and operational protocol to be followed for the settlement of land claims against protected areas. The deserving claimants then signed co-management agreements with

the Conservation Management Authority, Ezemvelo KZN Wildlife. Ezemvelo KZN Wildlife is involved in the implementation of the agreements through the co-management structures formed by itself and the trustees' delegated representatives.

The Regional Land Claims Commission (RLCC) has settled eight land claims in terms of Section 42D, a memo signed by the minister awarding the claimants Restoration of Land or financial compensation as a form of final settlement. After S42D has been signed, the second last phase will be the transfer of those properties from current landowners to claimants. The total extent of settled but not transferred land is 93 697.9096 ha. The following claims have been settled: in Ithala Game Reserve (Zulu and Buthelezi community), in Hluhluwe Imfolozi Park (Mlaba-Ximba, Okhukho, Hlabisa- Mpukunyoni); Ndumo Game Reserve (Mbangweni and Usuthu Gorge), Tembe Elephant Park, and Vernon Crookes. Vernon Crookes was settled through financial compensation and the Mbumbazi settlement is still in process.

Three claims have been researched and gazetted but not settled: Impendle Nature Reserve (KwaDushu, Rest and Clayborn communities), Phongola Nature Reserve (Ntshangase community), and Lebombo Nature Reserve (Myeni-Nsinde). Once settled, Ezemvelo hopes to enter into co-management agreements with these communities, and hopes that the Regional Land Claims Commission office will settle the Northern Ukhahlamba Drakensberg Park claims.

Four co-management agreements have been implemented: Ndumo Game Reserve, Tembe Elephant Park, and Hluhluwe Imfolozi Park (Corridor of Hope) are under uMkhanyakude District and Ithala Game Reserve in the Zululand District. The agreements being implemented ensure that communities benefit from the Protected Areas (through Park visits, harvesting of natural resources and game donations). Some community representatives, however, feel that the beneficiation is not adequate and want the co-management agreements to be reviewed. The claimant communities make mention of development grant money that was promised to them once their claims have been settled. This has not happened to date.

CONSERVATION PROGRAMME (YCP)

Giving effect to outcomes of 2014 IUCN World Parks Congress in Sydney: inspiring a new generation of young conservation professionals, the Department of Environmental Affairs established a Youth in Conservation Programme under the ambit of People and Parks programme. The purpose is to provide awareness and capacity building around areas of biodiversity and conservation within Protected Areas in South Africa while ensuring enterprise development among young people in neighbouring protected areas. The implementation of the programme was successfully coordinated by Ezemvelo KZN Wildlife Community Conservation Unit under the management of Mrs Msimang (M: CC).

The KZN Youth Forum permanent structure of 20 members was formally elected on July 2018 during the Provincial People and Parks conference held at Ithala Game Reserve. Meetings are held back to back with the national People and Parks steering committee. Local, provincial and national level meetings are held quarterly.

In the financial year 2018/19, Youth attended various workshops that included induction, biodiversity economy, a Water Month Celebration as well as one with the Independent Electoral Commission (IEC). They also attended team building and S'fundimvelo Environmental Education, and celebrated commemorations and some awareness campaigns like Arbor Day, Albino Day, Water Month, Youth Day, Mandela Day, a Mandela Capture Site visit, including St Lucia and Crocodile Park. They also attended the 7th and 8th Youth National People and Parks Steering Committee meetings

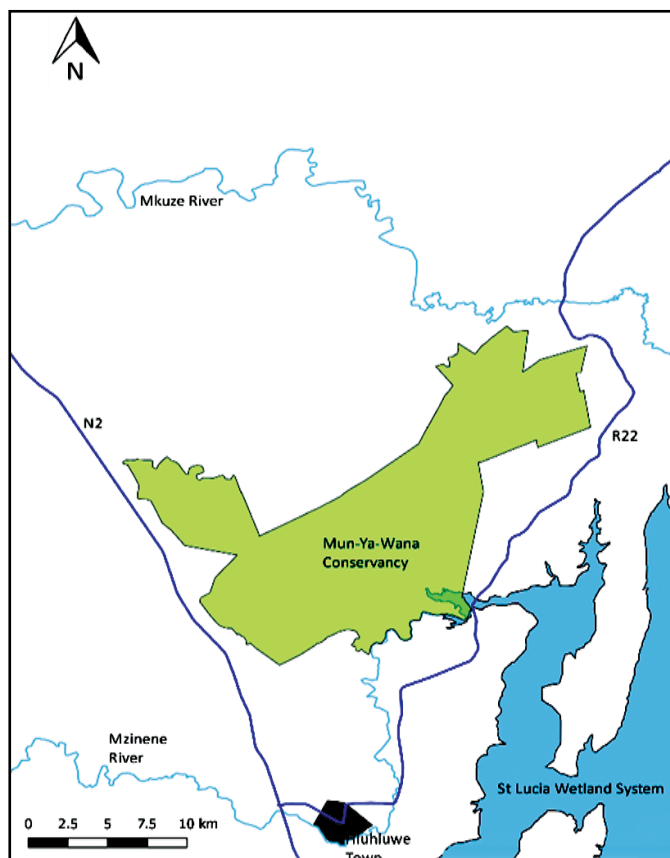
KZN BIODIVERSITY ECONOMY STEWARDSHIP PROGRAMME

The Biodiversity Stewardship Programme (BDS) was formed to expand the protected area estate of KwaZulu-Natal. It is made up of partners consisting of NGOs, District Conservation officers and Scientific Services participating in the KZN Biodiversity Stewardship Working Group, Technical Advisory Group (TAG), site assessments, Advisory Forums, and contributing to the development of Stewardship management plans. The programme is further supported by DEA, SANBI and its CREW programme. The BDS has made significant progress in the past year. It has grown the number of land owner approved sites for this purpose from 76, comprising more than 284,000 hectares in 2017-2018, to 89 in 2018-2019, comprising more than 306,000 hectares. The programme achieved conservation targets by securing areas of high conservation value though formal declaration as protected areas. Featured below are the sites that were declared in 2018-2019.



PROTECTED AREA NAME	CATEGORY	LAND OWNERSHIP	AREA (HA)	YEAR
Mgundeni Community Project	Protected Environment	Communal (land restitution)	1478	2018
Umgano Community Project	Nature Reserve	Communal (state land)	1874	2018
Ingula	Nature Reserve	Corporate (Eskom)		2018
Mun-Ya-Wana Conservancy	Nature Reserve	Private & Communal	8000	2018
eThekweni Metro Reserves (9)	Nature Reserve	Municipal	850	2018

The **Mgundeni Community property** is in the Utrecht region of Northern KwaZulu-Natal, 20 km north of the town of Utrecht. The purpose of the Mgundeni Protected Environment declaration is to secure and ensure better management of the following species and habitats: Wakkerstroom Montane Grassland, and important bird species found in the area, like Wattled crane *Bugeranus carunculatus* (CE), Rudd's Lark *Heteromirafrua ruddi* (E), Yellow-breasted Pipit *Anthus chloris* (V), Grey Crowned Crane *Balearica regulorum* (V), Southern Bald Ibis *Geronticus calvus* (V), Blue crane *Anthropoides paradiseus* (V), Secretary bird *Sagittarius serpentarius* (NT). The area is very rich in cultural heritage as evidenced by a stone livestock wall built during the time of King Dingaan, a tree called "the iLembe Tree" (used for community discussions during the time of King Shaka), a traditional sharpening stone for spears called an "uMkhonto sharpening stone", and an "Impi" warrior's house, to name a few of the local features.



The purpose of **Mun-Ya-Wana Conservancy** is to: protect representative areas of Makatini Clay Thicket, Southern Lebombo Bushveld, Zululand Lowveld, Western Maputaland Clay Bushveld, Maputaland Coastal Thicket, Subtropical Alluvial Vegetation, and Eastern Licuati Sand Forest; to provide landscape level biodiversity conservation that connects protected areas and contributes to the protection of the ecological integrity of the region; and to protect part of the catchment of the Mun-Ya-Wana River, which feeds into the St Lucia wetland system. All of these assist in supplying the sustained environmental goods and services

Twenty of these sites are either land reform or communal sites, comprising 155,500 ha. The number of declared protected areas has increased to 43 with the addition of nine eThekweni municipal nature reserves declared on 23 August 2018. For the first time in the history of the programme, an important milestone of notarial deed endorsements has begun, with two of these being completed.

These accomplishments were achieved despite capacity constraints within the Stewardship unit. The Stewardship programme has been graced by the presence of Ms Lungile Ntuli, the newly appointed Manager: Stewardship and Biodiversity Economy. Ms. Ntuli has strengthened the support and leadership role of the programme since September 2018, despite budgetary constraints, with several new protected areas in the final stages of declaration this financial year.

REGULATORY SERVICES

REVIEW 2018/2019

The Regulatory Services Division issues all provincial and national permits and licences for the regulation of trade, movement, and utilisation of biodiversity within KwaZulu-Natal. This includes all importation and exportation of fauna and flora into and out of the province and country. During the 2018 /2019 reporting year, 4 788 licences and permits were processed, which equates to an average of 399 licences and permits issued per month by the permit staff.

CHALLENGES 2018/2019

Systemic challenges, particularly Ezemvelo's IT challenges, have had a negative impact, with permit staff being unable to access permit databases and e-mails, leading to a backlog of applications not being processed and licences and permits not being issued. The permit staff has put measures in place to address this problem, which includes working after hours to catch up.

DEVELOPMENTS FOR 2019/2020

The Permit Manager is retiring at the end of May 2019. Three permit staff were identified as part of a succession plan and are currently undergoing training with a view towards her replacement.

SCIENTIFIC CONTRIBUTION TO THE PERMIT PROCESS 2018-19

Permits are a legal mechanism to ensure that use of biodiversity does not threaten any species and is sustainable. Scientific staff in Ezemvelo, predominantly in the Ecological Advice and Conservation Research and Assessment units, are responsible for providing advice on the issuing of scientific as well as many other kinds of permits e.g. aquaculture, capture, hunt, import, introduce and keep in captivity. In 2018-19, scientific staff provided 574 individual written comments/recommendations on a total of 298 permit applications (including 206 scientific collection permit applications). This contribution, however, excludes many field inspections and verbal or written advice provided to District Conservation Officers, particularly for introduction, keep in captivity and hunting applications. Scientific staff remain active participants in the Permit Committee. Despite staff vacancies, Ezemvelo continues to apply due diligence in the permit process, which is not just an administrative procedure.

PROVINCIAL / NATIONAL PERMITS AND LICENCES ISSUED 2018/2019					
Type	Integrated	Provincial	Tops	National	Total
Licences	5	495	5		505
Ordinary Permits	1172	2034	697		3903
Registration Certificates			56		56
Standing Permits	1		23	48	72
CITES	-	-	-	252	252
Total	1178	2529	781	300	4788

BIODIVERSITY SPATIAL PLANNING & INFORMATION MANAGEMENT

THE 2018/2019 FINANCIAL YEAR UNDER REVIEW

This is an often-overlooked foundation resource, tasked with the proper development and maintenance of the databases utilised by the broader Scientific Services (and other) to take into account changes in legislative and operational requirements, improve user accessibility, and address a multitude of technical issues resulting in software version upgrades. Key databases amended include the Development Applications Register for the IEM Division, and the permits database for the Professional Hunting and Permits Division, the upgrading of the Geospatial Meta-database and the Biodiversity Database, and ongoing support being

provided for the Biodiversity Database, Animal Population Management Database (APMD), the Micro-Track Database (a register of microchips used in KZN) and the Compliance Database. All of these updates / upgrades are being conducted within a larger planning framework wherein it is expected that we will have significant database integration by the end of the current APP five-year planning cycle.

From a data capture perspective, around 2815 new animal distribution records and 1483 plant distribution records were added to the Biodiversity Database, more than 4319 of which are newly digitised records from the Killick herbarium. In addition, much effort has been put into improving the accuracy of the already captured information from the Killick Herbarium specimens for eventual incorporation into the South African national standard herbarium database platform – BRAHMS. Ezemvelo has now entered into an agreement that will see the herbarium being transferred and housed in the BEWS Herbarium at the University of KwaZulu-Natal, Pietermaritzburg campus, as part of a 99-year loan. About a third has already migrated.

A number of key GIS coverages were also updated and made available. These include the Terrestrial Critical Biodiversity Area and Ecological Support Area Priority Area coverages, and the revision of the provincial Landscape corridor network (using SPOT 5 2011 imagery as reference) and the formal Protected Area coverages. To aid in the dissemination and understanding of the coverages, GIS projects containing all the relevant information have been created in QGIS, ArcView and ArcGIS and are available to the public users on application. Two GIS related projects have been completed to draft stage: the Black Rhino Expansion Plan and the Zonation of the UDP World Heritage Site. The latter has been out for public comment, and final modifications need to be considered before it is finalised. At the broader spatial planning context, the Spatial Planning and Land Use Management Act 16 of 2013 (SPLUMA) requires that all municipalities in South Africa must adopt and approve a single land-use scheme for its entire area (wall to wall land-use scheme) within five years from the date of commencement of SPLUMA (ending 2020). Working jointly with the KZN Department of Agriculture (KZN DARD), zones which identify high priority extensive rangeland and high priority biodiversity areas and require the same management objectives (protection from extensive development, alien species control and proper fire management) have been identified. This joint surface is submitted to the relevant local municipality for incorporation into their rural policy / land-use scheme. This concept has been incorporated into the National Land-use Guidelines and is currently informing the Spatial Equity and Provincial Spatial Development Frameworks being developed by CoGTA.

BSPI staff were integral to the development of the Landscape Characterisation Norms and Standards for the Kwa-Sani Region, which was finally gazetted earlier this year. This is the first Norms and Standards to be adopted in KZN. On the marine front, the Marine GIS Analyst was involved in the mapping of the new Marine Protected Areas and their associated zonations, as well as aiding in the drafting of the declaration notices and regulations. Although falling outside the financial year, it is still important to note that all of this work has resulted in the declaration of 20 new MPAs for South Africa as of the 23rd May 2019.

CHALLENGES AND DEVELOPMENTS

A key challenge has been the lack of manpower. Constitutionally, the legal mandate providing powers to oversee town planning resides at local municipal level. In KwaZulu-Natal, there are currently 44 local municipalities. It is not possible for EKZNW spatial planning staff to attend all of the individual meetings and as such, the understanding and incorporation of the provided biodiversity spatial planning products is not always as effective as it could be. In addition, without an adopted Norms and Standards governing what and how data should be incorporated into SDFs and IDPs, there will always be inconsistencies in effective implementation. To aid in this, the BSPI Team has been holding workshops on SPLUMA and QGIS to help capacitate staff to become familiar with the legislation and the tools to be used to aid in addressing challenges that might arise.

THE OUTLOOK FOR 2019/2020

With the significant budget cuts that have been experienced, the focus of the division for 2019/20 will be internal, with a significant increase in effort being applied to policy

review, database upgrades, and internal data management. A key focal development will be the revision of the provincial systematic conservation plan. In addition, more support will be placed on the high level strategic spatial planning instruments currently being developed by CoGTA: the Spatial Equity Project and the Provincial Strategic Development Framework. Work is also continuing to be done towards the development of the next edition of the newly released Environmental Outlook Report (due to be released in two to three years).

CONSERVATION PLANNING

GLOBAL STATUS OF PUBLISHING CONSERVATION SCIENTISTS – GENERALLY FOR CONSERVATION SERVICES

REVIEW 2018/2019

The achievement of the vision of Ezemvelo KZN Wildlife - "To be a world-renowned leader in the field of biodiversity conservation", continues to be demonstrated by the conservation scientists within Conservation Services. The map (Figure 1) provides a simple representation of the international collaborations with other scientific and research institutions (by way of peer-reviewed scientific publications) that have been forged by the conservation scientists. At the close of the 2018/19 financial year, cumulative publication RG Score increased to 145, 65. This RG Score (despite not being a primary function of the organisation) equates favourably with predominantly pure conservation research institutions.



Figure 1: Global representation of the location of institutions Scientific Service staff have co-authored scientific papers (Source Research Gate).

Conservation scientists who have made a significant contribution to conservation science during the 2018/19 financial year are: Dr Adrian Armstrong; Dr Andrew Blackmore; Dr Clinton Carbutt; Dr Dave Druce; Dr Boyd Escott; Ms Magda Goosen; Mr Skhumbuzo Kubheka; Dr Sonja Krueger; Ms Tamsyn Livingstone; Mr Craig Mulqueeny; Dr Jennifer Olbers; Mr Ian Rushworth.

The individual profiles of the scientists and specialist planners may be viewed on:

www.researchgate.net/institution/Ezemvelo_KZN_Wildlife-Scientific_Services

CHALLENGES 2018/2019

Reduced capacity by way of unfilled posts and the concomitant increase in the dependence on the existing staff for scientific advice remains a significant challenge for staff to form national and international partnerships and publish their research. The reduced operational budgets continue to limit staff attendance at national and international conferences, which represent the prime source of new ideas and scientific partnerships.

DEVELOPMENTS FOR 2019/2020

The conservation scientists have a number of new publishing co-operative partnerships that will cumulatively add to this organisation's national and international influence.

ENVIRONMENTAL IMPACT ASSESSMENTS

REVIEW 2018/2019

Ezemvelo KZN Wildlife received 290 new development applications within the remaining natural or near natural areas of the province, with 26% of these occurring within Critical Biodiversity Areas (CBA). This represents a significant increase in the developmental pressures being placed on the CBAs. For the 2km Zone of Influence (Zoi) to Ezemvelo's Protected Areas (the prime focus of specialist planners due to unfilled posts), 39% were considered unsustainable developments in that they had potentially significant impacts on biodiversity and/or the Protected Areas. Finally, of the 45 Environmental Authorisations that were issued during this reporting period, 69% did not provide for the protection of important or critical biodiversity and thus were considered unsustainable decisions.

CHALLENGES 2018/2019

The shortage of professional staff was and continues to be the main challenge facing the IEM Unit that comments on development and land-transformation applications. Budget constraints have also contributed to the challenges, as staff are unable to undertake site inspections and as a result, this places increased burden on the Ecological Advice and Biodiversity Assessment staff to provide insights into the biodiversity values of the areas to be developed.

OUTLOOK FOR 2019/2020

The 60% to 70% reduction in operating budgets is likely to reduce the outlook for the 2019/20 financial year in that the effectiveness of the IEM Unit to safeguard biodiversity in environmental impact assessments process is directly dependant on staff being able to engage in meetings with other organs of state, the competent authorities, applicants, environmental assessment practitioners, undertake site visits, and review proposed offset areas.

MANAGEMENT EFFECTIVENESS OF EZEMVELO PROTECTED AREAS

REVIEW 2018/2019

Protected Area Management Effectiveness assessments were conducted using the Department of Environmental Affairs' Web-based METT tool (offline function), which is based on METT-SA version 3a. This was Ezemvelo's fourth year of implementation of this specific protected area management effectiveness (PAME) tool.

The percentage by area that met the minimum standard of 67% was 44.81% (includes one protected area with a score of 66.67%, that was rounded to the nearest whole number). The mean of scores obtained was 45.93%, but considering the size of each protected area, the weighted mean was 59.59%, which is down by 3.72% from 2017. The latter gives a more accurate indication of the average management effectiveness spatially across the province.

When comparing the 2018/19 effectiveness performance with previous assessments, there was a decrease in almost all spheres of management, except Legal Context. Human Resource Management is an area of great concern i.e. the lowest scoring management spheres (Figure 1).

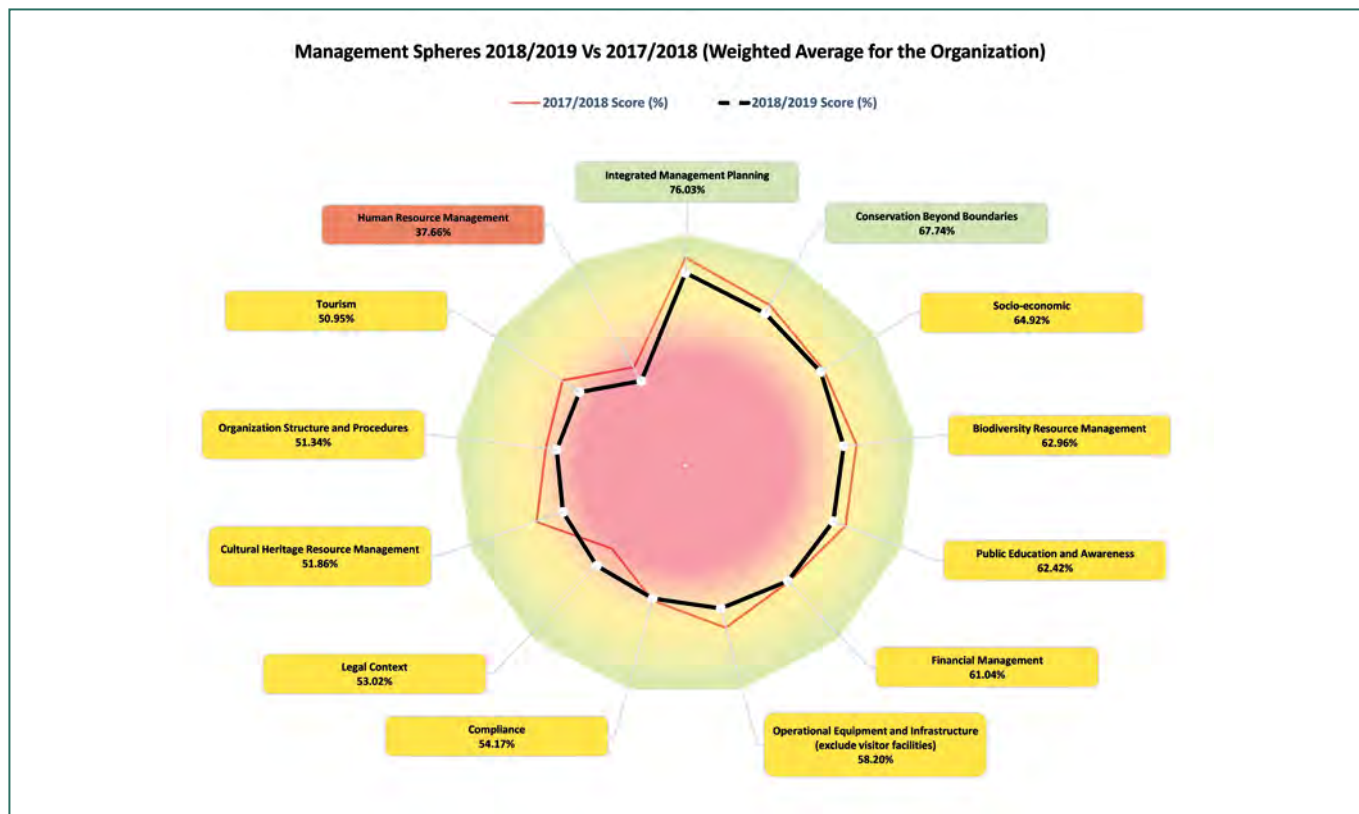


Figure 1: Comparison of Management Sphere Scores between 2017/2018 and 2018/2019 (Average scores weighted by size of protected areas)

CHALLENGES 2018/2019

The Management Effectiveness Specialist position is currently vacant, and this jeopardises the METT process in terms of consistency throughout the organisation and the reporting of trends over the years.

Dwindling budgets are proving to be a major challenge, particularly with regard to operational and capital budget; law enforcement; infrastructure and equipment maintenance. As an organisation we need to dedicate more resources towards appropriately housing staff members and updating our policies, and manage hazardous substances within our protected areas in a more responsible manner.

OUTLOOK FOR 2019/2020

With regard to improving management effectiveness scores, workshops will once again be conducted with the managers of those protected areas that scored 50% or

more, to identify potential areas for improvement so that minimum standard of 67% can be achieved, while those already achieving above 67% can try to improve further.

PROTECTED AREA MANAGEMENT PLANNING

REVIEW 2018/2019

Figure 3 indicates the status of management plans for Ezemvelo KZN Wildlife protected areas: 60% of protected areas have approved management plans, of these protected areas 43.14% of plans require review, while 56.86% have approved and up to date plans. Currently 24.71% of Ezemvelo protected areas have no approved management plans, while 15.29% is in the process of either development or approval.

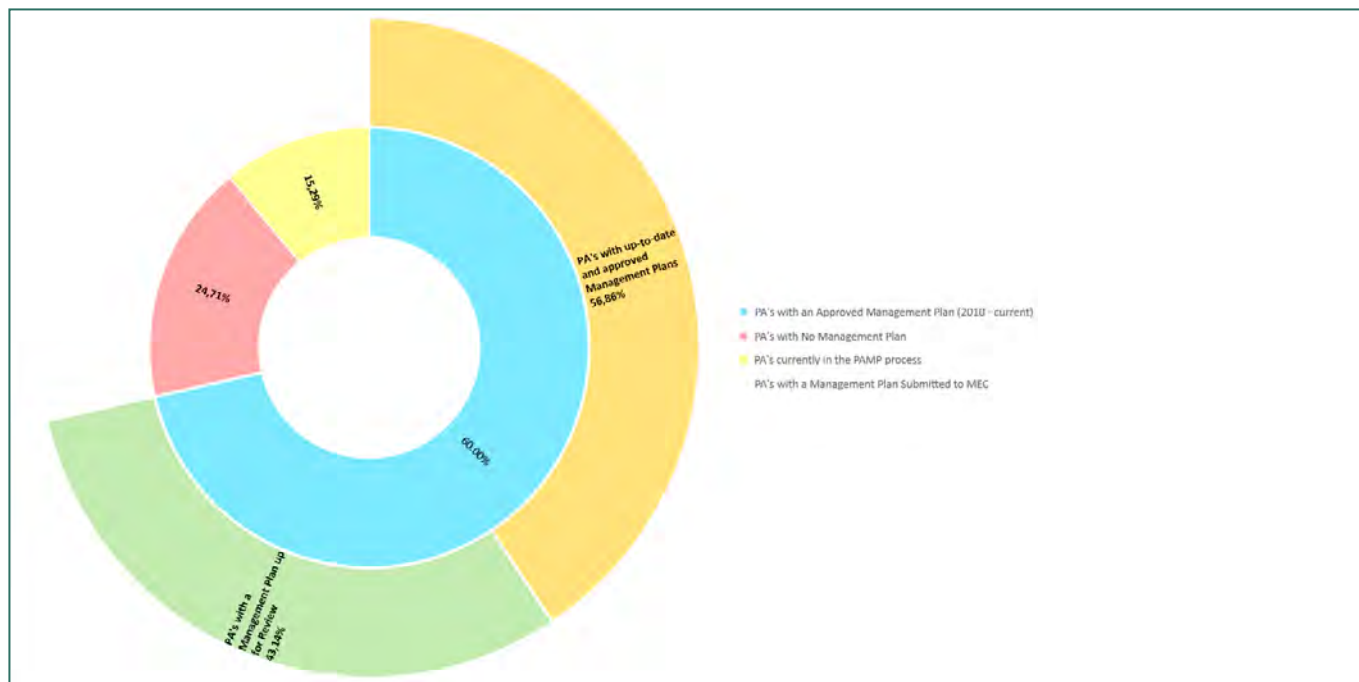


Figure 1: Status quo of Protected Area Management Plans as at end of March 2019

PROTECTED AREA MANAGEMENT PLAN APPROVALS 2018/2019

During the 2018/2019 financial year, management plans for Opathe Game Reserve, Queen Elizabeth Park Nature Reserve, Blinkwater Nature Reserve, and Hlathikhulu Forest Reserve were approved by the provincial minister (MEC).

AVAILABILITY OF MANAGEMENT PLANS THROUGH VARIOUS PLATFORMS

Protected Area management plans are made available on the Research Gate platform and used extensively by re-

searchers both locally and internationally. Figure 4 displays the statistics from this web-based platform and shows a gradual increase in research interest over the 2018-2019 reporting period. The metric – research interest is used to measure scientists' interest in Protected Area Management Plans and is calculated through a weighted sum, based on the number of reads, number of full-text reads, recommendations, and citations. The posting of Ezemvelo KZN Wildlife's management plans on this platform has highlighted the global interest in protected area management plans and it appears that Ezemvelo KZN Wildlife is the first conservation organisation to take advantage of this opportunity.

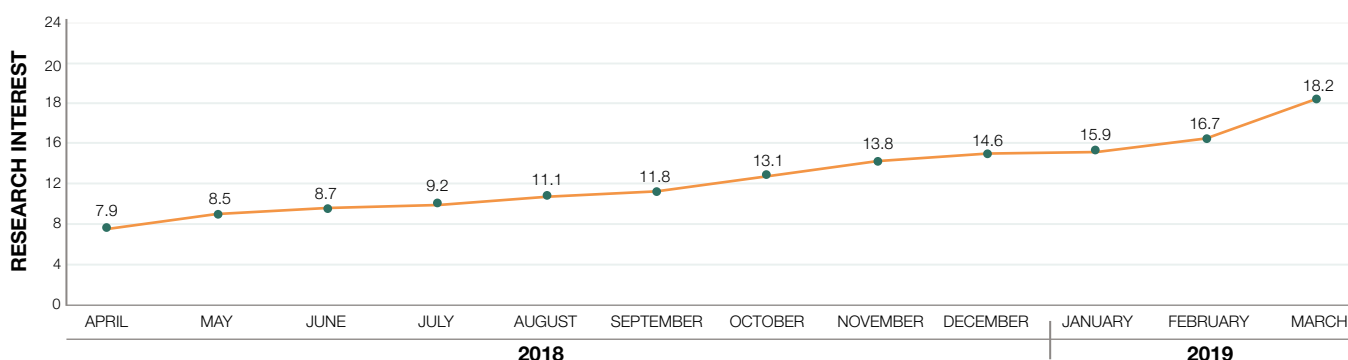


Figure 2: Total Research Interest in protected area management plans calculated per month over the 2018-2019 reporting period.

CHALLENGES 2018/2019

The Protected Area Management Planning Unit is critically under-resourced in both financial and human resources. The Protected Area Management Planning Technician was appointed as Acting Specialist Management Effectiveness in this financial year, and this has reduced the output of the unit to two management plans per annum. Considering that some of these plans need to be revised to remain current, and the 24% of protected areas without any recent management plans, this human resource constraint is critical.

OUTLOOK FOR 2019/2020

The Protected Area Management Planning Steering Committee identified two priorities for the unit for the next financial year. The most crucial of these is to adapt the revision process to ensure that plans remain as up to date, living and transparent documents, especially considering the financial and human resource constraints. This process will be incorporated into the updated Norms and Standards for Protected Area Management Plan for submission and implementation.

ECOLOGICAL ADVICE

SEA TURTLE MONITORING - 2018/2019 SEASON

REVIEW 2018/2019

The annual turtle monitoring was undertaken from 15th October 2018 to 15th March 2019 and covered the roughly 90km stretch of beach between the SA/Mozambique border and Sodwana Bay. Close to 40 community monitors were employed to collect the data.

For the leatherback turtles, there were close to 400 emergences, with 390 of those resulting in a successful nesting

event – a 98% nesting success rate. Of the 71 individuals thus far identified, the majority (63) were remigrants, with only eight new individuals recorded this season. For the loggerhead turtles, there were close to 5751 emergences recorded, with 3355 of them resulting in nesting events – a 58% nest success rate, which is typical for this species. There were 843 distinct individuals recorded nesting, of which the bulk were remigrants (646).

Long-term trends were determined for the “Index Area” – the stretch of beach between Bhanga Nek and Kosi mouth. The loggerhead turtle population, after showing an increasing trend, has, since the 2013/14 season, shown a decline both in terms of nests and emergences (tracks) recorded (Figure 1), the cause of which is currently unknown. However, the past three seasons do hint at a prospect of recovery and is cause for guarded optimism (Figure 1). The population trend for leatherback turtles in terms of emergences (Figure 2) shows great inter-annual variation for the duration of the programme. The high variation between each season makes it difficult to conclusively state that the leatherback nesting population is on the rise. As it stands, the overall leatherback nesting population is therefore considered to be stable, although nesting activity was extremely low this season.

CHALLENGES AND DEVELOPMENTS

Securing budget for this project has been an ongoing challenge. Although the required budget is about R998 000, the bulk of this is for the employment of approximately 40 local community members for about five months, and thus provides a significant contribution to their livelihoods. In the past year, Ezemvelo funding has had to be supplemented by funding from iSimangaliso Wetland Park Authority and Wild Oceans.

OUTLOOK FOR 2019/20

Funding for the next three years has fortunately been secured through a successful joint WildTrust, Ezemvelo and iSimangaliso application to the Blue Action Fund.

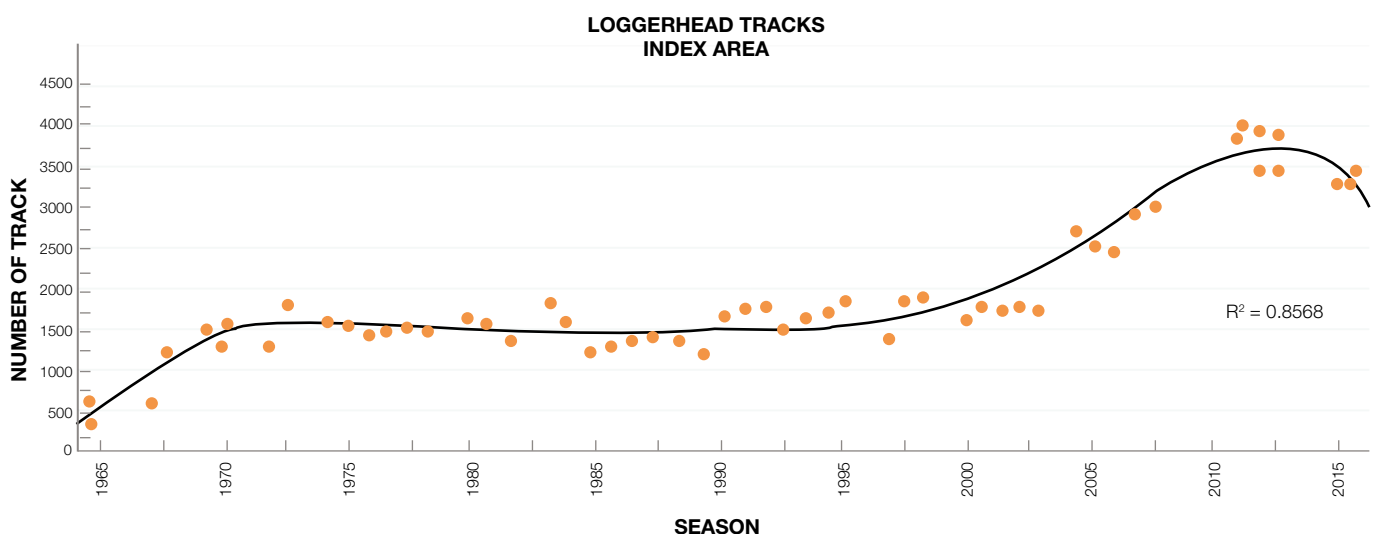


Figure 3: Loggerhead emergences in the Index Area

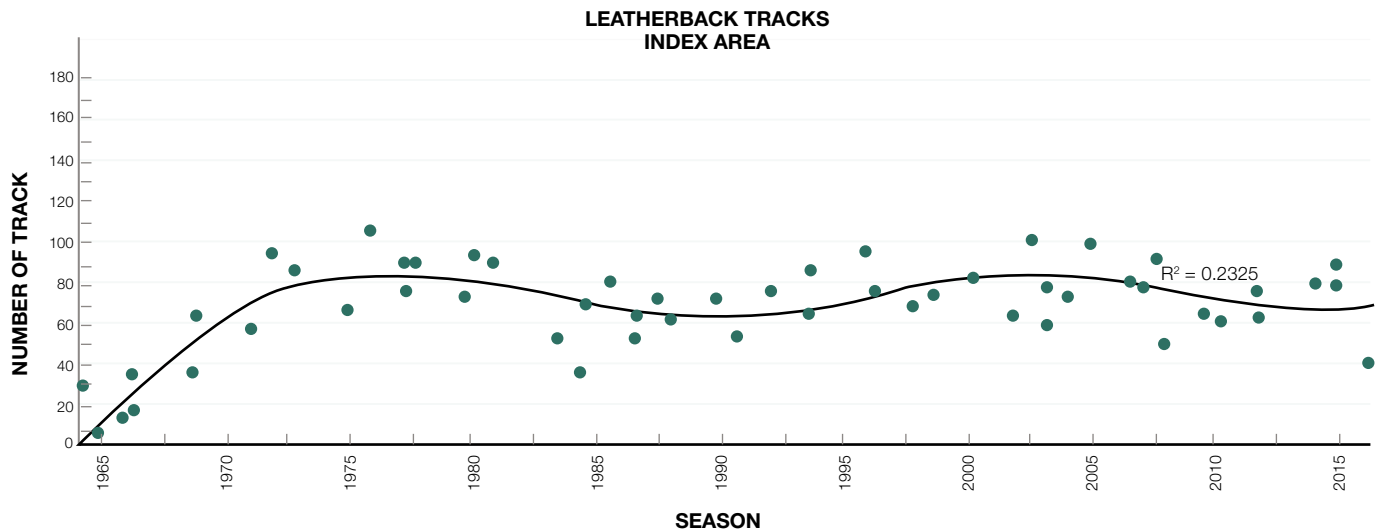


Figure 4: Leatherback emergences in the Index Area

Hluhluwe-iMfolozi Park 2018 game count programme, supported by Earthwatch Institute

REVIEW OF 2018/2019

A line transect game census was undertaken in Hluhluwe-iMfolozi Park: 34 transects distributed throughout the Park were walked and data were collected using the Distance sampling protocol. The same methods have been used in HiP since 1986, which allows for the assessment of trends over time. Since 1994, these biennial game counts have been conducted by Ezemvelo KZN Wildlife staff with financial and volunteer support from the Earthwatch Institute. Almost all costs relating to the game count and to supporting the volunteers are funded by the Earthwatch Institute. This includes funding to pay temporary staff from surrounding communities to prepare 22 cut transects (32 people for six weeks), prepare the camps for the volunteers (eight people for four weeks), and prepare food and

clean the volunteer camps while the volunteers are walking transects (four people for three months). In addition, the funding covers the maintenance of all relevant equipment, overtime, and camping allowance for the field rangers involved in "guiding" the volunteers, food for the camp staff and volunteers, and all running costs. In 2018, approximately R640 000 was received from the Earthwatch Institute.

Usually one volunteer walked a transect with one field ranger, which allowed each transect to be repeated several times over the three month period. In total, 2776.85 km were walked, with 3306 sightings totalling 17495 individual animals. This would not have been possible without the support of the Earthwatch Institute (providing 30 volunteers split between four groups), Bhejane Nature Training (providing six students), and the HiP management team, which provided field rangers.

IMPALA	BUFFALO	NYALA	ZEBRA	WARTHOG	GREY DUIKER	BLUE WILDEBEEST	RED DUIKER	KUDU	GIRAFFE
12826	4544	3803	1602	1575	747	535	392	370	210

Analysis of the data using Distance software provided the following game population estimates:

CHALLENGES AND DEVELOPMENTS

With the severe rhino poaching pressure on HiP and consequent major focus on law enforcement, one of the challenges was the limited availability of field rangers for walking the transects and for providing protection from dangerous game during cutting of transects. This was partly alleviated by field rangers being brought in from other reserves, but

their lack of experience in HiP presented a further challenge.

OUTLOOK FOR 2019/20

Going forward, Ezemvelo intends to continue this win-win relationship with the Earthwatch Institute, with the next survey being planned for 2020.



Figure 5: Two of the Earthwatch volunteers being accompanied by an Ezemvelo Field Ranger

Scientific contribution to permit process missing

BASELINE ASSESSMENT OF ALIEN PLANT INFESTATIONS IN EZEMVELO KZN WILDLIFE PROTECTED AREAS

A survey of 12 Ezemvelo protected areas comprising approximately 7.5% of the Ezemvelo-managed protected

area estate was conducted in the 2018/2019 financial year. To ensure consistency and reliability, a new mapping and reporting standard was developed, adopted and used. This is a significant milestone as the organisation has not previously had such a standard in place to ensure reliable and repeatable assessments suitable for tracking progress over time. Alien plant cover in the sampled area ranged from a low of 1.9% (Chelmsford, Coleford) to a high of 31.4% (Queen Elizabeth Park), with an average cover across the sampled protected areas of 11.5%. Presented in another way, 4287 ha of the 37 382 ha sampled was completely covered by alien vegetation.

If the sample is representative of conditions across the entire protected area network it is possible that more than 58 000 ha of the area that Ezemvelo is responsible for is completely covered by alien vegetation. The assessment has confirmed that, despite current control efforts, alien plants are a significant and growing risk to protected areas and conservation objectives in KZN. It is critical that additional resources are allocated to tackling this threat or there will be further loss of biodiversity and important ecosystem services, such as water production.

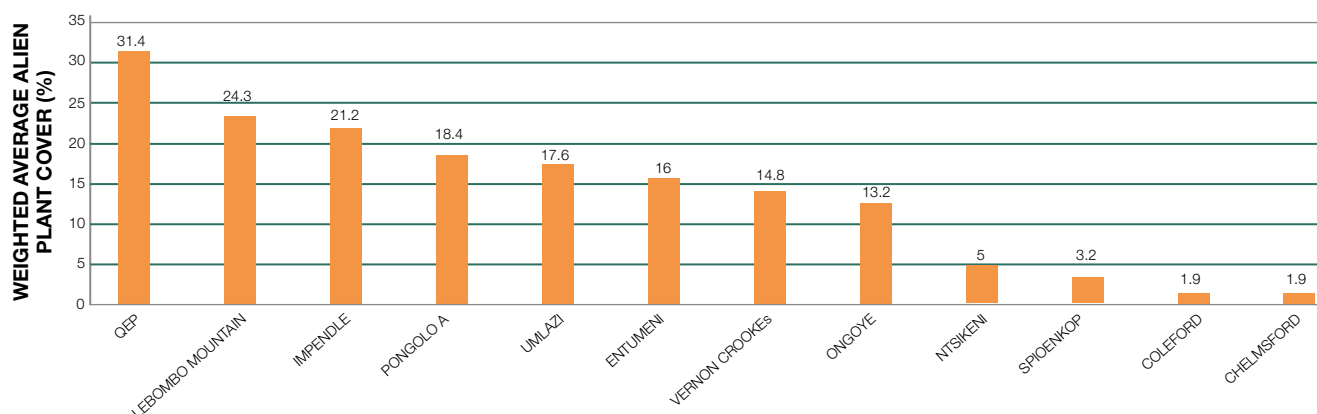


Figure 6: Estimated cover (weighted average cover % of all sampled AMUs) of alien plants in 12 Ezemvelo protected areas, 2019

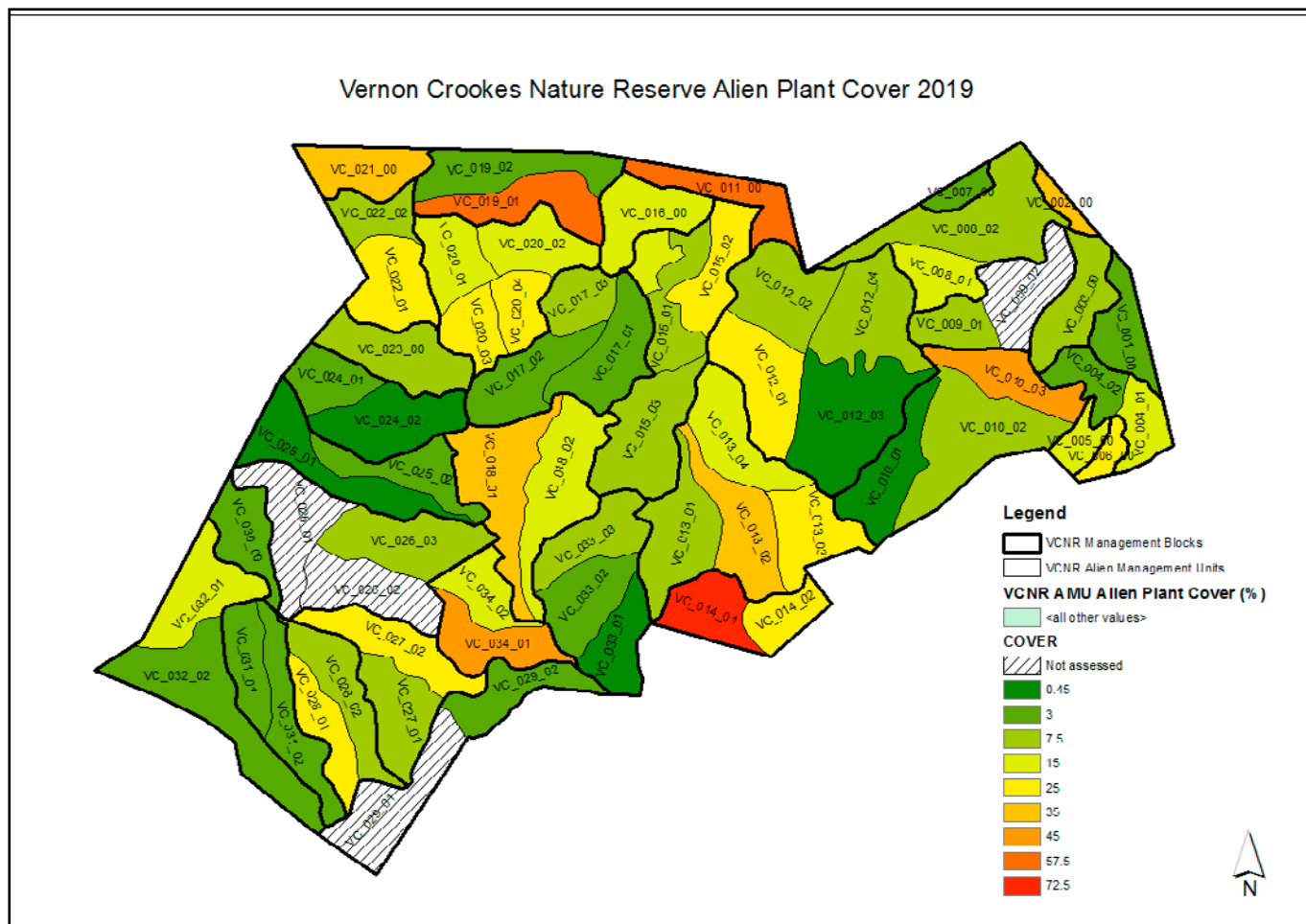


Figure 7: Combined alien plant cover (%) per Alien Management Unit for Vernon Crookes Nature Reserve, March 2019

CONSERVATION RESEARCH AND ASSESSMENT REVIEW 2018/2019

The 2018/2019 financial year has seen the final deployment of tracking units for African White-backed Vultures *Gyps africanus* in Zululand. Preliminary data suggests distinct movement patterns, which not only increases the biological understanding of this critically endangered species, but will also guide conservation action. This includes the appropriate placement of linear infrastructure, hotspots to focus environmental awareness and encouraging land-owners to implement vulture friendly management practices.

CHALLENGES 2018/2019

The critically endangered Blue Swallow *Hirundo atrocaerulea* continues to decline and without a dedicated fulltime monitor, our understanding of the population remains inconsistent. The monitoring required to implement appropriate conservation action is labour intensive and utilising volunteers has once again delivered sub-standard results.

DEVELOPMENTS FOR 2019/2020

To ensure positive conservation action, a thorough understanding of a species is required, and regular monitoring thereof is needed. During the course of 2019/2020, tracking units will be deployed on six adult Wattled Cranes *Bugeranus carunculatus* and a lead monitoring programme will be initiated to assess the status of lead within Cape Gyps *coprotheres* and White-backed Vulture populations.

DRONE PROGRAMME

In line with remaining a world leader in conservation, and embracing the Fourth Industrial Revolution technologies, the organisation has approved a drone programme. This aims to improve the monitoring of species populations and habitats and assist with management applications, law enforcement, monitoring infrastructure, tourism marketing, and search and rescue initiatives. The organisation is currently meeting all the legal requirements as stipulated by the South African Civil Aviation Authority regulations to obtain our Operators Certificate (ROC). This is a lengthy and stringent process. A drone task team has been set up to oversee the rollout of the programme. Recently a competition was held internally to name the new drone wing of the organisation and raise awareness among staff members about the programme.

2017 LAND COVER MAP

The latest land cover project based on 2017 conditions was completed by GeoTerraImage and is being used to inform conservation planning initiatives and reporting requirements. A significant improvement in satellite imagery and land cover mapping technologies has resulted in an excellent land cover map with a 97% mapping accuracy (Figure 1). This map represents the fourth land cover map that the organisation has produced, the other years being 2005, 2008 and 2011. The amount of natural habitat in the province has decreased from 65.8% in 1990 to 57.7% in 2017 (Figure 2). The leading cause of biodiversity loss

is due to habitat loss from agriculture, timber plantations, the built environment, mines, and dams. It is essential that the rate of habitat loss be slowed and where feasible brought to zero as per the International Aichi biodiversity agreements (Convention on Biological Diversity) that South Africa has signed.

REPORTS AND PUBLICATIONS

Jewitt, D. 2018. Vegetation type conservation targets, status and level of protection in KwaZulu-Natal in 2016. *Bothalia – African Biodiversity and Conservation* 48(1), a2294. <https://doi.org/10.4102/abc.v48i1.2294>.

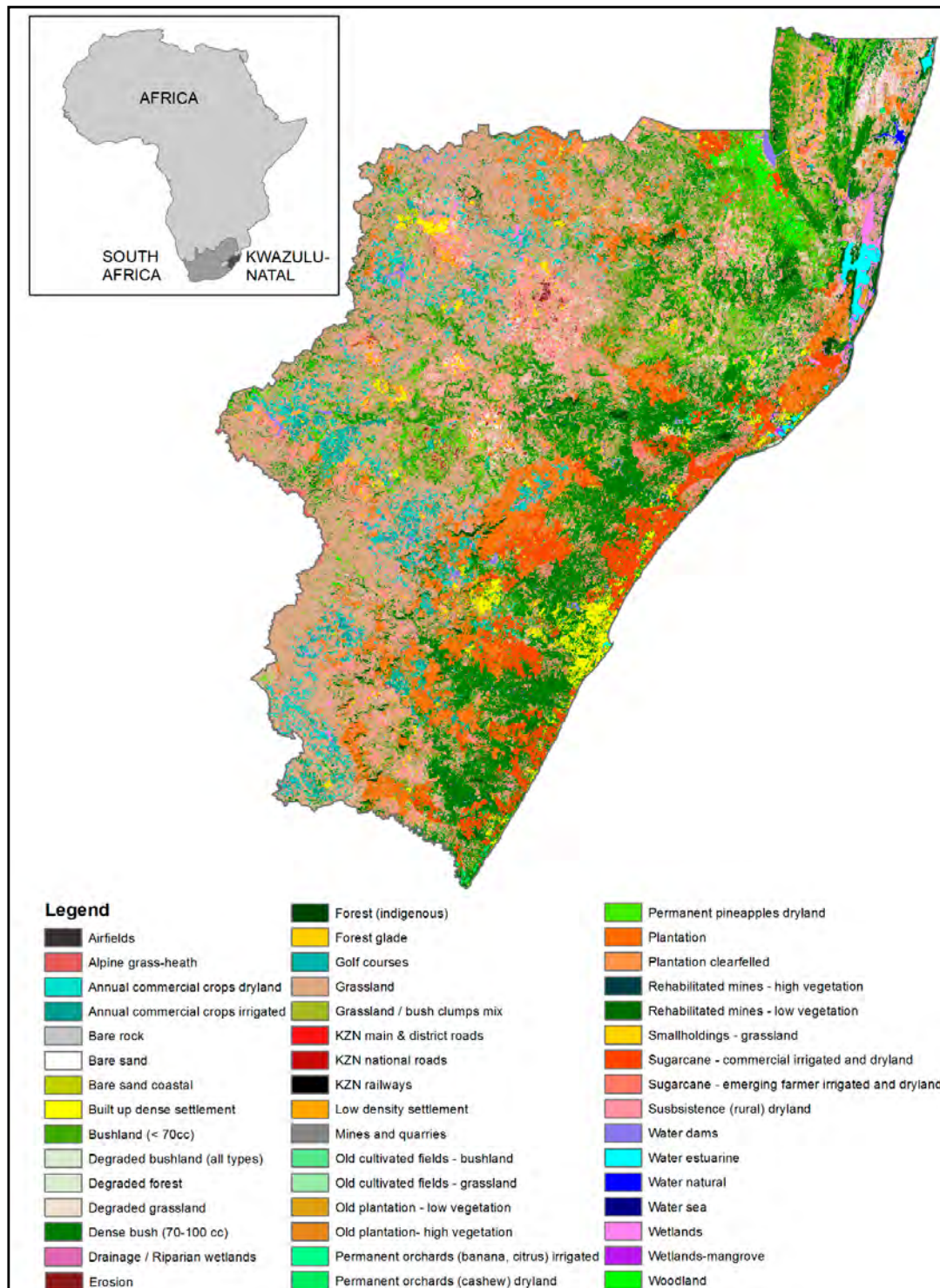


Figure 8. The 2017 land cover map of KwaZulu-Natal.

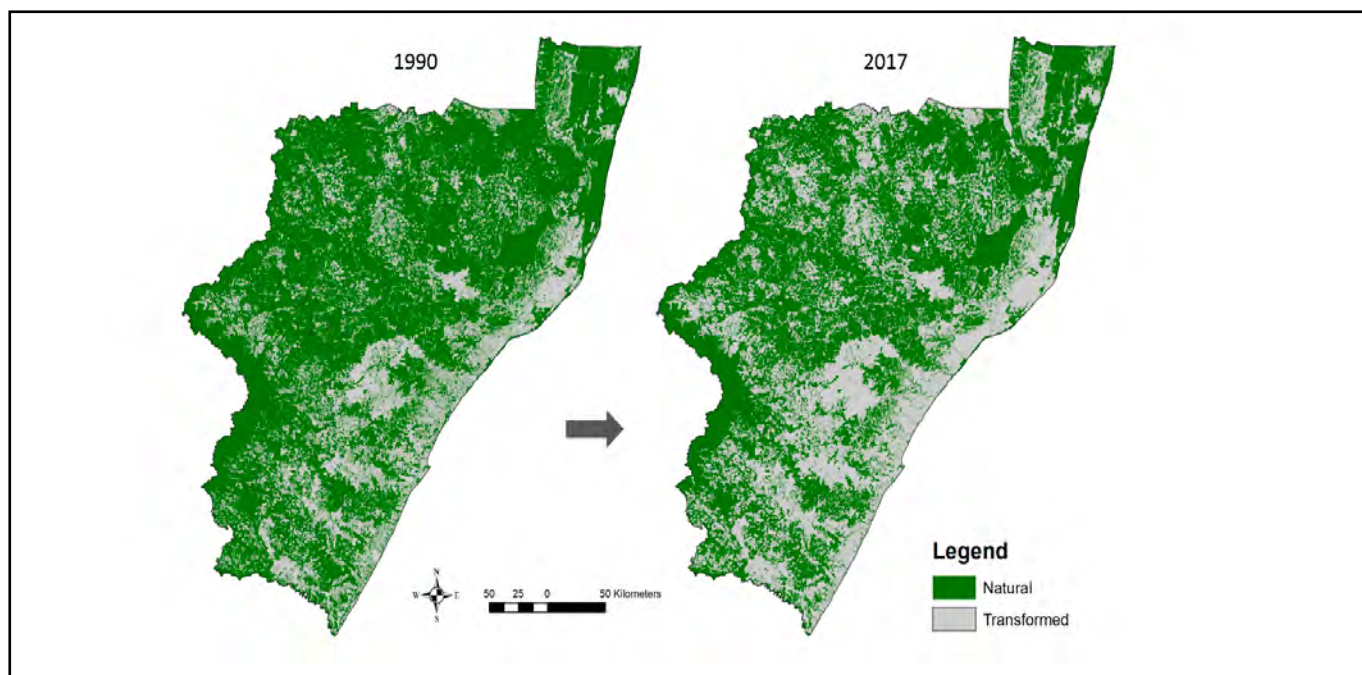


Figure 9: Accumulated Transformation in KwaZulu-Natal between 1990 (left) and 2017 (right), highlighting the loss of natural habitat in KwaZulu-Natal.

THE RISK OF CATTLE GRAZING IN NATURE RESERVES

This unit compiled a report on “Understanding community perceptions towards nature conservation and the existence of Weenen Nature Reserve” focusing on Thembelihle community that was split into two tribes, Mabaso and Izigqoza. The Research Team assisted the Ecowave newsletter and was required to contribute at least eight articles for the year of 2018/19. Research Team assisted in getting the drone programme together and was instructed to search for local drone companies that can be registered on the Ezemvelo database to enable the purchase of a drone for Ezemvelo.

CHALLENGES 2018/2019

More than half of the community refused to allow the Research Team to conduct door to door interviews, which forced the Research Team to look for an alternative. Focus group interviews involved selecting 20 people from each tribe.

Though they refused to have the interviews during the week and on Saturdays, they were only available on Sundays.

DEVELOPMENTS FOR 2019/2020

Mapping and creating a database of communities considered as adjacent to Ezemvelo KZN Wildlife protected areas.

The database will be circulated within the organisation, which will give information about the Protected Areas and communities that will be considered as neighbouring, to create better relations and be able to assess what work needs to be done to resolve any issues causing threat to biodiversity. This information will be fed into METT assessments by documenting socio-economic benefits from Ezemvelo PAs.

2018 AERIAL CRANE CENSUS - REVIEW

Once again, the annual crane survey, conducted in conjunction with the Endangered Wildlife Trust, revealed a positive trend in all three species of cranes. A total of 1295 Blue Cranes, 3132 Grey Crowned Cranes and 380 Wattled Cranes were sighted during the survey: the 380 Wattled Cranes sighted during the 2018 aerial survey is the highest recorded count for the species in the province since the aerial survey started, some 26 years ago. Of critical importance is that we were able to locate the main flock of non-breeding Wattled Cranes and therefore are confident this year's survey represented a close to true count of Wattled Cranes in KwaZulu-Natal. The trends for all crane species in the province are positive, with counts over the past 14 years showing stable and increasing populations of all three species. All 78 of the 78 known active Wattle Crane breeding sites had birds present, with two new nest sightings.

ECOTOURISM

INTRODUCTION

For the year under review, Ezemvelo has recorded an increase of 6.7% (equivalent to 44 209) in the total number of visitors to its resorts, compared with last year. This performance can mainly be attributed to an increase of 10.6% (equivalent to 55 613) in the number of day visitors, while overnight visitors have decreased by 8.6% (equivalent to 11 404), compared with the previous financial year. As a result, for the reporting period our unit accommodation occupancy rate has declined by 0.78 basis points, while the camping occupancy rate has slightly improved by 0.37 basis points, compared with last year.

KEY ACHIEVEMENTS

For the year under review, significant progress has been made in addressing a number of the challenges faced by the organisation. In no order of priority, the following key achievements can be noted:

- Successful rollout of a two-tier pricing structure across all our resorts. While ensuring fair pricing of our tourism products and services, the pricing model was based on visitors' country of origin (i.e. South Africans; SADC and international), including seasonal pricing adjustments based on the demand and supply of our products.
- Due to seasonality of our ecotourism business, promotional initiatives and yielding analysis continue to be undertaken to optimise and close possible revenue gaps.
- Our continuous collaboration with some of our local partners in the province has propelled our ecotourism products to markets that could have been difficult to reach. This is expected to yield even better financial results in future.
- Through the use of our recently developed Tourism Standards guidelines, various tourism softs, such as furniture, beds and linen, have been upgraded.
- The roofing upgrades (rethatching) of various accommodation units at selected resorts were completed,

and more will be rolled out next year.

- Eight new game drive vehicles were delivered to Hluhluwe Imfolozi Park, Ndumo, and Mkhuze resorts to replace old ones. This undertaking is expected to enhance visitors' experience, including new tourism product offerings to be explored by the organisation going forward.
- Funds have been secured and plans are in their final draft for the construction of an entry gate at Didima Resort and to repair and reopen the Mike's Pass road to guests.

ECOTOURISM PERFORMANCE

Emanating from our strategic objectives, ecotourism had three main aims, namely, to position Ezemvelo as a wildlife destination of choice; increase visitor numbers to Ezemvelo resorts; as well as optimise revenue generation. Although annual targets as set in the 2018/19 Annual Performance Plan (APP) could have been achieved, continuous budget cuts that are exacerbated by various unfavourable external factors beyond management's control, such as public protests around our protected areas, continue to harm our brand and future sales prospects, resulting in booking cancellations and unnecessary refunds to customers. The temporary closure of the Maphelane resort since 2017, and recently Giant's Castle, due to neighbouring communities' protests, are some of the cases that are harming our business. More performance information has been provided in this report to illustrate a complete picture of Ezemvelo's ecotourism performance.

VISITOR NUMBERS TO EZEMVELO RESORTS

For the period under review, the total number of visitors to Ezemvelo resorts was 701 005. This is 5.2% (equivalent to 34 405) better than the planned annual target of 666,600, and a 6.7% (equivalent to 44 209) improvement compared with last year, as illustrated by the figures and table below.

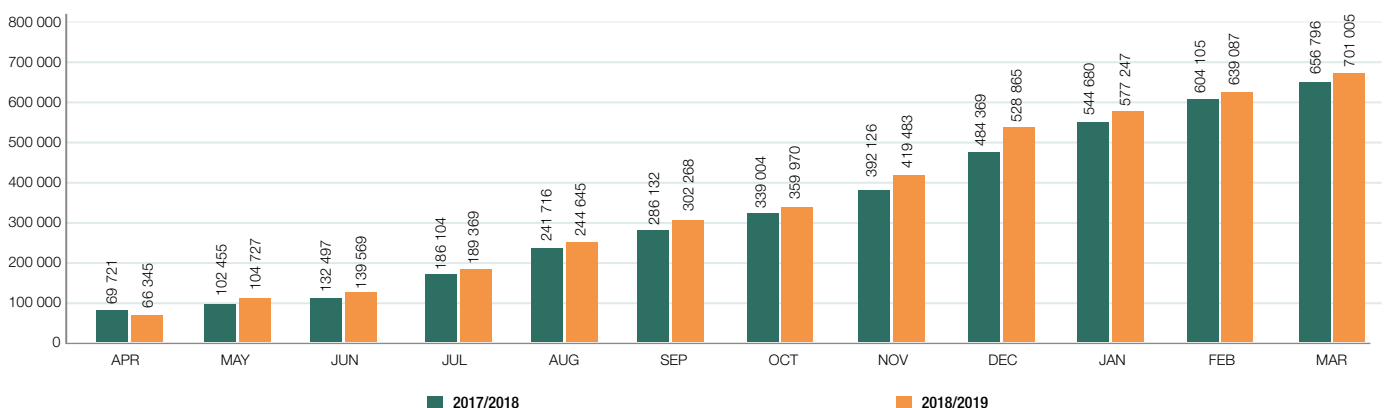


Figure 1: 2018/19 - Total Visitor Numbers

Resort	2017/18	2018/19	Variance	% YoYVariance
Hluhluwe iMfolozi	229 654	215 104	-14 550	-6,3%
Midmar	86 226	105 407	19 181	22,2%
Royal Natal	95 724	93 804	-1 920	-2,0%
uMlalazi	28 043	48 039	19 996	71,3%
St Lucia	19 630	47 205	27 575	140,5%
Chelmsford	28 627	32 259	3 632	12,7%
Monks Cowl	24 999	27 394	2 395	9,6%
Wagendrift	26 116	24 684	-1 432	-5,5%
Didima	20 333	20 436	103	0,5%
Giants Castle	15 215	14 813	-402	-2,6%
Cape Vidal	13 057	12 050	-1 007	-7,7%
Ithala	13 950	11 972	-1 978	-14,2%
Spioenkop	10 428	10 992	564	5,4%
Kosi Bay	11 969	9 505	-2 464	-20,6%
Injisuthi	6 208	5 580	-628	-10,1%
uMkhuze	6 251	5 116	-1 135	-18,2%
Weenen	3 876	4 085	209	5,4%
Oribi Gorge	4 308	3 426	-882	-20,5%
Lotheni	2 480	2 170	-310	-12,5%
Ndumo	2 352	2 146	-206	-8,8%
Sodwana Bay	2 120	2 132	12	0,6%
Kamberg	1 330	1 678	348	26,2%
Maphelane	3 900	1 008	-2 892	-74,2%
Grand Total	656 796	701 005	44 209	6,7%

Figure 2: Variance of Visitor Numbers during 2017/18 and 2018/19.

Although Hluhluwe iMfolozi, Midmar and Royal Natal remain popular within Ezemvelo resorts, those that showed significant increase in total visitor numbers compared with the same period last year were St Lucia, with a 140.5% increase to 47 205; uMlalazi, with a 71.3% increase to 48 039, while Kamberg and Midmar resorts had an increase of 26.2% to 1 678 and 22.2% to 105 407 respectively. The resorts with a significant decrease in this regard were Maphelane and Kosi Bay, with a decrease of 74.2% to 1 008, and 20.6% to 9 505 respectively.

While the South African tourist market has shown improvement in visitor numbers, the economy has remained depressed, resulting in a reduced disposable income for travelling. Added to this is that fuel prices between low and high seasons were increased by 22.4% to 22.9% for inland and the coast respectively.

DAY VISITORS

For the same reporting period, Ezemvelo had 580 360 day visitors to its resorts. This is an increase of 10.6% (equivalent to 55 613) when compared with the same period last year.

Again, Hluhluwe iMfolozi, Midmar and Royal Natal remained popular with day visitors, however, the resorts with the highest increase on day visitor numbers, compared with the same period last year, were St Lucia with a 182.5% increase to 46 633; uMlalazi with a 90.0% increase to 44 668, and Kamberg, with 47.4% to 1 157. The resorts with a significant decrease in this regard were Kosi Bay, with a 24.2% decrease to 7 616; Oribi Gorge with a 20.9% decrease to 2 413; and Ithala, with a 19.8% decrease to 6 597.

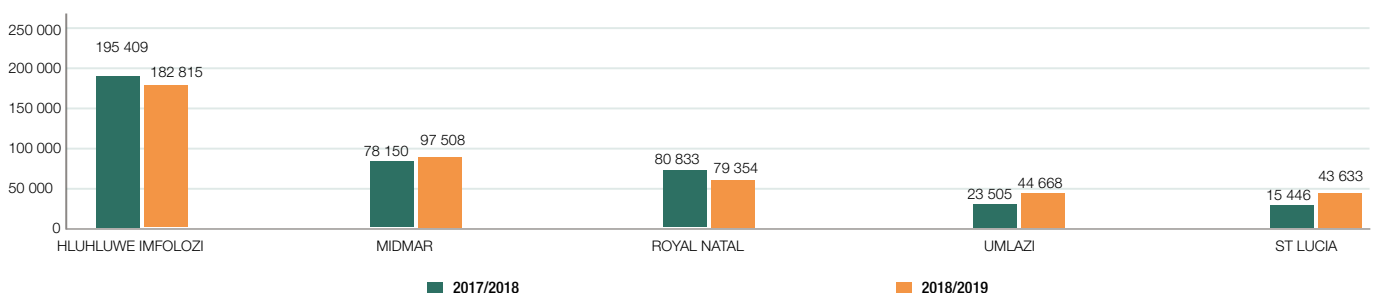


Figure 3: Top 5 Resort with Highest Day-Visitor Numbers

Please note that day visitor numbers exclude numbers from Sodwana Bay, Cape Vidal, and uMkhuze resorts, as these are accounted for by iSimangaliso Wetlands Park, which is a separate entity, even though Ezemvelo operates tourism facilities in the park.

OVERNIGHT VISITORS

For the period under review, the total number of overnight visitors to Ezemvelo resorts was 120 645. This is a decrease of 8.6% (equivalent to 11 404) compared with last year.

Although Hluhluwe iMfolozi, Royal Natal and Cape Vidal are popular when it comes to overnighting, the resort showing the biggest improvement in overnight visitors compared with the same period last year was Weenen, with a 34.3% increase to 1 836. The resorts with a significant decrease were Maphelane, with a 57.8% decrease to 1 008; uMlalazi with a 25.7% decrease to 3 371; and Oribi Gorge, with a 19.3% decrease to 1 013.



Figure 4: Top 5 Resorts with Highest Overnight Visitor Numbers

VISITORS BY COUNTRY OF ORIGIN

South Africans remain the majority of visitors, accounting for 75.8% (equivalent to 531 181) of the total visitors to Ezemvelo resorts for the period under review, while visi-

tors from SADC and other international countries accounted for 0.0% (equivalent to 305) and 24.2% (equivalent to 169 519) respectively, as illustrated by the figure below.

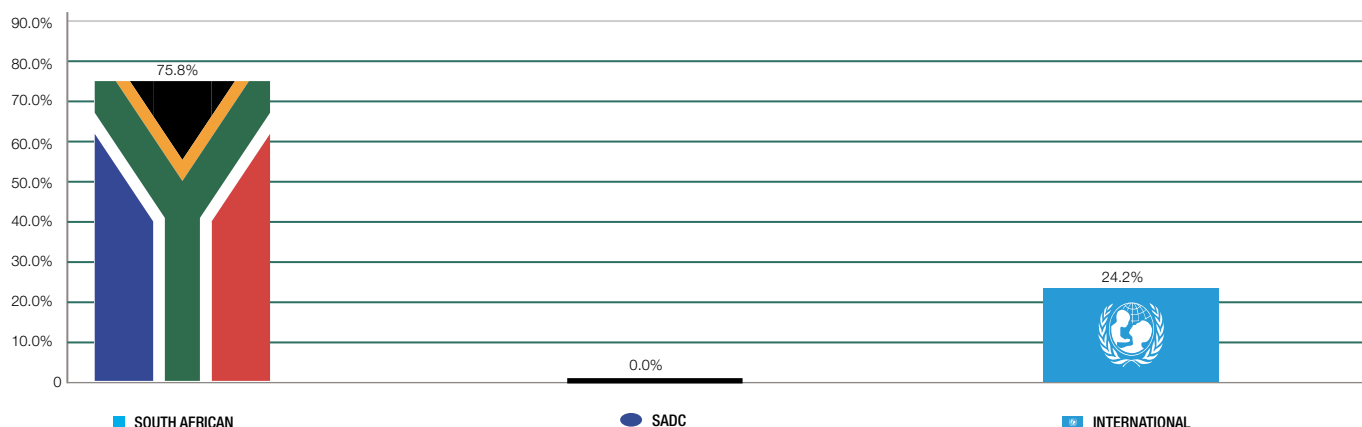


Figure 5: Visitors by Nationality

While the number of South African visitors to Ezemvelo resorts increased by 4.7% (equivalent to 23 621), visitors from international countries had a significant increase of 13.7% (equivalent to 20 662), and SADC visitors decreased by 19.5% (equivalent to 74), when compared with the previous financial year.

Of the top five international visitors, German citizens re-

main the highest with a total of 4 040, followed by the French (2 840), the Dutch (1 173), the Americans (1 142), and the British (1 047). However, it is worth mentioning that of the above-mentioned citizens, both the Americans and Germans had a significant increase of 49.1% (equivalent to 376) and 35.2% (equivalent to 1 051), while the British decreased by 12.9% (equivalent to 155), compared with the previous year, as illustrated below.



Figure 6: Top 5 Foreign National Visitors

This performance can mainly be attributed to the favourable exchange rate of our Rand currency (ZAR) against major international currencies, such as the US Dollar; British Pound, and Euro, hence enabling cheaper tourism travel for foreign markets into South Africa. As such, for the reporting period, the Rand has weakened by an average of 19.1% (from R11.85 to R14.12) against the US Dollar; 10.2% (from R16.95 to R18.68) against the British Pound; and 8.9% (from R16.95 to R18.46) against the Euro.

ACCOMMODATION OCCUPANCIES AT EZEMVELO RESORTS

Although there was a slow economic recovery in the tour-

ism industry, particularly at the macro-economic level, Ezemvelo performance in terms of its tourism occupancy levels, has remained under pressure compared with the rest of the tourism market.

UNIT OCCUPANCY

For the period under review, Ezemvelo's average unit accommodation occupancy rate was 43.9%. This is 3.1 basis points less than the planned annual unit occupancy target of 47.0%, and a 0.78 basis points decline when compared with the same period last year.

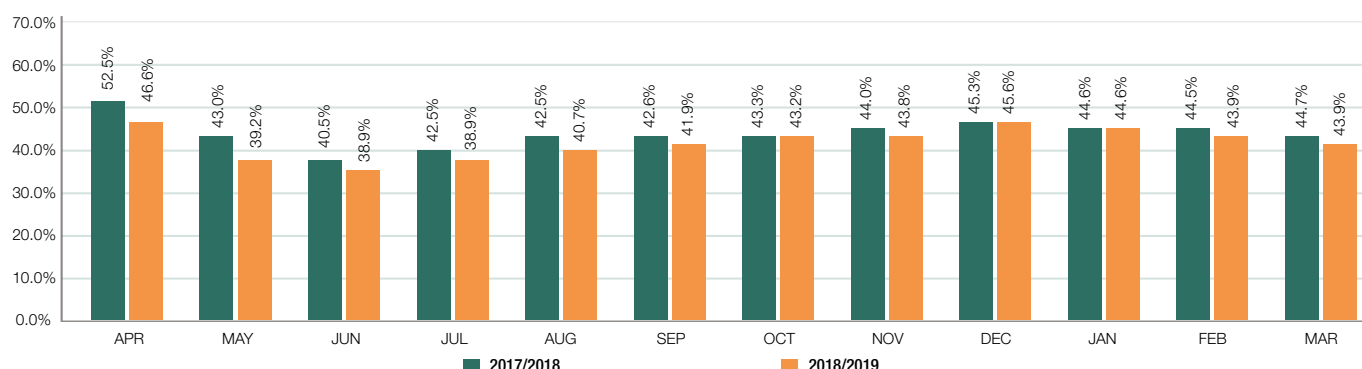


Figure 7: Unit Occupancy

RESORTS	2017/18	2018/19	UNIT NIGHT VARIANCE	VARIANCE POINTS
Hluhluwe iMfolozi	71,7%	73,6%	-2 254	1,8
Weenen	55,1%	67,8%	39	12,7
Royal Natal	63,8%	59,4%	-396	-4,3
Kosi Bay	49,5%	48,7%	-9	-0,8
Cape Vidal	49,2%	48,5%	-679	-0,7
uMkhuze	51,0%	45,0%	-1 272	-6,0
Chelmsford	31,1%	42,3%	305	11,2
Giants Castle	43,9%	39,5%	-711	-4,4
Ndumo	47,1%	39,2%	-347	-7,9

RESORTS	2017/18	2018/19	UNIT NIGHT VARIANCE	VARIANCE POINTS
Midmar	33,8%	36,9%	-708	3,1
Injisuthi	38,1%	35,0%	-223	-3,1
uMlalazi	32,8%	34,8%	50	2,0
Maphelane	34,0%	33,8%	-666	-0,1
Sodwana Bay	28,9%	31,7%	153	2,7
Didima	35,5%	30,1%	-2 790	-5,4
Oribi Gorge	35,1%	27,2%	-207	-7,9
Lotheni	28,1%	24,8%	-184	-3,3
Ithala	22,4%	21,9%	-1 286	-0,5
Kamberg	30,0%	21,4%	-188	-8,6
Wagendrift	17,5%	16,4%	-4	-1,1
ACCOMMODATION	44,7%	43,9%	-11 377	-0,8

Figure 8: Variance of Visitors during 2017/2018

Although Hluhluwe iMfolozi (73.6%), Weenen (67.8%) and Royal Natal (59.4%) had relatively higher occupancies than other resorts, Weenen (67.8%) and Chelmsford (42.3%) showed improved unit occupancies when compared with the previous financial year, with growth of 12.7 and 11.2 basis points respectively.

Despite the poor state of our ageing tourism facilities, which continue to make it difficult to sell our ecotourism products, while competition continues to intensify its growth of the market-share, our occupancy levels remained stable at

most resorts, mainly due to positive performance resulting from Easter, the festive season, and school holidays.

CAMPING OCCUPANCY

For the period under review, Ezemvelo's average camping accommodation occupancy improved by 0.3 basis points to 15.4% when compared with the same period last year. This performance can mainly be attributed to better rain-falls recently, which improved the beautiful scenery of our resorts' landscapes, including dam levels, particularly during the summer and festive seasons.

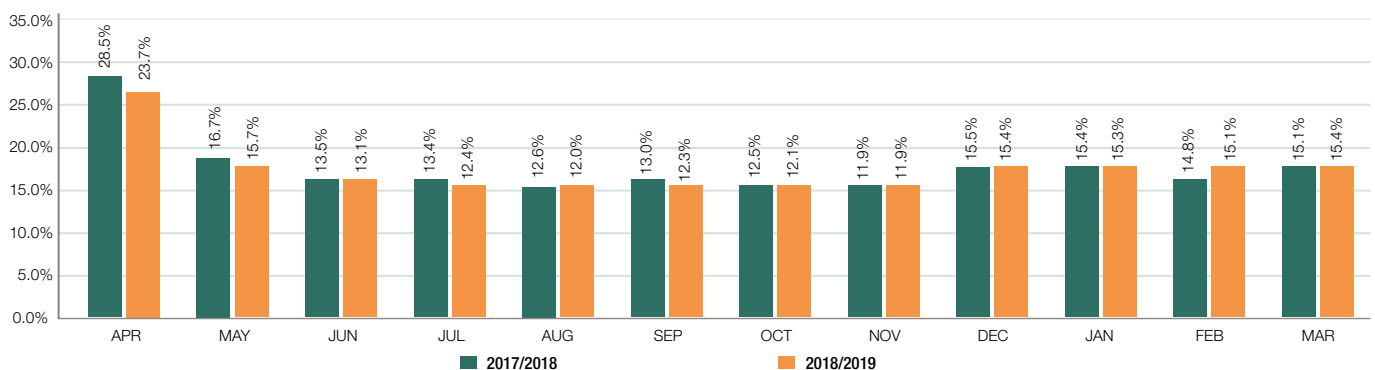


Figure 9: Camping Occupancy

Camping at Cape Vidal, Kosi Bay, and Royal Natal remains popular, with relatively higher occupancies than other resorts. However, it is worth noting that the resorts with the largest increase in camping bookings were Midmar at 7.7% (increase of 3.4), Spioenkop at 15.6% (increase of 3.2) and Ndumo at 21.4% (increase of 2.4), while the resorts with the biggest decrease were Wagendrift at 12.0% (decrease of 4.5); Maphelane at 9.8% (decrease of 3.6) and uMlalazi at 9.9% (decrease of 3.3).

SALES AND MARKETING

The South African ecotourism industry remains one of the most competitive and constantly evolving businesses. We are competing with other African countries offering similar safari experiences, and other provinces in the country, while customers are constantly looking for new adventures at an affordable price. Rivals are constantly seeking every opportunity to increase their market share. This has elevated our sales and marketing initiatives to form an integral part of Ezemvelo's business model for sustainability.

SALES AND MARKETING STRATEGY

Ezemvelo has developed an integrated five Year Sales and Marketing Strategy to position its products and services, and established four goals, namely:

- To improve the number of visitors to Ezemvelo resorts;
 - To improve both unit and camping accommodation occupancies;
 - To maximise revenue generation; and
 - To improve the Ezemvelo KZN Wildlife brand.
- Although not only limited to the above, the strategy has set three fundamental goals over the next five years (2016-2021), namely:
- Improve the number of visitors to Ezemvelo Resorts = 14% growth
 - Improve occupancy = 13% growth (both unit and camping)

- Revenue generation through ecotourism operations = R1 billion
- Despite many ecotourism infrastructure and human capital challenges, the strategy is expected to improve our revenue position over time.

CUSTOMER FEEDBACK SYSTEM

For the year under review, the average Ezemvelo Customer Satisfaction Index (CSI) was 76.7%. Areas which received higher ratings were reception at camp (82.1%); making a booking (81.7%); admission at parks' gates (81.3%); and nature experience (81.0%), while the areas with the lowest ratings were shopping experience (56.8%); and dining experience (69.2%).

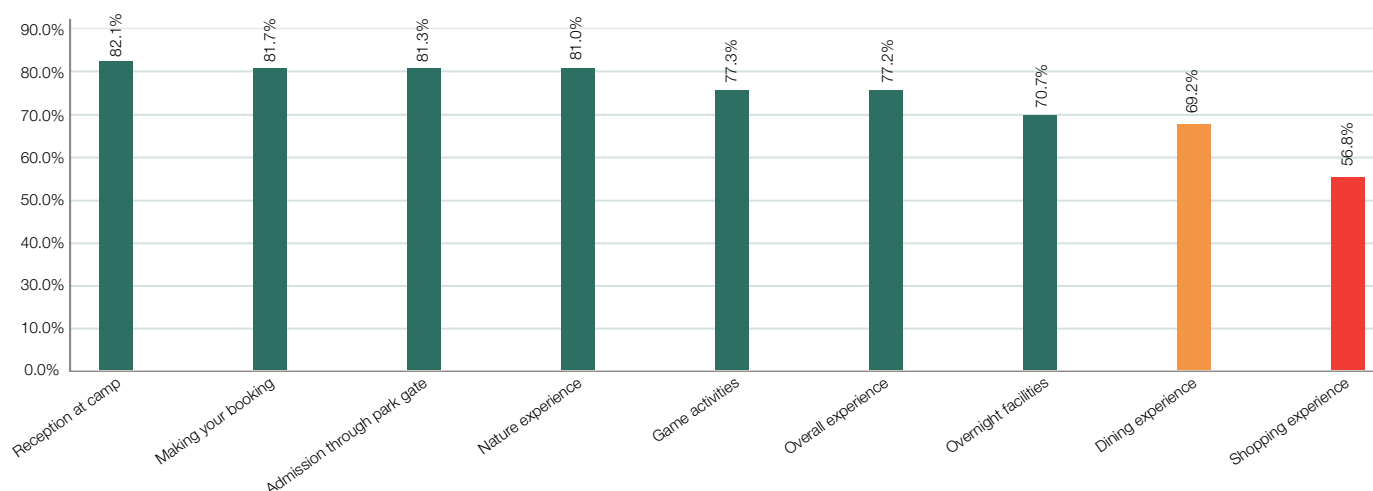


Figure 10: Customer Satisfaction Index - 2018/19

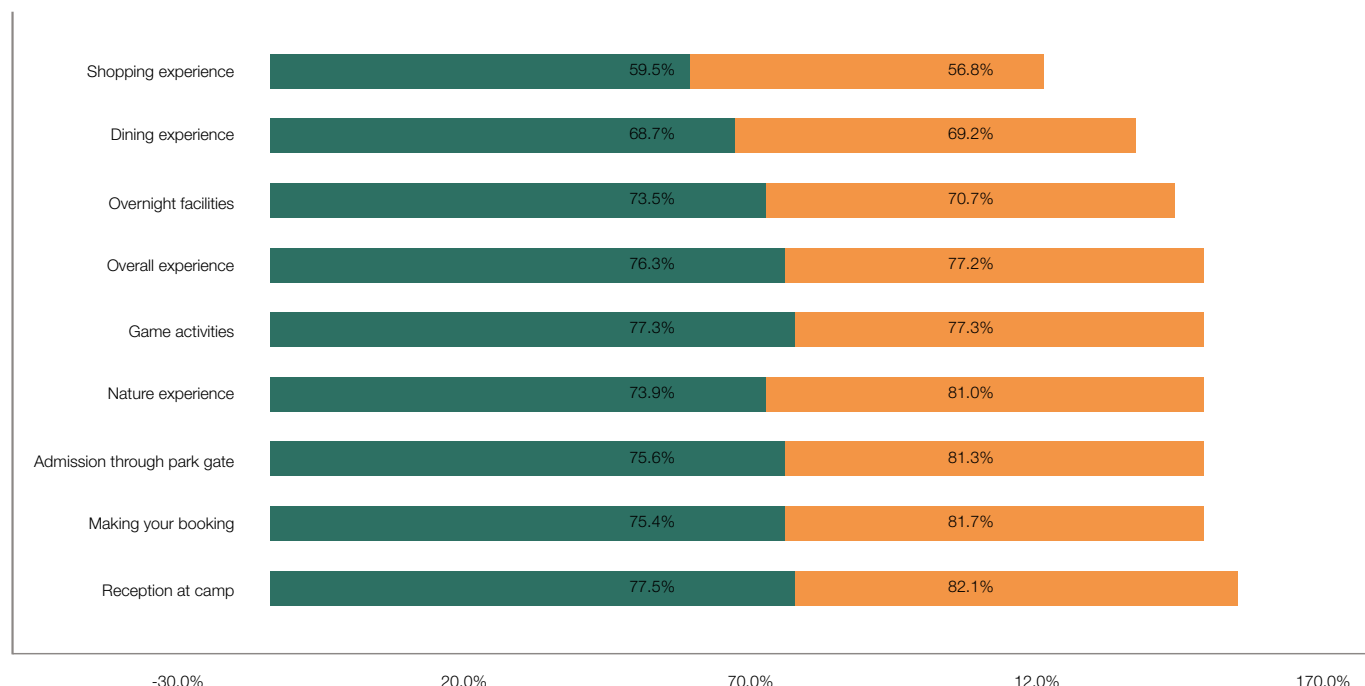


Figure 11: Customer Satisfaction Year-on-Year

Performance in all areas receiving lower ratings can mainly be attributed to our ageing infrastructure, with roofing in some of our flagship resorts such as Hluhluwe iMfolozi requiring extensive maintenance to avert cancellations and unnecessary refunds. These challenges are exacerbated by budget cuts and a Treasury moratorium preventing the organisation from filling critical vacancies.

GRADING OF TOURISM FACILITIES AND STANDARDS

GRADING OF TOURISM FACILITIES

As no additional resorts were graded for the year under review, due to financial constraints, the focus therefore was to repeat grading at resorts already graded, to retain their 3-star gradings, while carrying out maintenance improvements on those needing urgent attention.

The resorts regraded for the year under review: Giant's Castle, Mahai and Thendele (Royal Natal Park), Hilltop bush lodges (at Hluhluwe iMfolozi), uMlalazi, Ndumo and Mpila and Nselweni (at Hluhluwe iMfolozi).

While it is the organisation's long-term goal to have all of Ezemvelo's tourism facilities, including camping, graded up to 3-star level, the medium-term focus is to complete the grading process on those facilities which are ready to be rated, considering our financial constraints.

OUTLOOK FOR 2019/20 ECOTOURISM PERFORMANCE

Our recent budget cuts, as well as rising inflation and tax rates, have necessitated a relook into both our business model and the operations of our resorts into the future. Although these will be ongoing undertakings, they will be monitored and modified as the year progresses, based on individual performance of each resort and availability of funds. It is envisaged that the recent announcement by both ministers of Home Affairs and Tourism about plans to ease visa and entry requirements will also enhance Ezemvelo ecotourism visitor numbers and revenue position.

TOURISM INFRASTRUCTURAL UPGRADE

Through the funding received from the National Department of Tourism, plans have been put in place to upgrade and renovate some of our facilities. This will include modernisation of the Midmar chalets, and new and more durable roofing at Didima, Royal Natal, Hluhluwe iMfolozi (including bush lodges), and Mantuma.

UNITY SALES AND MARKETING STRATEGY

Ezemvelo's website has been redesigned to be more cus-

tomers focused, while efforts to intensify our social media strategy are also under way. Furthermore, in relation to the National Tourism Strategy, Ezemvelo will increase its marketing efforts to enter into the Asian market, particularly the Chinese market.

PRICING STRATEGY

An internal ecotourism tariffs committee has revised its single-tier to two-tier pricing model to be implemented in all resorts, after more due diligence exercises to ensure fair pricing. This is expected to improve our revenue generation. While the main focus will be based on the origin of visitors (i.e. RSA; SADC and international), seasonal pricing will also be considered based on the demand and supply of the product, to improve yielding.

TRAVEL TRADE POLICY UNITS

In an effort to ensure Ezemvelo remains responsive to the needs of our trade market, the organisation is reviewing its recently launched Travel Trade Policy, after extensive consultative and a benchmarking process with other key stakeholders. This policy is meant to regulate all transactions between the organisation and tour operators, while deriving mutual benefits for both parties. While the policy will further optimise mechanisms for our ecotourism revenue generation, it is also expected to allow new entrants, particularly the SMMEs, into the travel trade business, thereby contributing to local development in the ecotourism sector and economic transformation. The policy will be republished in the next financial year.

FACILITIES STAR GRADING

While continuing with the process of grading some of the identified tourism facilities, next year's focus will emphasise modernisation of our facilities according to recent criteria published by the Grading Council of South Africa (GCSA), and compliance with universal access to our accommodation for people with disabilities.

INTEGRATION OF TOURISM BOOKING AND INVENTORY MANAGEMENT SYSTEM

To optimise our ecotourism operations, a cloud-based integrated booking and inventory management system was piloted at selected resorts. Although this has proven to be impractical in some remote resorts, alternative solutions are being sought to widen our points of sales for unit and campsite bookings. Although cloud-based hosting of the Central Reservation system has challenges during power-failure, efforts are being put in place to minimise operational down-time in this regard. Furthermore, the recruitment of more call-centre agents is being given extra priority.

PROJECTS AND PARTNERSHIPS

PROJECT STATUS

PARTNERSHIPS PROJECTS MANAGEMENT UNITS PROJECTS						
PROJECT NAME	PROJECT TYPE	PROJECT ACTIVITIES	NO OF JOB OPPORTUNITIES	TOTAL COST OF INVESTMENT	EXPENDITURE TO DATE	STATUS
Ndumo Lodge Upgrade	Infrastructure	Construction of 5 new chalets, and renovations of the existing chalets, construction of the campsite ab-lution, Renovation of the viewing deck within the Ndumo Nature Reserve	63	R 6 240 000	R 6 387 140.65	The project was successfully completed
Ingodini Border Caves	Infrastructure	Construction of vehicular entrance, campsite ablutions with a kitchen, viewing deck, renovations to Information Centre and pathways to the caves	45	R 7 189 500.00	R 5 352 606.95	The project is at the finishing stages, it is anticipated that it will be completed by end of the second quarter of the 2019/20 financial year
Busingatha Lodge Project	Infrastructure	Construction of the gate house and vehicular entrance, construction of manager's house, six sleeper x 2 units and 4 sleeper, construction of dining hall, and a boma, and erect perimeter fencing	131	R 15 500 000.00	R 8 180 438.02	The project is progressing well and it is anticipated that it will be completed by end of the second quarter of the 2019/20 financial year
KZN Ongoye Forest Development Project	Infrastructure	Construction of entrance gate, construction of chalets, construction of interpretive facility, construction of a restaurant, erect entrance gate on the boundary, road maintenance and erect signage	113	R15 144 500.00	R 6 881 368.51	The project is progressing very well and it is anticipated that it will be completed by end of the third quarter of the 2019/20 financial year

PARTNERSHIPS PROJECTS MANAGEMENT UNITS PROJECTS						
PROJECT NAME	PROJECT TYPE	PROJECT ACTIVITIES	NO OF JOB OPPORTUNITIES	TOTAL COST OF INVESTMENT	EXPENDITURE TO DATE	STATUS
Environmental Monitors	Environmental Mass Employment	Is a youth employment initiative, it involves the introduction of environmental monitors to deal with environmental threats in protected areas, including rhino-poaching nationally: through this programme, during the period of the 2016/19 financial years, 422 young people were employed to strengthen the fight against rhino poaching and other environmental challenges.	422	Monthly reimbursement (Average R 1 200 000 pm)	R 15 000 000.00 for 2018/19 only.	The programme was successfully completed 31st of March 2019. The EMs planted 2000 indigenous trees in KZN. The programme contributed hugely in the fight against rhino poaching in our Protected Areas. They also were involved in alien plant control and monitoring of biodiversity. 60 EMs were trained in both armed and unarmed field law enforcement.
KZN-Youth Environmental Services Project	Training	To recruit 272 participants aged 18-35 over a period of two years (136 per year) to participate in Youth Environmental activities: Environmental Community Service, skills and personal development as well as placement in employment opportunities inclusive of formal employment, further training and self-employment	257	R20,000 000.00	R10 561 125.18	The project is progressing well. Participants received functional training and did skills programme in plumbing, table attendance and house-keeping. Ezemvelo KZN Wildlife employed 89 participants into work opportunities and one participant is under the internship programme at uMsunduzi Local Municipality.
Rehabilitation of Cathedral Peak Access Road	Road Rehabilitation	Stabilising existing sub-base and importing new base material and resurfacing.	23 local labourers (14 males, 9 females). Contractors skilled and permanent staff is 22	R19 331 688.49	R17 243 022.33	The project is 95% complete based on the original scope of work: the contractor has been instructed to carry out an additional scope in the slip area and the road to Didima Camp as there were savings on the project.

PARTNERSHIPS PROJECTS MANAGEMENT UNITS PROJECTS						
PROJECT NAME	PROJECT TYPE	PROJECT ACTIVITIES	NO OF JOB OPPORTUNITIES	TOTAL COST OF INVESTMENT	EXPENDITURE TO DATE	STATUS
S'fundimvelo Environmental Education Programme	Environmental Education	<p>Building consciousness among learners and teachers of the importance of Southern Africa's biodiversity as well as the cultural and historical significance and the economic and other benefits of conserving the natural heritage.</p> <p>Creating awareness of endangered species and the importance of the preservation of the species and their habitats.</p>	N/A	R291 177	R291 177	There is a noticeable difference in greening of school grounds and gardens: the attitude towards the environment in both learners and educators has changed significantly. A total number of 127 schools, 330 educators and 8000 learners were covered throughout the province. The importance of biodiversity conservation was taught and a number of environmental issues such as climate change and global warming, poaching, drought and hydraulic fracking were covered.
Thatching at Didima Conference Centre, Masinda Lodge, Mtwazi Lodge & Munywaneni Bush Lodge	Thatching	3 Year thatch project.	N/A	R 2 287 120,31	R 2 229 340,12	Project has been successfully completed.

PARTNERSHIPS PROJECTS MANAGEMENT UNITS PROJECTS						
PROJECT NAME	PROJECT TYPE	PROJECT ACTIVITIES	NO OF JOB OPPORTUNITIES	TOTAL COST OF INVESTMENT	EXPENDITURE TO DATE	STATUS
Invasive Alien Species Programme	Alien Plant Clearing	Clearing of Invasive Alien Species inside EKZNW Protected Areas and Selected Buffer Zones	2357	R 35 000 000.00	R 35 970 164.60	The year under review has seen great improvement in the programme's performance compared with the previous two financial years. After receiving the first tranche payment in July plans were made to implement the projects as soon as possible. Some were able to start as early as end of July. Delays were experienced in the Hluhluwe-Imfolozi Park (HlIP) and Ithala projects' implementation as issues of team field guides had to be resolved. Eventually after some of the issues had been ironed out, team were able to start clearing. The programme has achieved and exceeded all targets set for the 2018/2019 financial year. The main programme has achieved a total expenditure of R 35 970 164.60. The total person days achieved in the 2018/2019 financial year in the main project (139340) were more than the planned person days (100646). Of the total person days 34257 were training person days. Total hectares completed are 108424.82, of the total 107281 is follow-up and 892.10 is initial hectares. A total of 2357 people were employed in the programme in 10 district municipalities, in the year under review.
Parthenium Project	Parthenium Clearing	Clearing of Parthenium on access routes, buffer zones and inside protected areas	149	R 5,000,000.00	R 5460 908.45	A total of R 5 460 908.45 was spent on the parthenium project. For the parthenium project 22529 person days, 10132.96 hectares were completed and a total of 149 people have been employed.

COMMUNITY LEVY PROJECTS

PARTNERSHIPS PROJECTS MANAGEMENT UNITS PROJECTS						
PROJECT NAME	PROJECT TYPE	PROJECT ACTIVITIES	NO OF JOB OPPORTUNITIES	TOTAL COST OF INVESTMENT	EXPENDITURE TO DATE	STATUS
1	Sigcinamasiko Early Childhood Development Centre	Construction of a fully furnished Early Childhood Development Centre and erection of the fence	Khambi Traditional Council under Abaqulusi Local Municipality.	R779 469.00	The construction of crèche complete. Furniture for both learners and educators has been delivered to site. Built in cupboards have been installed. Fencing of the site complete.	Khambi Traditional Council, Mbhudula Community Trust, Department of Social Development, and Abaqulusi Local Municipality
2.	Siphumelele Sewing Project	Construction of a warehouse, purchasing of sewing machinery, furniture and furnishings.	Nxamalala Traditional Council in Ward 1: Impendle Local Municipality	R576 307.00	The construction of a warehouse is complete and in use. Sewing machinery purchased and delivered. Furniture delivered and built in cupboards installed. The project beneficiaries have undergone skills transfer training, to equip them with skills that are functional, and will encourage entrepreneurial endeavours.	Nxamalala Traditional Council, Impendle Traditional Council and Department of Education.
3	Masters Sewing Project	Construction of a warehouse, purchasing of machinery, furniture and furnishings and erection of the fence	Ogagwini Traditional Council in Ward 20 under Umlalazi Local Municipality	R364 299.99	The project is complete and was handed over to the beneficiary community on 28 March 2019.	DETEA, SEDA, Umlalazi Municipality, Rural Development and Ogagwini Traditional Council

LEGAL UNIT

OVERVIEW OF 2018/2019

During the year under review the Legal Office assisted the organisation by drafting and / or reviewing 44 contracts of various sorts. Presently there are 21 active litigation matters of which three were instituted by the Organisation in protection of its rights. All labour litigation is now being dealt with by the Office.

Challenges and Developments

- The Acting Legal Officer was appointed as Senior Legal Advisor on a two year contract. This expires in January 2020.
- The Legal Office has largely dealt with its historical backlog.
- A second legal advisor was appointed as from January 2019 on a three year contract and provides valuable capacity.
- The Legal Office has been tasked with taking over all HR / ER legal matters and handles court litigation. Assistance is given to the ER Department in CCMA matters as and when required and the Office has also assisted in the prosecution of complex internal disciplinary matters.
- The Office usual acts as the appeal authority for internal disciplinary matters and decided four appeals in the period.
- The Office has also increased its involvement in drafting of contracts and the appointment of the second legal advisor has allowed it to take up the extra work in terms of drafting and also labour, CCMA and disciplinary matters.
- Of the current litigation matters, eight have not proceeded since the last report, which indicates that the Plaintiffs / Applicants have abandoned their claims, and this is taken as a positive.
- Persistent matters of Cathedral Peak Road and a number of labour disputes are largely resolved and should be finalised in 2019.
- Budget constraints coupled with increases in poaching

and other pressures on protected areas are having a knock-on impact in the Legal Office.

- The development of an IT based contract management system appears to have stalled.
- Progress in the promulgation of the new KwaZulu-Natal Nature Conservation Bill has stalled but it is not within the Legal Office's mandate to do anything other than provide assistance.
- The Legal Office is collaborating with field staff engaged in anti-poaching activities to increase the effectiveness of investigations and prosecutions.
- The Legal Office has been involved in criminal proceedings against poachers.
- The Legal Office continues to provide a wide range of advice and assistance to Ezemvelo KZN Wildlife and its staff.
- The Legal Office advises both the Bid Evaluation and the Bid Adjudication Committees and it is hoped that this assistance will improve efficiencies.
- The advertisement for a new panel of attorneys has not been published and is on the SCM procurement plan.

OUTLOOK FOR 2019 / 2020

- The expiring contract of the Senior Legal Advisor has not yet been resolved.
- We will be advertising for a new panel of attorneys.
- The resolution of long standing litigation matters has been prioritised and the avoidance of future litigation and litigation costs is also a priority where this can be achieved without compromising the organisation.
- The Legal Office will also concentrate on improved efficiencies and delivery times so as to enhance the service offered to the organisation.
- A contracts manager will be appointed and the processing and management of contracts should become better, reducing exposure to irregular expenditure. This will also ensure that the preparation and review of contracts is more thorough.
- It is a goal of the Office for the period to improve service delivery in resolving labour disputes and ensuring a better quality of contracting.

HUMAN RESOURCES

INTRODUCTION

The Ezemvelo human resources division is made up of various units, which focus on specific aspects of human resource management. These include Organisational Development and performance management, HR Administration, HR Development, Employee Wellness, Talent Management and Employment Relations, and have been reported on separately.

HR POLICIES AND PROCEDURES

The Human Resources division has a total of 59 policies and had a target of 10 policies to be reviewed during the 2018/2019 financial year. However, more than 20 policies and procedures were reviewed, of which a total of 15, including Standard Operating Procedures (SOP), were approved. During the review process some of the policies were consolidated into one policy to ensure proper alignment. It was therefore imperative that approved policies be communicated to employees, hence workshops were conducted.

HR POLICY AND INDUCTION WORKSHOPS

The HR Policy and Induction workshops were conducted as an initiative to educate employees on HR policies and procedures. The main aim was to induct staff into the organisation, focusing on its values, its various components, and what each department does and its value-add. This project was successful and well attended. The project started on 4th February 2019 and was completed on 1st April 2019. These workshops took about 25 days at different venues. A total of 1067 employees of all levels attended and were represented. These were very interactive sessions and employees appreciated them. The following policies were presented: Code of Ethics, Disciplinary Code

& Procedures, Grievance Procedures, Leave Management policy, Incapacity Management policy, Transfer policy, Succession Management policy. The workshops are planned to take place at least once a year.

CONSERVATION GRADUATE DEVELOPMENT PROGRAMME

For the first time in history, the organisation initiated and implemented the Graduate Development programme for conservation graduates. It was implemented in the last quarter of 2018/2019 and marked a major milestone, not only for the Human Resource division but for the organisation at large. The graduates will be placed as trainees and exposed to various aspects of biodiversity conservation management, acquiring knowledge, skills and attributes of specific positions to contribute to their career growth. This programme will run over a period of two years, after which, trainees have the opportunity to apply for vacant positions relevant to their exposure. The training programme has been developed and mentors appointed accordingly. Formal assessments will also be conducted, and progress monitored. The programme will incorporate both on-the-job training and classroom training. During the development process, operations management was involved.

HUMAN RESOURCES ADMINISTRATION

Human Resources Administration deals with payroll management, payroll creditors, leave management, medical aid, union membership, and pension/provident funds.

EZEMVELO CURRENT DEMOGRAPHICS

The current demographics of Ezemvelo's permanent staff for financial year 2018/2019 are depicted as follows:

	[F] Female					[M] Male					
Occupational Level	Asian	Black	Coloured	White	TOTAL	Asian	Black	Coloured	White	TOTAL	Grand Total
Top Management	0	0	0	0	0	0	1	0	0	1	1
Senior Management	0	4	0	0	4	2	9	0	1	12	16
Professionally Skilled	4	41	2	16	63	6	72	2	37	117	180
Skilled	6	51	1	17	75	4	74	2	15	95	170
Semi-Skilled	18	254	7	10	289	6	919	2	1	928	1217
Unskilled	0	240	0	0	240	0	423	0	0	423	663
TOTAL	28	590	10	43	671	18	1498	6	54	1576	2247

Figure 1: Current Demographics

TOTAL ENGAGEMENTS AND EXITS

A total of 103 permanent employees were engaged during this financial year, of whom 63 were field rangers. There was a loss of various skills to a total of 119 employees who exited between April 2018 and March 2019: of these, 60 left due to retirement, 26 died, 18 resigned and 15 were dismissed.

ANNUAL COST OF LIVING

The annual cost of living adjustments were implemented for the A to D band employees according to the agreement signed at the Public Service Bargaining Service Chamber. The increase percentages were as follows:

A1 to C2 - 7%

C3 to D2 - 6.5%

D3 to D4 - 6%

The Department of Public Service and Administration (DPSA) has determined the cost of living increase for Senior Management Service for the financial year 2018/2019 at 6 % for levels 13 and 5.5% for levels 14 to 16.

RETIREMENT FUNDS

Road-shows were carried out for retirement funds and funeral benefits, to advise employees of the benefits that are linked to their Pension/Provident Funds and to advise them of the benefits due to them and their families at time of death. Member education was also carried out to employees close to retirement on how to handle their financial well being at retirement age.

LONG SERVICE AWARDS

During September and November 2018, 551 employees were rewarded for their long service in the organisation. These employees were due to have received their awards in 2017 and 2018: all have served the organisation from 21 to 42 years and received green bars, watches and certificates. The Long Service award ceremonies were well attended.

For those employees who completed seven and 14 years of service, certificates were handed out at stations by the respective managers.

CHALLENGES AND DEVELOPMENTS

A lack of an Integrated Human Resources system remains a major challenge for the organisation in that the current system does not provide real time data and reports

OUTLOOK 2019/2020

The division will continue investigating the possibilities of sourcing an Integrated Human Resources system.

HUMAN RESOURCE DEVELOPMENT

The Annual Training Report (ATR) for the Financial Year 2017/18 and Workplace Skills Plan (WSP) for the Financial Year 2018/19 was accepted and approved by the CATHSSETA, resulting in the organisation receiving the 20% mandatory grant of the 1% paid as a skills levy.

A total of 922 employees were trained in the period under review in technical skills, staff development (soft skills) and legal compliance. In this period, emphasis was placed on legal compliance training due to the budget cuts implemented, and R1 096 889 was spent on this training.

As part of the organisation's contribution to job creation, skills development and alleviation of unemployment within the neighbouring communities, Ezemvelo was involved in numerous career exhibitions hosted across the province. Furthermore, 61 youth were hosted under Ezemvelo's Internship Programme and 74 under the Work Integrated Learning Programme. A further 43 learners were hosted from the Department of Environmental Affairs Learnership for Unarmed Field Rangers. These programmes assist youth to either gain the necessary work experience to make them more employable and or an opportunity to do the work required for them to meet the requirements to obtain their qualifications. Extra funding was sourced through partnerships with either SETAs or other organisations, such as the National Research Fund (NRF) and the Department of Economic Development, Tourism and Environmental Affairs. From the figures above, 36 learners were hosted and paid stipends through these partnerships. An application was submitted to the CATHSSETA for the funding of conservation students during the Discretionary Grant application window.

CHALLENGES AND DEVELOPMENTS

Delivery of required training in the year under review was a major challenge due to budget cuts. The unit was unable to offer staff development training or roll out all required legal compliance training due to limited budget.

The ageing infrastructure of the Training Centre is of great concern. Unfortunately, with the continued budget cuts, very little maintenance work can be done and in the period under review the roofs of five chalets were repaired.

OUTLOOK 2019/20

The Human Resource Development unit will continue to deliver training with limited budget, especially for legal compliance requirements. Engagements with external organisations requiring field training will be explored as a source of much needed income. The Workplace Skills Plan will be implemented to meet the CATHSSETA Mandatory Grant Regulations.

TALENT MANAGEMENT

Talent Management is about the organisation's efforts to recruit, hire, retain, and develop talent in the job market and in line with Ezemvelo's Employment Equity plans.

The Employment Equity report was submitted to the Department of Labour on 15th January 2019 in line with the deadline. In the financial year under review, the organisation experienced major losses regarding skills, talent and institutional knowledge. A number of employees left, and the most critical skills could not be replaced immediately due to the current moratorium on filling of vacancies. While the organisation managed to replace 103 employees, a total of 119 employees exited the organisation due to retirement, resignation or dismissal.

The moratorium issued by the Office of the Premier and the Department of Treasury in 2015/2016, on the filling of vacant positions, due to the shortfall in the provincial budget, has had an impact on the filling of all positions. Approval to fill 48 Ecotourism positions was received early in 2019 and the recruitment process is under way. The organisation's vacancy rate is currently at 34%.

To address the loss of critical skills as well as institutional knowledge, Ezemvelo has reviewed its Succession Management policy and developed the Standard Operating procedure. The Succession Management and Employee Retention Committee was constituted to ensure the implementation of the policy as well as the succession management plan.

SEASONAL WORKERS

Fire management is a legal requirement and as a result Ezemvelo has the obligation to burn fire breaks as a managing authority for a number of protected areas. Failure to manage these fires could pose a risk to Ezemvelo's properties and those of neighbours, and could result in a huge liability for the organisation. Annually, the organisation employs people from the surrounding communities as seasonal workers to assist with fire breaks and burning. This project normally runs from February to October. To ensure all legal requirements are met, Ezemvelo conducts induction sessions for all workers and ensures correct Personal Protective Equipment (PPE) is provided.

During the 2018/2019 financial year, this project employed 829 fire season contract staff for nine months throughout the reserves. These seasonal workers were sourced from the surrounding communities and employed at various reserves. This was another opportunity for Ezemvelo to create work opportunities for neighbouring communities and to strengthen neighbour relations.

Ezemvelo also employs seasonal workers from the neighbouring communities to provide accommodation service during peak seasons.

CHALLENGES

The lengthy authorisation process and sustained moratorium on filling of critical positions presents numerous challenges, including management of human resources. This further affects the implementation of the Employment Equity targets.

OUTLOOK 2019/2020

A process of seeking Premier's authority to fill critical positions will be continuously done. Succession management efforts will also be accelerated.

EMPLOYMENT RELATIONS

The Employment Relations unit is responsible for the management of grievances, discipline, collective bargaining and dispute resolution. In addition, the unit is responsible for ensuring that the labour relations environment is stable and that conflict between management and employees is minimised.

LABOUR COURT CASES

Only one matter relating to the realignment process that took place in 2012 was referred to the Labour Court in 2018/2019. This matter was settled as a once off payment to the employee concerned.

CCMA CASES

During the year under review, 13 cases were referred to the CCMA to arbitration. Through the intervention of the CCMA, some of the cases did not reach arbitration stage, as the applicants were advised that there were no prospects of success.

NATURE OF DISPUTE	TOTAL NUMBER
Non-implementation of grading results	2
Non-payment of acting allowance	6
Dismissal	2
Adjustment of salary upon appointment as a permanent employee	1
Improper grading	1
Termination of contract	1

Figure 2: Cases were referred to the CCMA for conciliation and arbitration:

DISCIPLINARY HEARINGS

Disciplinary cases within the organisation are handled by the internal staff except in matters where senior managers are involved and/or the nature of the misconduct is complex and there is no expertise internally to handle such cases. These are, in the main, cases that involve large sums of money or failure to follow supply chain management processes and where employees are likely to be represented by legal practitioners.

NATURE OF MISCONDUCT	TOTAL NUMBER OF CASES
Dishonesty and giving false information	1
Violating safety regulations	1
Sexual harassment of a fellow employee	1
Absenteeism	6
Abscondment	5
Forgery	1
Bringing the organisation into disrepute by paying for services not rendered	4
Negligent driving of NCS vehicle	2
Gross negligence in performing duties	2
Leaving the workplace without authority from the supervisor	1
Unauthorised use of EKZNW property	1
Theft	1
Failure to disclose a pending criminal record	1
Use of alcohol while reporting for duty	12
Insubordination	1
Repeated refusal to carry out supervisor's/ manager's lawful and reasonable instruction	1
41	

Figures 3: Cases heard.

GRIEVANCES

NATURE OF GRIEVANCE	TOTAL	STATUS
Invasion of privacy	1	Finalised
Bullying by the supervisor	1	Finalised
Correction of salary grade	1	Finalised

Figure 4: Grievances Lodged

COLLECTIVE BARGAINING

There are two structures at head office level that deal with collective bargaining issues that are transversal in nature; viz: the Bargaining Forum, where negotiations on conditions of service take place, and the Consultative Forum, where consultation takes place. At regional level, regional management and shop stewards' meetings continue to take place on a quarterly basis with a view to sharing policy issues and dealing with some operational issues that cannot be resolved at station level. Two unions are recognised within the organisation, namely, HOSPERSA and NEHAWU. Each has appointed one full-time shop steward, whose term of office runs for five years.

During 2018/ 2019, the labour relations environment was stable. Consultative meetings were held in line with the annual schedule of meetings. There were no demands presented during the year under review. As such, the meetings of the Bargaining Forum did not take place. In this regard, HOSPERSA embarked on a peaceful march and presented a memorandum to the chairperson of the board regarding their frustration with, inter alia, non-sitting of the Bargaining Forum meetings. There were no strikes during the year under review.

CHALLENGES AND DEVELOPMENTS

There was a remarkable increase in cases of alcohol abuse and absenteeism. In some cases, employees deliberately commit a misconduct to be dismissed so that they can withdraw their pension fund contributions urgently. In partnership with the Wellness unit and the full-time shop stewards, contact sessions were organised with the vulnerable categories of employees to address the issues of alcohol abuse and absenteeism. Annual negotiations did not take place as a result of the financial position of the organisation.

OUTLOOK 2019/ 2020

The organisation seeks to finalise negotiations on matters outstanding from the 2017/ 2018 demands presented by organised labour. Initiators and chairpersons of disciplinary hearings will be capacitated to ensure there is consistent application of the Disciplinary Code and Procedures. Policies and procedures will be reviewed to ensure they are in line with developments in legislation, more especially the Constitutional Court decision on precautionary suspensions.

EMPLOYEE HEALTH AND WELLNESS

The Employee Health and Wellness unit deals with the health and social aspects of employees' lives, which are sometimes extended to their families. Under this unit, there is a clinic facility with the services of an occupational medical practitioner, operating in line with the Occupational Health & Safety Act, 85 of 1993.

EMPLOYEE HEALTH

To comply with to the Occupational Health & Safety Act, 85 of 1993, employment medicals are compulsory. Medical surveillance was conducted successfully and 1416 medicals were conducted for pre-employment. The bulk were fire medicals. To ensure compliance with the Occupational Health & Safety Act, 85 of 1993, controls were put in place to ensure all new engagements, transfers and exits undergo medicals.

An awareness creation programme was conducted, focusing on social and health education. A financial literacy and substance and alcohol abuse awareness programme were conducted, as were Wellness Days at various sites within the reserves. To ensure all reserves were represented, 11 sites were identified where wellness days were successfully held, with 647 employees attending.

Management of absenteeism through the clinic continued throughout the year and all absenteeism reported to the clinic is under control.

EMPLOYEE WELLNESS

A total of 274 counselling sessions were conducted. These were related to social, work, marital, retirement, financial as well as substance abuse issues. Some cases were referred to external service providers for further monitoring while Employee Wellness Practitioners (EWP) monitored within the organisation.

A total of 35 trauma debriefing sessions were conducted and some were referred to external service providers. Incidents varied from car hijacking, animal attacks, and encounters with poachers to death at the workplace. With regards to the HIV and AIDS programme, no new cases were reported but continuous monitoring of old cases continued. In support of the programme, four sessions of peer educator training were conducted during this period.

CHALLENGES

A World Aids Day commemoration could not be conducted due to a tragic incident that befell the organisation in November 2018.

The rate of absenteeism is very high and is of great concern as it negatively affects organisational performance. The non-filling of most vacancies negatively affects the health of the workforce.

OUTLOOK 2019/2020

The Employee Health and Wellness unit will continue implementing wellness programmes, to contribute to a healthy workforce.

INTERNAL AUDIT AND FORENSIC INVESTIGATIONS

CURRENT SITUATION ANALYSIS

The Internal Audit and Forensic Investigation Services Division within Ezemvelo comprises two sub-units, namely the Audit Services and the Forensic Investigation Services.

AUDIT SERVICES

The Audit Services sub-unit continues to provide independent and objective assurance and consulting services in the areas of internal control, risk management and governance processes. To protect its independence as an assurance provider, the unit reports, functionally, to the Audit and Risk Committee and operationally, to the Chief Executive Officer, in line with the IIA Standards. On an annual basis, the unit develops a risk-based Annual Audit Plan, which goes through an extensive consultative process, with various stakeholders involved in the audit process for input, prior to its approval by the Audit and Risk Committee. As such, the sub-unit, through the approved 2018/19 annual audit plan, performed and reported on 19 internal audits, which covered various processes within the organisation.

On a continuous basis, the unit performed follow-up reviews to determine and report on the progress achieved, in addressing the audit issues raised in both Auditor Generals' Reports 2017/18 and various Internal Audit Reports. On a quarterly basis, the sub-unit also appraised the Audit and Risk Committee on outcomes of the audits performed during the year, status of the dashboard and implementation of management action plans to address both internal and external audit findings, and the status/progress on the implementation of the audit plan.

FORENSIC INVESTIGATIONS SERVICES

The Forensic Investigation unit provides services relating to the investigation of fraud and corruption, reported through the existing Fraud Hotline and other platforms within the organisation. During 2018/19, 27 matters were on the active database for investigation. The following summary indicates how the 27 investigations unfolded for the year:

- A total of six cases were completed and reported on as at end of 2018/19. From the six completed cases, one case of fraud was proven by the investigation. In two cases, the allegations reported and investigated were unfounded. For three cases negligence on the part of implicated employees was a factor and poor implementation of internal control systems.

- Ten cases were referred to management for action, as forensic investigations were not the appropriate avenue to resolve the matters. Throughout the year we also implemented a process wherein we followed up with management to ensure the aforementioned matters were resolved. By the end of 2018/19, five matters were resolved.

We continued to implement the follow-up processes to determine and report on the progress management had made in implementing the recommendations, emanating from the completed investigation reports for 2018/19 and prior years. Five matters were actively followed up on during 2018/19 and management responded as follows:

- For one case, the former employee was ordered by the court to pay back the defrauded amount to Ezemvelo and failure to honour the order meant a suspended two-year prison sentence would be implemented. As at end of March 2019, the former employee had failed to honour the court order to pay back the money to Ezemvelo and consequently the court has since issued summonses.
- For two cases, management sought legal opinions wherein the implementation of recommendations for disciplinary action to be taken against affected employees was set aside.
- For one case, the employee who defrauded the organisation resigned before disciplinary action could be implemented; however the organisation recovered the monies related to the fraudulent transactions from the employee's pension.
- For one case, the report has since been referred back to Forensic Investigations for amendment as a result of new evidence

During 2018/19, two cases remained in the KZN Treasury investigation case database, wherein investigations were being conducted on allegations against Ezemvelo. By the end of financial year, Treasury had finalised one matter, with the second still at reporting stage. On a quarterly basis, the Board was appraised on the status of these investigations and will continue to be appraised.

CHALLENGES

Due to budget constraints, the Audit Services sub-unit is unable to implement specialised audits, such as the Information Technology (IT) and value-for-money audits, as specialised skills are required and the Unit is not capacitated. The Unit has not been able to access such skills from the open market due to lack of funding. In addition, access to technology-based audit tools to improve audit processes and coverage remained a hindrance. This challenge also extends to forensic tools that would improve the capabilities of the forensic investigations

OUTLOOK FOR 2019/20

AUDIT SERVICES

The Audit Services Unit will continue to build capacity around the specialised audits, through internal training and expertise from peers in the province at no cost. It should be noted that the current budget cuts will still play a huge role in the Unit's ability to access skills for specialised audits. The inability to access technology-based audit tools will remain a limitation in 2019/20.

Cost-effective ways to provide the internal staff with necessary training and exposure will still be explored. The unit will continue to provide assurance services, covering the areas relating to internal controls, risk management and governance processes, in a form of full scope audits and through follow-ups, utilising the audit log.

The unit will continue to implement the quality assurance improvement programme, which will pave a way for a quality review by IIA to be performed in the future.

FORENSIC INVESTIGATION SERVICES

Forensic Investigation sub-unit will continue to conduct investigations as and when the allegations are reported through the Hotline and other mechanisms. Furthermore, we will continue to implement the process of following-up with management on progress in the implementation of recommendations emanating from the forensic investigation reports. The Board and Legislature will be continually kept abreast of the above to allow these stakeholders to perform their oversight responsibilities over governance issues and to ensure consequence management is implemented. The Unit will still face the challenge of accessing funding should a need arise for specialised skills to implement forensic investigations. The ability to access technology-based forensic investigation tools will remain a constraint in 2019/20.



4 Chapter

EZEMVELO KZN WILDLIFE
ANNUAL REPORT 2018/19

CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

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REPORT OF THE AUDITOR-GENERAL TO KWAZULU-NATAL PROVINCIAL LEGISLATURE ON KWAZULU-NATAL NATURE CONSERVATION BOARD AND ITS ENTITY

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Opinion

1. I have audited the consolidated and separate financial statements of the KwaZulu-Natal Nature Conservation Board set out on pages 96 to 139, which comprise the consolidated and separate statement of financial position as at 31 March 2019, the consolidated and separate statement of financial performance, statement of changes in net assets, and cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the consolidated and separate financial statements, including a summary of significant accounting policies.
2. In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the KwaZulu-Natal Nature Conservation Board as at 31 March 2019, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practise (SA Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 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 auditor-general's responsibilities for the audit of the consolidated and separate financial statements section of this auditor's report.
4. I am independent of the entity in accordance with Section 290 and 291 of the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (IESBA code) parts 1 and 3 of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) and the 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 codes.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

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

Uncertainty relating to the future outcome of regulatory action

7. With reference to note 23 to the consolidated and separate financial statements, there is a lodgement against the state by land claimants in which the entity has implicit right for the use of the land. There remains a significant uncertainty as to the identity of the new owners as the title deeds have not been finalised. The ultimate outcome of the matter could not be determined and no provision for any liability that may result was made in the consolidated and separate financial statements.

Responsibilities of accounting authority for the consolidated and separate financial statements

8. The accounting authority is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with 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 consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.
9. In preparing the consolidated and separate financial statements, the accounting authority is responsible for assessing the KwaZulu-Natal Nature Conservation Board'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 entity or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the consolidated and separate financial statements

10. My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate financial statements.

11. A further description of my responsibilities for the audit of the consolidated and separate financial statements is included in the annexure to this auditor's report.

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

Introduction and scope

12. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
13. My procedures address the reported performance information, which must be based on the approved performance planning documents of the entity. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
14. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the entity for the year ended 31 March 2019:

Programmes	Pages in the annual performance report
Programme 5 – commercial services	4
Programme 6 – natural resource management	5 – 7

15. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
16. The material findings in respect of the usefulness and reliability of the selected programmes are as follows:

PROGRAMME 5 – COMMERCIAL SERVICES

Total number of visitors in Ezemvelo Parks

17. The reported achievement of 701 005 in the annual performance report did not agree to the supporting evidence provided. The supporting evidence provided indicated that the achievement was 950 000.

PROGRAMME 6 – NATURAL RESOURCE MANAGEMENT

No of districts managed to the minimum compliance standards

18. The source information and method of calculation for achieving the planned indicator was not clearly defined.

% hectares invaded by alien species within protected area network managed

19. I was unable to obtain sufficient appropriate audit evidence to support the reported achievement of Baseline set at 11%. The planned target of set baseline for this indicator was not specific in clearly identifying the nature and required level of performance. This was due to inadequate technical indicator descriptions, proper systems and processes that predetermined how the achievement would be measured, monitored and reported. I was unable to obtain sufficient appropriate audit evidence to support the reported achievement of target set baseline. I was unable to confirm the reported achievement of the indicators by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievements in the annual performance report.

Environmental legislation compliance levels in the province

20. The reported achievement of 95% in the annual performance report did not agree to the supporting evidence provided. The supporting evidence provided indicated that the achievement was 90%.

Other matters

21. I draw attention to the matters below.

Achievement of planned targets

22. Refer to the annual performance report on pages 91 to 95 for information on the achievement of planned targets for the year and explanations provided for the under and over achievement of a number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 17 to 20 of this report.

Adjustment of material misstatements

23. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of natural resource management and commercial services. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

REPORT ON THE AUDIT OF COMPLIANCE WITH LEGISLATION

Introduction and scope

24. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the entity with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

25. The material findings on compliance with specific matters in key legislations are as follows:

Annual financial statements

The **financial** statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records as required by section 55(1) (a) and (b) of the PFMA. Material misstatements of funder revenue, deferred income and trade and other receivables identified by the auditors in the submitted financial statement were corrected and the supporting records were provided subsequently, resulting in the financial statements receiving an unqualified audit opinion.

Procurement and contract management

Some of **the** bid documentation for procurement of commodities designated for local content and production, did not stipulated the minimum threshold for local production and content as required by the 2017 preferential procurement regulation 8(2).

Other information

26. The accounting authority is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the consolidated and separate financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.

27. My opinion on the consolidated and separate financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

28. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

29. 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

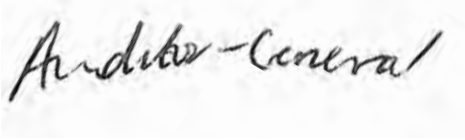
30. I considered internal control relevant to my audit of the consolidated and separate financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.

31. The accounting authority did not adequately oversee financial, performance reporting and compliance with legislation. In this regard, the accounting authority did not ensure that effective measures were taken to ensure credible financial and performance reporting and compliance with laws and regulations.

32. Management did not perform adequate monitoring and reviews to ensure credible financial and performance reports were prepared, which are supported and evidenced by sufficient source documents.

Other reports

33. I draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the entity's consolidated and separate financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the consolidated and separate financial statements or my findings on the reported performance information or compliance with legislation.
34. An independent consultant investigated an allegation of the mismanagement of the Hluhluwe Imfolozi Fencing Project at the request of the entity, which covered the period 01 October 2015 to December 2016. The investigation was completed on 22 March 2019 and resulted in disciplinary and criminal action against the individuals implicated.



Pietermaritzburg
30 August 2019



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence



Annexure – Auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout my audit of the consolidated and separate financial statements, and the procedures performed on reported performance information for selected programmes and on the entity's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the consolidated and separate financial statements as described in this auditor's report, I also:
 - Identify and assess the risks of material misstatement of the consolidated and separate 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 entity's internal control
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting authority
 - Conclude on the appropriateness of the accounting authority's 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 related to events or conditions that may cast significant doubt on the KwaZulu-Natal Nature Conservation Board ability to 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 the 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 entity to cease continuing as a going concern
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

Communication with those charged with governance

3. 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.
4. I also confirm to the accounting authority that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Biodiversity Conservation, Ecotourism and Partnerships
Accounting Authority	Dr LW Mngoma - Chairperson
Accounting Officer	Dr SH Chiliza
Registered office	Queen Elizabeth Park No.1 Peter Brown Drive Montrose PIETERMARITZBURG 3201
Postal address	P O Box 13053 CASCADES 3202
Controlling entity	KwaZulu-Natal Department of Economic Development, Tourism and Environmental Affairs
Bankers	First National Bank - a division of FirstRand Bank Limited
Secretary	Ms H Sutter



ACCOUNTING AUTHORITY'S RESPONSIBILITIES AND APPROVAL

The Board, as the accounting authority of the KwaZulu-Natal Nature Conservation Board, is responsible for the preparation and fair presentation of the financial statements and performance information in accordance with the South African Standards of Generally Recognised Accounting Practice (GRAP) and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA) and the KwaZulu-Natal Nature Conservation Act, 1997 (Act No. 9 of 1997).

Accordingly the Board:

- has reviewed the annual financial statements and performance information of the entity,
- has a reasonable basis to concur that the annual financial statements and performance information are free from material misstatement and thus fairly present the financial position, the performance and cash flows of entity,
- is not aware of any material breakdown in the internal controls of the entity or any changes to such controls that may affect the effectiveness of the internal controls,
- has ensured that internal controls are established and maintained during the current year, and there is a functioning system of risk management,
- has ensured, in conjunction with the Audit and Risk Committee, that any significant breakdown in controls are addressed and where relevant are reported to Treasury and the Auditors,
- has ensured that the financial statements are prepared by applying appropriate accounting policies in accordance with the South African Statements of Generally Recognised Accounting Practice (GRAP), and in a manner required by the PFMA,
- has ensured that accounting policies have been consistently applied per major class of transactions and balances and are supported by reasonable and prudent judgements and estimates,
- has ensured that any deviations from GRAP have been sufficiently disclosed in the notes to the financial statements,
- has assessed the entity's ability to continue as a going concern and there is no reason to believe that the entity will not be a going concern in the year ahead.

The Auditor-General has audited the financial and non-financial performance and their report is presented as part of this report.

The financial statements and performance information were approved by the Board and signed on its behalf by:



DR LW MNGOMA

Chairman of the Board

AUDIT AND RISK COMMITTEE REPORT

AUDIT AND RISK COMMITTEE MEMBERS AND ATTENDANCE

For the year under review the following people served on the Audit and Risk Committee, which is expected to meet at least four times per annum as per its approved charter. The Audit and Risk Committee met 4 times during the year.

NAME OF MEMBER	NUMBER OF MEETINGS ATTENDED
Mr BW Ngubane (Chairperson)	4
Mr NF Mchunu	4
Mr T Ndlela	4
Ms SD Ncube Dlamini	3
Mr SK Dlongolo	3
Ms CN Mhlongo	3

AUDIT AND RISK COMMITTEE RESPONSIBILITY

The committee has complied with its responsibilities as set out in the Audit and Risk Committee Charter. The entity has a fully functional Internal Audit Division. The Head of Internal Audit reports functionally to the Audit and Risk Committee and administratively to the Chief Executive Officer.

THE EFFECTIVENESS OF INTERNAL CONTROL

The entity monitors the effectiveness and efficiency of its internal control over financial and risk management through its Internal Audit unit. This Internal Audit unit reports to the entity's Audit and Risk Committee and the Board in compliance with the PFMA and the National Treasury Regulations. The entity also maintains a Risk Management Process which enables corrective action to be taken timeously.

EVALUATION OF FINANCIAL STATEMENTS

The Audit and Risk committee has:

- reviewed the consolidated annual financial statements to be included in the annual report;
- reviewed the Management Report prepared by the Auditor-General of South Africa and management's response thereto and;
- reviewed the entity's compliance with legal and regulatory provisions;

The Audit and Risk committee concurs with the audit opinion of the Auditor-General of South Africa.



MR BW NGUBANE

Chairman of the Audit & Risk Committee

ACCOUNTING AUTHORITY'S REPORT

1. REVIEW OF ACTIVITIES

The entity recorded a deficit of R 37,2 million (2018: deficit of R 0,9 million).

2. GOING CONCERN

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 entity to continue as a going concern is dependent on a number of factors. The most significant of these is that the entity continues to receive funding for on-going operations from the relevant government authority. To this end the amounts voted by legislature to conservation within the Medium Term Expenditure Framework (MTEF) are expected to be received over the next three financial years ending 31 March 2021. Strategies and plans to improve the financial position of the organisation are continually being developed, implemented and monitored.

3. SUBSEQUENT EVENTS

The members are not aware of any matter or circumstance that has arisen since the end of the financial year which could materially affect the annual financial statements.

4. EXECUTIVE COUNCIL DECISION

Rationalisation of Kwa-Zulu-Natal Public Entities

As reported previously, the rationalisation of public entities that fall under EDTEA is being supervised by a joint committee led by EDTEA HOD, comprising of EDTEA representatives and the management team. In this regard, the 'Bather Protection' function of Sharks Board is to be incorporated under Ezemvelo conservation activities. The targeted date for this incorporation is 01 April 2020.

Commercialisation of Ecotourist Facilities

As part of the previously stated initiative to change the entity's operating model and outsource a significant portion of its ecotourist facilities and services to the private sector hospitality industry, expressions of interest have been received from various organisations. The next phase shall be an assessment of the viability of the proposals received, in consultation with officials from EDTEA and Provincial Treasury.

5. PRIOR PERIOD ERRORS

The impact of prior period errors on the results of the entity is reflected in note 2 to the annual financial statements. The annual financial statements have been prepared in accordance with the prescribed Standards of Generally Recognised Accounting Practices (GRAP) issued by the Accounting Standards Board.

6. ACCOUNTING AUTHORITY

For the period under review the Board members and members of the Board committees were:

Name	No. Of Meetings Attended
Board - met 9 times during the year	
Mr Z Zulu (Chairperson - term ended 30 June 2018)	3
Ms SP Lebenya (Deputy Chairperson)	8
Adv NZ Khuzwayo (Term ended 30 June 2018)	1
Mr MM Mackenzie (Resigned 31 May 2018)	2
Ms IN Molefe (Term ended 30 June 2018)	4
Ms NL Mthembu (Term ended 30 June 2018)	4
Inkosi BS Mthembu	7
Mr S Mtolo	6
Mr V Mvelase	7
Mr T Ndlela	9
Dr FM Nzama	3
Dr LW Mngoma (Chairperson - Term commenced 1 July 2018)	5
Mr R Haswell (Term commenced 1 July 2018)	4
Mr I Ewing (Term commenced 1 July 2018)	4
Ms SD Ncube Dlamini (Term commenced 1 July 2018)	5
Ms T Ntshangase (Term commenced 1 July 2018)	5
Mr SL Ndlovu (Term commenced 1 July 2018)	5
Ms D Hoorzuk (Term commenced 1 July 2018)	5
Operations and Community Affairs Committee - met 4 times during year	
Mr S Mtolo (Chairperson)	4
Mr MM Mackenzie	1
Dr FM Nzama	1
Ms IN Molefe	1
Inkosi BS Mthembu	4
Ms SP Lebenya (Ex-officio)	1
Mr R Haswell	3
Ms D Hoorzuk	3
Mr V Mvelase	1
Mr I Ewing	2
Finance and Governance Committee - met 4 times during the year	
Mr T Ndlela (Chairperson)	4
Adv NZ Khuzwayo	1
Ms NL Mthembu	1
Mr Z Zulu (Ex- Officio)	1
Ms SD Ncube Dlamini	3
Ms T Ntshangase	3
Mr SL Ndlovu	3
Mr R Haswell	2

Name	No. Of Meetings Attended
Human Resources and Remuneration Committee - met 4 times during the year	
Ms IN Molefe (Chairperson)	1
Ms SP Lebenya	3
Ms NL Mthembu	1
Mr V Mvelase	3
Dr FM Nzama	1
Mr I Ewing	2
Ms D Hoorzuk	3
Ms T Ntshangase (Chairperson new)	3
Commercial Services Committee - met 5 times during the year	
Mr V Mvelase (Chairperson)	5
Mr MM Mackensie	1
Mr S Mtolo	5
Mr T Ndela	1
Dr FM Nzama	1
Ms SP Lebenya	4
Mr Z Zulu	1
Inkosi BS Mthembu	3
Mr SL Ndlovu	4

ANNUAL PERFORMANCE REPORT

FINANCIAL YEAR: 01 APRIL 2018 – 31 MARCH 2019

STRATEGIC/ MEASURABLE OBJECTIVE	KPI	PRIOR YEAR ACTUAL OUTPUT VALIDATED	CURRENT YEAR					
			PLANNED OUTPUT AS PER APP	ACTUAL OUTPUT VALIDATED	DEVIATION / % DEVIATION	COMMENTS ON DEVIATION	PLANNED INTERVENTIONS	CHALLENGES, COMMENTS & ACHIEVEMENTS AGAINST PLANNED OUTPUTS
Administration - Programme 1: Office of the CEO								
Performance and stakeholder focused Ezemvelo	Audit Opinion of the Auditor General (AG) for performance information	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion	0	Target achieved - An unqualified audit opinion was received for performance information in the 2017/18 financial year.	N/A	N/A
	Ratio of negative to positive reports (media)	New	<1	<1	0	Target achieved	N/A	N/A
Administration – Programme 2: Human Resource Management								
Performance and stakeholder focused Ezemvelo	% stations compliant with regards to health and safety	New	85%	50%	-35%	Target not achieved - There was an overall -35% deviation from the planned target.	An analysis of the stations audited will be undertaken to identify the issues of non-compliance, these will be addressed in the protected areas effectiveness assessment (METT) 2019/20 intervention plan.	60 stations were assessed this financial year of which only 30 were compliant.
	% of employees who finds the workplace conducive	New	Set Baseline	Nil	No Baseline set	Target not achieved - A suitable service provider could not be secured in the current financial year.	The survey will be deferred to the new financial year.	The baseline could not be undertaken this year but will be undertaken in the new financial year.
	% of grievances attended to within applicable timeframes (internally)	New	>75%	100%	25%	Target achieved	N/A	N/A
STRATEGIC/ MEASURABLE OBJECTIVE	KPI	PRIOR YEAR ACTUAL OUTPUT VALIDATED	CURRENT YEAR					
			PLANNED OUTPUT AS PER APP	ACTUAL OUTPUT VALIDATED	DEVIATION / % DEVIATION	COMMENTS ON DEVIATION	PLANNED INTERVENTIONS	CHALLENGES, COMMENTS & ACHIEVEMENTS AGAINST PLANNED OUTPUTS
Enabling –Programme 3: Financial Management								
Efficient and effective financial management of Ezemvelo	Audit Opinion of the Auditor General (AG) with regards to financial and compliance	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit	0	Target achieved - An unqualified audit opinion was received for the 2017/18 financial year.	N/A	N/A
	% of (level 1-4) BBBEE companies contracted	60%	60%	57%	-3%	Target not achieved - The deviation arose from the procurement of goods and services in the field from vendors whose classification could not be verified.	A process is underway to address this in the new financial year.	N/A

ANNUAL PERFORMANCE REPORT

Strategic/ Measurable Objective	KPI	Prior Year Actual Output Validated	Current Year					
			Planned Output as per App	Actual Output Validated	Deviation / % Deviation	Comments on Deviation	Planned Interventions	Challenges, Comments & Achievements Against Planned Outputs
Enabling Programme 4: Corporate Services								
Communities uplifted	No. of work opportunities created aligned to the provincial poverty profile adjacent to the conservation estate	11 890	3 600	8 380	4780	Target achieved	N/A	N/A
Strategic/ Measurable Objective	KPI	Prior Year Actual Output Validated	Current Year					
			Planned Output as per App	Actual Output Validated	Deviation / % Deviation	Comments on Deviation	Planned Interventions	Challenges, Comments & Achievements Against Planned Outputs
Service Delivery Programme 5: Commercial Services (Business Development)								
Financially stable Ezemvelo	% of self-gen- erated revenue against subsidy	New	40.6%	36.9%	3.7%	Target not achieved - The deviation is linked to the lower than targeted occu- pancy rates.	Various ecotourism interventions are being explored.	Lower than planned revenue from occupancy contributed to the underachievement.
Strategic/ Measurable Objective	KPI	Prior Year Actual Output Validated	Current Year					
			Planned Output as per App	Actual Output Validated	Deviation / % Deviation	Comments on Deviation	Planned Interventions	Challenges, Comments & Achievements Against Planned Outputs
Service Delivery Programme 5: Commercial Services (Ecotourism Services)								
Financially stable Ezemvelo	Total No. of visitors to Ezemvelo Parks	656 796	666 600	701 005	34 405	Target achieved	N/A	Visitor numbers are increasing, however overnight numbers are decreasing.
	% Accommodation Occupancy Rate (Unit Occupancy)	44.63%	47%	43.9%	-3.1%	Target not achieved - The state of our ageing tourism facilities remains a concern, as it requires substantial mainte- nance to bring it up to a competitive level.	Budget adjustments were undertaken to prioritize maintenance on key facilities.	Various marketing initiatives and collaboration with key trade strategic partners are being undertaken to im- prove performance.

ANNUAL PERFORMANCE REPORT

STRATEGIC/ MEASURABLE OBJECTIVE	KPI	PRIOR YEAR ACTUAL OUTPUT VALIDATED	CURRENT YEAR					
			PLANNED OUTPUT AS PER APP	ACTUAL OUTPUT VALIDATED	DEVIATION / % DEVIATION	COMMENTS ON DEVIATION	PLANNED INTERVENTIONS	CHALLENGES, COMMENTS & ACHIEVEMENTS AGAINST PLANNED OUTPUTS
Service Delivery Programme 6: Natural Resource Management								
KZN Natural Resources secured	% of protected area network that meet the minimum management effectiveness standard (67%)	69.25%	50%	45%	-5%	Target not achieved – The underachievement was mainly due to the protected areas not scoring well in the following categories: Cultural Heritage conditional assessments and plans Delineation of zone of influence Neighbour relations Gazetting of the park rules and title deed endorsement	An annual Management effectiveness workshop is planned in June 2019 to analyse the results and identify gaps in order to develop an intervention plan to improve the scores.	The protected areas management effectiveness dropped significantly by 24% compared to last financial year.
	No. of districts managed to the minimum compliance standard	New	5	0	-5	Target not achieved - The newly developed assessment tool was tested and scores for five district municipalities were determined, however it was difficult to set a minimum management effectiveness standard without a comparative analysis being undertaken.	The comparative analysis to determine the minimum management effectiveness standard will be undertaken in the new financial year.	The management effectiveness tool was finalized and tested in five district municipalities. This initiative is the first of its kind in the country, hence it has to be robust.
	% of environmental authorisations (EAs) that have the threats to biodiversity fully mitigated	69%	75%	67%	-8%	Target not achieved - An analysis of the 2 environmental authorisations that were not fully mitigated showed that Ezemvelo comments were not adequately incorporated.	The indicator will be reviewed to ensure that the subjective nature of what is considered as "fully mitigated" is addressed.	The implications of the threats to biodiversity not being mitigated has to be highlight to the Executive Authority.

ANNUAL PERFORMANCE REPORT

STRATEGIC/ MEASURABLE OBJECTIVE	KPI	PRIOR YEAR ACTUAL OUTPUT VALIDATED	CURRENT YEAR					
			PLANNED OUTPUT AS PER APP	ACTUAL OUTPUT VALIDATED	DEVIATION / % DEVIATION	COMMENTS ON DEVIATION	PLANNED INTERVENTIONS	CHALLENGES, COMMENTS & ACHIEVE- MENTS AGAINST PLANNED OUTPUTS
KZN Natural Resources secured	% of hectares invaded by alien species within protected area network managed	New	Set Baseline	Baseline set at 11%	0	Target achieved	N/A	The assessment indicated that 61 406 ha of the estate under Ezemvelo's direct management is infested with in- vasive alien species, and of this 11% is being addressed through invasive alien species clear- ing programme (2018/19).
	No. of district municipalities workshopped on Spatial Land Use Management Act (SPLUMA)	11	11	11	0	Target achieved	N/A	The intervention that led to target achievement was opting to train Ezemvelo district staff and by sending information to other staff in the District Municipality.
	% mortality rate for rhino species	6,61% white 3,86% black	<2% <1%	5,37% 1,21%	-3,37% -0,21%	Target not achieved – The deviation was due a reduction in capacity to combat rhino poaching. A further contributing factor was the halting of the national resources (SAPS) allocated to this, which reverting back to the province and the fact that the province could sustain this level of resourcing. Lastly the deteriorating state of the security infrastructure mainly perimeter fencing also contributed to the high	The following has to be maintained and supported: 1. National DEA Strategy and SAP programmes. 2. Staffing at rhino reserves needs to be an absolute priority. 3. The support and of early detection and rapid response	Although there was reduction rhino being poached compared to previous year, it was still above the threshold set in rhino management strategy.

ANNUAL PERFORMANCE REPORT

STRATEGIC/ MEASURABLE OBJECTIVE	KPI	PRIOR YEAR ACTUAL OUTPUT VALIDATED	CURRENT YEAR					
			PLANNED OUTPUT AS PER APP	ACTUAL O UTPUT VALIDATED	DEVIATION / % DEVIATION	COMMENTS ON DEVIATION	PLANNED INTERVENTIONS	CHALLENGES, COMMENTS & ACHIEVEMENTS AGAINST PLANNED OUTPUTS
KZN Natural Resources secured						poaching rates.	technology. 4. The strategic relations with Non-Government Organisations to fund critical projects. 5. The ability to address internal corruption of staff is to be initiated with the roll out of the Integrity Policy.	
	No. of biodiver- sity awareness activities conducted	11	8	10	2	Target achieved – The addition 2 awareness activities were conducted as these were externally funded	N/A	N/A
	% of permits issued within timeframes	New	100%	90%	-10%	Target not achieved - Pre- liminary analysis indicated that scientific and export permits were out of time-frames as they have to be approved abroad. Power-outages also contributed to the backlog as these affected the functioning of the permits database.	A detailed assessment to verify the categories that are out of time- frames is to be final- ised. It is envisioned also that the database will be connected to the backup generator.	As the target is aspirational a deviation was expected, however the analysis will identify areas that can be improved on.
	Environmental legislation compliance levels in the province	New	>90%	95%	5	Target achieved	N/A	

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

		EKZNW		CONSOLIDATION	
Figures in Rand thousand	Note(s)	March 2019	Restated March 2018	March 2019	Restated March 2018
Assets					
Current Assets					
Inventories	9	15 792	16 908	15 792	16 909
Trade and other receivables	10	25 577	33 313	25 913	33 529
Cash and cash equivalents	11	230 099	278 374	231 115	279 334
		271 468	328 595	272 820	329 772
Non-Current Assets					
Property, plant and equipment	5	732 506	740 235	732 506	740 235
Intangible assets	6	2 726	5 858	2 726	5 858
		735 232	746 093	735 232	746 093
Total Assets		1 006 700	1 074 688	1 008 052	1 075 865
Liabilities					
Current Liabilities					
Trade and other payables	15	92 559	102 236	92 838	102 497
Deferred Income	12	71 409	93 319	71 409	93 319
Provisions	13	73 625	73 146	73 629	73 150
External projects	14	33 088	34 563	33 088	34 563
		270 681	303 264	270 964	303 529
Non-Current Liabilities					
Provisions	13	67 022	65 107	67 022	65 107
Total Liabilities		337 703	368 371	337 986	368 636
Net Assets		668 997	706 317	670 066	707 229
Accumulated surplus		668 997	706 317	670 066	707 229

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE AS AT 31 MARCH 2019

Figures in Rand thousand	Note(s)	EKZNW		CONSOLIDATION	
		March 2019	Restated March 2018	March 2019	Restated March 2018
Revenue	16	944 785	947 198	944 905	947 318
Other Income	17	148 309	158 504	148 365	158 562
Total Revenue		1 093 094	1 105 702	1 093 270	1 105 880
Employee costs	19	(765 356)	(770 810)	(765 356)	(770 810)
Operating expenses	18	(365 058)	(335 628)	(365 076)	(335 978)
Operating deficit		(37 320)	(736)	(37 162)	(908)
Deficit for the period		(37 320)	(736)	(37 162)	(908)

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS AS AT 31 MARCH 2019

Figures in Rand thousand	Revaluation reserve	Accumulated reserves	Total net assets
Opening balance as previously reported 31 March 2016	226 622	514 571	741 193
Deficit for the year	0	(34 728)	(34 728)
Balance at 31 March 2017	226 622	479 843	706 465
Prior year adjustments	(226 622)	228 293	1 671
Balance at 31 March 2017 restated	0	708 136	708 136
Deficit for the year	0	(6 455)	(6 455)
	0	701 681	701 681
Prior year adjustments	0	5 547	5 547
Balance at 31 March 2018 restated	0	707 228	707 228
Deficit for the year	0	(37 162)	(37 162)
Balance at 31 March 2019	0	670 066	670 066

CONSOLIDATED CASH FLOW STATEMENT AS AT 31 MARCH 2019

		EKZNW		CONSOLIDATION	
Figures in Rand thousand	NOTES	March 2019	Restated March 2018	March 2019	Restated March 2018
Cash flows from operating activities					
Receipts					
Sale of Goods and Services		287 455	296 474	287 455	296 474
Transfers		727 308	704 620	727 308	704 620
Interest income		11 645	6 816	11 701	6 875
Other receipts - Non-exchange revenue		75 538	106 824	75 538	106 824
		1 101 946	1 114 734	1 102 002	1 114 793
Payments					
Employee costs		(765 356)	(770 810)	(765 356)	(770 810)
Suppliers		(323 095)	(238 193)	(323 095)	(238,445)
		(1 088 451)	(1 009 003)	(1 088 451)	(1 009 255)
Net cash flows from operating activities	20	13 495	105 731	13 551	105 538
Cash flows from investing activities					
Purchase of property, plant and equipment	5	(62 161)	(30 278)	(62 161)	(30 278)
Purchase of intangible assets	6	(256)	(484)	(256)	(484)
Disposal of property, plant and equipment		2 122	27 329	2 122	27 329
Net cash flows from investing activities		(60 295)	(3 433)	(60 295)	(3 433)
Cash flows from financing activities					
Net change to trust funds and external projects	21	(1 475)	2 630	(1 475)	2 630
Net increase/(decrease) in cash and cash equivalents		(48 275)	104 928	(48 219)	104 735
Cash and cash equivalents at the beginning of the year		278 374	173 446	279 334	174 599
Cash and cash equivalents at the end of the year	11	230 099	278 374	231 115	279 334



CONSOLIDATED STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS AS AT 31 MARCH 2019

Budget on Cash Basis						
Figures in Rand thousand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Income						
Own Revenue	283 056	8 071	291 127	268 460	(22 667)	1
Provincial Subsidy	737 512	165 290	902 802	903 306	504	
Non-Exchange Revenue	105 512	92 622	198 134	74 399	(123 735)	2
	1 126 080	265 983	1 392 063	1 246 165	(145 898)	
Expenditure						
Compensation of Employees	866 360	(85 385)	780 975	741 122	(39 853)	3
Goods and Services	176 986	100 241	277 227	268 199	(9 028)	4
Interest and Rent on land	1 075	74	1 149	940	(209)	
Transfers and subsidies	5 631	57	5 688	5 680	(8)	
Non-Exchange Expenditure		198 134	198 134	54 621	(143 513)	5
Assets	76 028	52 862	128 890	54 730	(74 160)	6
Total expenditure	1 126 080	265 983	1 392 063	1 125 292	(266 771)	
Net Surplus	-	-	-	120 873	120 873	

Reconciliation to net deficit per the Statement of Financial Performance

Net Surplus	120 873
Assets acquisitions	62 417
Carry-over own income	(135 290)
Depreciation	(71 156)
Leave pay provision increase	(529)
Proceeds from disposal of assets	(5 189)
Sundry Differences	(169)
Non Exchange income difference-	72 137
Carry over Non-exchange	(43 341)
Non Exchange expense difference	(37 073)
Isivuno	158
Deficit for the year	(37 162)

1. Under performance on revenue generation is mainly due to the drop in visitors staying overnight.
2. We did not receive the funds for some of the major projects as we had anticipated due to delays. There was also a challenge with the MOA for a major project resulting in all the funds not being received. These projects will be carried over .
3. Underspending due to vacant posts not being filled.
4. The underspending is due to slow spending on major projects. Some of these projects are currently in the SCM process whilst others are in progress.
5. The delays in implementing the major projects have been caused by the delays in receiving the funds. These projects will be carried over.
6. The underspending is due to the delay with two external projects which were placed on hold. There were also difficulties experienced on major construction projects such as the staff accommodation and the Cathedral Peak road project. These projects are now in progress.

CONSOLIDATED ACCOUNTING POLICIES AS AT 31 MARCH 2019

1. PRESENTATION OF CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

The consolidated 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 consolidated 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. They are presented in South African Rand. All figures have been rounded to the nearest Rand Thousand.

1.1 CONSOLIDATION

BASIS OF CONSOLIDATION

The consolidated annual financial statements incorporate the annual financial statements of the controlling entity and the controlled entity.

Control exists when the controlling entity has the power to govern the financial and operating policies of another entity so as to obtain benefits from its activities. An investment in an entity is accounted for in accordance with the Standards of GRAP 104 on Financial Instruments from the date that it ceases to be a controlled entity, unless it becomes an associate or a jointly controlled entity, in which case it is accounted for as such.

The consolidated annual financial statements of the controlling entity and its controlled entities used in the preparation of the consolidated annual financial statements are prepared as of the same date.

Adjustments are made when necessary to the consolidated annual financial statements of the controlled entities to bring their accounting policies in line with those of the controlling entity.

All intra-entity transactions, balances, revenues and expenses are eliminated in full on consolidation.

1.2 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

In preparing the consolidated annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the consolidated 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 consolidated annual financial statements. Significant judgements include the following:

IMPAIRMENT OF TRADE RECEIVABLES

The entity assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, management makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

POST RETIREMENT BENEFITS

The present value of the post retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

CONSOLIDATED ACCOUNTING POLICIES AS AT 31 MARCH 2019

1.2 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

DEPRECIATION AND AMORTISATION

Depreciation and amortisation recognised on property, plant and equipment and intangible assets are determined with reference to the useful lives of the underlying items. The useful lives of assets are based on management's estimation of an asset's condition, expected condition at the end of the period of use, its current use, expected future use and the entity's expectations about the availability of finance to replace the asset at the end of its useful life.

The entity reviews the useful lives of all assets on a yearly basis. Management applies judgement in determining if these remain reasonable or need to be reassessed. If reassessment is required, this change is accounted for in the current and future periods and treated as a change in estimate.

ESTIMATES

Estimates are informed by historical experience, information currently available, management, assumptions, and other factors that are believed to be reasonable under the circumstances. These estimates are reviewed on a regular basis. Changes in estimates that are not due to errors are processed in the period of the review and applied prospectively.

1.3 BIOLOGICAL ASSETS

The entity recognises biological assets or agricultural produce when, and only when:

- the entity controls the asset as a result of past events;
- it is probable that future economic benefits or service potential associated with the asset will flow to the entity; and
- the fair value or cost of the asset can be measured reliably.

The biological assets are not recognised in the statement of financial position, as the fair value or cost of the assets cannot be measured reliably. The status and trend of Biodiversity assets in the province is monitored from a broad (ecosystem) to fine (species) levels, through a number of programmes which are both formal and informal.

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 over more than one period.

The value 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 entity; and
- the cost or fair value of the item can be measured reliably.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses. Property, plant and equipment is depreciated on the straight line basis over their estimated useful lives.

CONSOLIDATED ACCOUNTING POLICIES AS AT 31 MARCH 2019

1.4 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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

Item	Average useful life
Land	indefinite
Buildings	20 to 100 years
Plant and machinery	1 to 15 years
Furniture and fixtures	1 to 15 years
Aircraft, Vehicles and Boats	3 to 40 years
Computer equipment	1 to 15 years
Roads	5 to 50 years
Dams, Reservoirs and Boreholes	15 to 25 years
Fencing	5 to 20 years

The useful lives of assets are re-assessed on a yearly basis and adjusted where required, however the above estimated useful lives are the accepted norm and in certain instances the assets would be fully depreciated as they are at the end of their useful lives but still be in use.

These useful lives of assets are assessed yearly. Where the requirements of GRAP 17 were correctly applied in prior periods,

but expectations changed during the year, then the adjustment will result in a change in accounting estimate (i.e. an adjustment to depreciation) and not an error. However, if the requirements of GRAP 17 were not correctly applied in prior periods, the adjustment results in an error in accordance with GRAP 3.

Adjustments are not made to assets that are not significant to the organisation's operations and service delivery objectives. If the assets are significant to the organisation's operations, service delivery objectives and are material, then appropriate adjustments will be made.

1.5 INTANGIBLE ASSETS

An intangible asset is identifiable if it either:

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

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 entity; and
- the cost or fair value of the asset can be measured reliably.

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

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

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

Item	Useful life
Computer software, other	3 to 10 years

CONSOLIDATED ACCOUNTING POLICIES AS AT 31 MARCH 2019

1.6 HERITAGE ASSETS

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

Recognition.

The entity recognises a heritage asset as an asset when it is probable that future economic benefits or service potential associated with the asset will flow to the entity, and the cost or fair value can be measured reliably.

Where the entity holds a heritage asset, but on initial recognition, it does not meet the recognition criteria because it cannot be reliably measured, information on such a heritage asset is disclosed in the note.

1.7 FINANCIAL INSTRUMENTS

CLASSIFICATION

Classification depends on the purpose for which the financial instruments were obtained/incurred and takes place at initial recognition. Classification is re-assessed on an annual basis, except for derivatives and financial assets designated as at fair value through surplus or deficit, which shall not be classified out of the fair value through surplus or deficit category.

The entity classifies financial assets and financial liabilities into the following categories:

TRADE AND OTHER RECEIVABLES

Trade receivables are measured at initial recognition, at fair value and are subsequently measured at amortised cost. Appropriate allowances for estimated irrecoverable amounts are recognised in surplus or deficit when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the amount at initial recognition.

TRADE AND OTHER PAYABLES

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

1.8 LEASES

Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Payments received and paid under operating leases are charged to the statement of financial performance over the period of the lease.

CONSOLIDATED ACCOUNTING POLICIES AS AT 31 MARCH 2019

1.9 INVENTORIES

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.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

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.

Inventories are measured at the lower of cost or net realisable value.

1.10 COMMITMENTS

Items are classified as commitments where the entity commits itself to future transactions that will normally result in the outflow of resources.

Commitments are not recognised in the statement of financial position, but are included in the notes in the following cases:

- approved and contracted commitments;
- where the expenditure has been approved and the contract has been awarded at the reporting date; and
- where disclosure is required by a specific standard of GRAP.

1.11 EVENTS AFTER THE REPORTING PERIOD

Events after the 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:

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

The entity shall adjust the amounts recognised in its financial statements by adjusting events after the reporting date. The entity shall not adjust the amounts recognised in its financial statements by non-adjusting events after the reporting date.

1.12 IMPAIRMENT OF CASH-GENERATING ASSETS

Cash-generating assets are those assets held by the entity with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Useful life is either:

- the period of time over which an asset is expected to be used by the entity; or
- the number of production or similar units expected to be obtained from the asset by the entity.

CONSOLIDATED ACCOUNTING POLICIES AS AT 31 MARCH 2019

1.13 IMPAIRMENT OF NON-CASH-GENERATING ASSETS

The entity assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the entity estimates the recoverable service amount of the asset. If there is any indication that an asset may be impaired, the recoverable service amount is estimated for the individual asset. If it is not possible to estimate the recoverable service amount of the asset, the recoverable service amount of the cash-generating unit to which the asset belongs is determined.

The recoverable service amount is the higher of a non-cash generating asset's fair value less costs to sell and its value in use. The value in use for a non-cash generating asset is the present value of the asset's remaining service potential.

If the recoverable service amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in surplus or deficit.

1.14 EMPLOYEE BENEFITS

SHORT-TERM EMPLOYEE BENEFITS

The cost of short-term employee benefits is recognised in the period in which the service is rendered and is not discounted.

Post Employment Benefits

DEFINED CONTRIBUTION AND BENEFIT PLANS

Payments to defined contribution and benefit plans are charged as an expense as they fall due. Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the entity's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

OTHER POST RETIREMENT OBLIGATIONS

The entity provides post-retirement health care benefits upon retirement to some retirees. The entitlement to post-retirement health care benefits is based on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. Independent qualified actuaries carry out valuations of these obligations. The entity also provides a gratuity and housing subsidy on retirement to certain employees. An annual charge to income is made to cover both these liabilities.

1.15 PROVISIONS AND CONTINGENCIES

Provisions are recognised when:

- the entity 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. 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.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 23.

CONSOLIDATED ACCOUNTING POLICIES AS AT 31 MARCH 2019

1.16 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. An exchange transaction is one in which the entity receives assets or services, or has liabilities extinguished and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

SALE OF GOODS

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the entity has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- 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 entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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 entity;
- 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.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed. When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

INTEREST

Revenue arising from the use by others of entity assets yielding interest is recognised when:

It is probable that the economic benefits or service potential associated with the transaction will flow to the entity, and
The amount of the revenue can be measured reliably.

1.17 REVENUE FROM NON-EXCHANGE TRANSACTIONS

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

CONSOLIDATED ACCOUNTING POLICIES AS AT 31 MARCH 2019

1.17 REVENUE FROM NON-EXCHANGE TRANSACTIONS (CONTINUED)

TRANSFERS

The entity recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transfers received in respect of projects to which conditions are attached, are treated as liabilities (external projects/deferred income) and subsequently recognized as revenue in the periods that expenditure has been incurred, in accordance with the project business plans.

Transferred assets are measured at their fair value as at the date of acquisition.

PERMITS AND FINES

Permits and fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

Where the entity collects fines in the capacity of an agent, the fine will not be revenue of the collecting entity.

GIFTS AND DONATIONS, INCLUDING GOODS IN-KIND

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the entity and the fair value of the assets can be measured reliably.

1.18 COMPARATIVE FIGURES

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year. Changes in accounting policies and fundamental errors are also restated in the prior year figures.

1.19 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.

1.20 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 -

- this Act; 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.

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

CONSOLIDATED ACCOUNTING POLICIES AS AT 31 MARCH 2019

1.21 BUDGET INFORMATION

The Budget is approved on a cash basis. The approved budget covers the period from 01 April 2018 to 31 March 2019. The budget and accounting bases differ. The financial statements are prepared on the accrual basis whereas the budget is prepared on the cash basis.

1.22 RELATED PARTIES

The entity operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

1.23 VALUE ADDED TAXATION (VAT)

The Revenue Laws Amended Act, 2003 (Act No. 45 of 2003) commenced on 22 December 2003. In terms of this Act, with effect from 1 April 2005, Ezemvelo KZN Wildlife, which is listed in Schedule 3C of the Public Finance Management Act, 1999 now falls within the definition of "public authority" as defined in section 1 of the VAT Act. Ezemvelo KZN Wildlife was consequently deregistered for VAT purposes.

1.24 TAXATION

No provision has been made for taxation, as the entity is exempt from income tax in terms of Section 10 of the Income Tax Act, 1962 (Act No. 58 of 1962).

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

Figures in Rand thousand

2018

Restated 2018

2. PRIOR PERIOD ERRORS

The comparative figures have been amended to account for the prior period errors.

Below is a description of each individual prior period error indicating the total effect of the prior period errors on the amounts previously disclosed.

Statement of financial position

Correction of debtor previously not raised.

Trade and other receivables

Previously stated	28 497
Correction of debtor previously not raised	4 816
	33 313

Incorrect capturing of expenditure

Trade Payables

Previously stated	102 967
Correction of capture error	(731)
	102 236

Accumulated surplus

Previously stated	700 770
Operating Expenses - Correction of capture error	731
Operating Expenses - Correction of debtor not raised	4 816
	706 317

Operating Expenses

Previously stated	393 685
Reclassification of Non-exchange expenditure	(58 057)
	335 628

Employee Related Costs

Previously stated	718 300
Reclassification of Non-exchange expenditure	52 510
	770 810

Notes to Financial Statements

Non-exchange expenditure was split by nature of expense resulting in a change to the prior year audited figures for operating expenses and employee costs.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

2. PRIOR PERIOD ERRORS (CONTINUED)

	Restated 2018	2018	Difference
Operating Expenses			
Administration and Management fees	710	552	158
Bank Charges	3 517	3 450	67
Consulting and professional fees	18 236	9 416	8 820
Consumables	29 128	22 844	6 284
Contracted Services	64 259	36 663	27 596
Catering	2 847	2 606	241
Auditors remuneration	3 940	3 667	273
Transfer Payments	1 805	1 759	46
Marketing and Advertising	4 429	4 208	221
Communication	10 407	10 237	170
Community payments & other expenses	2 706	3 067	(361)
Transport Expenses	28 625	22 760	5 865
Training	2 069	1 539	530
Travel	2 824	2 668	156
Electricity	22 911	22 910	1
Water	2 222	2 204	18
Repairs and maintenance	28 441	28 384	57
Loss on disposal of assets	2 273	6 754	(4 481)
Non-exchange expenditure - projects	-	103 739	(103 739)
Operating Leases	1 815	1 794	21
	233 164	291 221	(58 057)
Employee Cost			
Basic Salary	422 203	419 143	3 060
Unemployment Insurance Fund (UIF)	3 990	3 981	9
Skills Development Levy (SDL)	5 602	5 577	25
Other personnel costs	2 872	2 392	480
Subsistence Allowance	12 706	11 033	1 673
Housing and other allowances	40 766	40 738	28
Contract workers	90 256	43 021	47 235
	578 395	525 885	52 510

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

2. PRIOR PERIOD ERRORS (CONTINUED)

	Restated 2018	2018	Difference
Cash Flow			
Cash Flow from operating activities			
Receipts			
Sale of goods and services	296 474	301 288	(4 814)
Payments			
Employee costs	(770 810)	(718 300)	(52 510)
Suppliers	(238 193)	(191 779)	(46 414)
Other cash item - Non exchange transactions	-	(103 739)	103 739
	(1 009 003)	(1 013 818)	4 815
Cash Flows from investing activities			
Disposal of property plant and equipment	27 329	20 575	6 754

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

3. NEW STANDARDS AND INTERPRETATIONS

3.1 STANDARDS AND INTERPRETATIONS ISSUED, BUT NOT YET EFFECTIVE

The following Standards of GRAP and amendments to Standards of GRAP have been issued, but are not yet effective:

Standard/ Interpretation:	Effective Date	Expected impact:
GRAP 20 Related Party Disclosures	1 April 2019.	The impact on the financial results and disclosure is considered to be minimal when the Standard is adopted.
GRAP 108 Statutory Receivables	1 April 2019.	The impact on the financial results and disclosure is considered to be minimal when the Standard is adopted.
GRAP 32 Service Concession Arrangements: Grantor	1 April 2019.	The impact on the financial results and disclosure is considered to be minimal when the Standard is adopted.
GRAP 109 Accounting by Principals and Agents	1 April 2019.	The impact on the financial results and disclosure is considered to be minimal when the Standard is adopted.
IGRAP 17 Service Concession Arrangements Where a Grantor Controls a Significant Residual Interest in an Asset	1 April 2019.	The impact on the financial results and disclosure is considered to be minimal when the Standard is adopted.
IGRAP 18 Recognition and Derecognition of Land	1 April 2019.	The impact on the financial results and disclosure is considered to be minimal when the Standard is adopted.
IGRAP 19 Liabilities to Pay Levies	1 April 2019.	The impact on the financial results and disclosure is considered to be minimal when the Standard is adopted.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

4. BIOLOGICAL ASSETS

FAUNA AND FLORA

The biological assets of the entity comprise of a wide range of species of fauna and flora. These species are managed for conservation purposes and their sale is for species control and meta population management rather than a profit motive. It is intrinsically challenging to determine the numbers of species of the various flora as well as separate them by their major classes. At the same time the species of fauna are freely roaming and are managed through various eco-system and species level of monitoring programmes. Therefore for both fauna and flora the estimation of the species numbers as well as their values cannot be reliably measured, and consequently we have not disclosed this information in the statement of financial position.

5. PROPERTY, PLANT AND EQUIPMENT

	March 2019			March 2018		
	Cost / Valuation	Accumulated depreciation & accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation & accumulated impairment	Carrying value
Land	6 365	-	6 365	6 365	-	6 365
Buildings and Structures	1 166 292	(787 159)	379 133	1 160 334	(771 740)	388 594
Plant and machinery	16 957	(13 604)	3 353	17 055	(11 333)	5 722
Furniture, Tools and Equipment	125 288	(84 643)	40 645	118 993	(71 263)	47 730
Aircraft, Vehicles and boats	184 182	(116 524)	67 658	173 521	(100 418)	73 103
Computer Equipment	26 513	(19 242)	7 271	24 916	(16 626)	8 290
Roads	221 066	(105 499)	115 567	221 056	(97 571)	123 485
Dams, Reservoirs and Boreholes	8 260	(5 745)	2 515	8 078	(5 207)	2 871
Fencing	91 346	(28 031)	63 315	91 159	(22 224)	68 935
Work in progress	46 684	-	46 684	15 140	-	15 140
Total	1 892 953	(1 160 447)	732 506	1 836 617	(1 096 382)	740 235

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Reconciliation of property, plant and equipment - March 2019

	Opening balance	Additions	Disposals	Transfers	Write up - Depreciation	Depreciation	Accumulated Depreciation on disposals	Closing balance
Land	6 365	-	-	-	-	-	-	6 365
Buildings and Structures	388 594	5 812	(830)	975	-	(16 109)	691	379 133
Plant and Machinery	5 722	-	(99)	-	-	(2 348)	78	3 353
Furniture, Tools and Equipment	47 730	7 058	(1 409)	645	1 849	(16 497)	1 269	40 645
Aircraft, Motor Vehicles and Boats	73 103	14 004	(3 342)	-	6 414	(24 668)	2 147	67 658
Computer Equipment	8 290	1 719	(122)	-	2 276	(4 995)	103	7 271
Roads	123 485	10	-	-	-	(7 928)	-	115 567
Dams, Reservoirs and Boreholes	2 871	186	(3)	-	-	(540)	1	2 515
Fencing	68 935	9	-	178	-	(5 807)	-	63 315
Work in progress	15 140	33 363	(21)	(1 798)	-	-	-	46 684
Total	740 235	62 161	(5 826)	-	10 539	(78 892)	4 289	732 506

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Reconciliation of property, plant and equipment - March 2018

	Opening balance	Additions	Disposals	Transfers	Depreciation	Accumulated Depreciation on disposals	Write up - Depreciation	Closing balance
Land	29 491	-	(23 126)	-	-	-	-	6 365
Buildings and Structures	398 345	1 415	(2 779)	6 940	(15 917)	590	-	388 594
Plant and Machinery	6 244	802	(57)	1	(2 464)	56	1 140	5 722
Furniture, Tools and Equipment	41 550	6 258	(718)	2 202	(15 217)	692	12 963	47 730
Aircraft, Motor Vehicles and Boats	88 366	4 061	(5 760)	(103)	(22 087)	3 912	4 714	73 103
Computer Equipment	8 580	2 068	(258)	12	(4 109)	225	1 772	8 290
Roads	124 735	5 148	-	1 447	(7 848)	-	3	123 485
Dams, Reservoirs and Boreholes	3 054	32	-	-	(536)	-	321	2 871
Fencing	14 609	4 714	-	52 295	(2 683)	-	-	68 935
Work in progress	72 260	5 780	(106)	(62 794)	-	-	-	15 140
Total	787 234	30 278	(32 804)	-	(70 861)	5 475	20 913	740 235

Fencing with a cost of R2,8 million (2018: R2,8 million) and a book value of R 769 988 (2018 restated: R 881 312) will be de-recognised upon completion of the current construction.

WIP Breakdown

	2016/17	2017/18	2018/19
Buildings and structures	12 761	14 506	39 693
Dams, Reservoirs and Boreholes	-	446	495
Fencing	52 505	188	6 248
Furniture, Tools and Equipment	2 346	-	-
Roads	4 648	-	248
	72 260	15 140	46 684

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

REPAIRS AND MAINTENANCE BY ASSET CLASS

Figures in Rand thousand	March 2019	Restated March 2018
Aircraft, Motor Vehicles and Boats	7 953	6 802
Building and Structures	18 925	14 586
Furniture, Tools and Equipement	2 010	1 985
Computer Equipment	93	479
Dams, Reservoirs and Boreholes	458	1 903
Fencing	683	898
Plant and Machinery	156	317
Roads	372	1 471
	30 650	28 441

6. INTANGIBLE ASSETS

	March 2019			March 2018		
	Cost / Valuation	Accumulated depreciation & accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation & accumulated impairment	Carrying value
Computer software	21 334	(18 608)	2 726	22 701	(16 843)	5 858

Reconciliation of intangible assets - March 2019

	Opening balance	Additions	Disposals	Amortisation	Accumulated amortisation on disposals	Closing balance
Computer software	5 858	256	(1 622)	(2 802)	1 036	2 726

Reconciliation of intangible assets - March 2018

	Opening balance	Additions	Amortisation	Closing balance
Computer software	7 998	482	(2 622)	5 858

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

7. HERITAGE ASSETS

EKZNW is the management authority of the Ukhahlamba/Drakensberg Park World heritage Site (UDPWHS) in terms of section 8 of the World Heritage Convention Act 49 of 1999 on behalf of the National Department of Environmental Affairs for a period of 5 years ending in 2019.

The 242 814 hectares UDPWHS is considered a Heritage Site due to the areas unique richness of the biological diversity, its endemic and endangered species, its natural beauty and its masterpieces of Bushman rock paintings.

The rock art of the Ukhahlamba/Drakensberg is the largest and most concentrated group of rock paintings in Africa, south of the Sahara and is outstanding both in quality and diversity of subject.

The San people lived in the mountainous Ukhahlamba/Drakensberg area for more than four millennia, leaving behind them a corpus of outstanding rock art which throws much light on their way of life and their beliefs.

The site has exceptional natural beauty with soaring basaltic buttresses, incisive dramatic cutbacks and golden sand-stone ramparts. Rolling high altitude grasslands, the pristine steep-sided river valleys and rocky gorges also contribute to the beauty of the site. The site's diversity of habitats protects a high level of endemic and globally threatened species, especially of birds and plants.

Due to the nature of the above we could not establish a fair value/ deemed cost nor a replacement cost for these heritage assets acquired as the management authority.

8. EMPLOYEE BENEFIT OBLIGATIONS

DEFINED CONTRIBUTION PLAN

It is the policy of the entity to provide retirement benefits to all its employees. At 31 March 2019, there were 1985 (2018: 1989) employees on the Ezemvelo KZN Wildlife Provident Fund. Under this scheme, the entity is under no obligation to cover any unfunded benefits.

DEFINED BENEFIT PLAN

In addition to the defined contribution plan, the entity has two defined benefit plans that are governed by the Pension Funds Act, 1956 (Act no. 24 of 1956). At 31 March 2019, there were 199 (2018: 209) employees on the Government Employee Pension Fund and 59 (2018: 70) employees on the Natal Parks Board Pension and Gratuity Pension Scheme.

NATAL PARKS BOARD PENSION AND GRATUITY PENSION SCHEME

The Natal Parks Board Pension and Gratuity Pension Scheme, which is administered by Old Mutual, is a fully funded defined benefit plan governed by the Pension Funds Act. Only employees of the former Natal Parks Board belong to this scheme.

The latest available actuarial valuation of this scheme was at 30 June 2017. In the opinion of the actuary, the fund is in a sound financial position. The actuary reassessed the valuation to take account of changes which were likely to occur subsequent to 30 June 2017. Any shortfalls in benefit plans are the responsibility of the entity.

As at 30 June 2017, the actuarial value of the assets are equal to the value of the liabilities after allowing for the solvency reserve.

The most significant actuarial assumptions (performed using the Attained Age method) of the most recent valuation were:

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

8. EMPLOYEE BENEFIT OBLIGATIONS (CONTINUED)

- (a) A long-term inflation rate of 5% per annum has been assumed.
- (b) Long term interest rate of 9% per annum and a 7.5% per annum for solvency.
- (c) Long term salary increase assumption of 6% per annum.
- (d) Promotional salary increases are assumed to take place in accordance with rates set out in Annexure IV of the valuation.
- (e) Interest rate used to value the pension payable at retirement was set at 5.5% per annum. The difference between this rate and the investment return actually earned (assumed to be 9% per annum), represents a provision for pension increases in terms of the pension increase policy.
- (f) Withdrawals are assumed to take place in accordance with rates set out in Annexure IV of the valuation.
- (g) Deaths before retirement are assumed to take place in accordance with rates set out in the Annexure IV of the valuation.
- (h) Deaths after retirement are assumed to take place in accordance with rates based on PA(90) males and females and adjusted based on actual experience of Old Mutual Annuity Portfolio.
- (i) All members will retire when attaining the normal retirement age and members over the retirement age are deemed to have retired on the valuation date.
- (j) All members will be married at retirement with husbands being 5 years older than wives.
- (k) A discount rate of 3% per annum has been used to quantify the value of deferred pension for the purposes of calculating the statutory minimum benefit.
- (l) All members will commute 1/3rd of their pensions.

Assets

Expected return on plan assets - Market value of assets
settlements - reserve account

647 814 657 410

- -

647 814 657 410

Member Liabilities and contingencies reserve

Current service cost - past service liabilities in respect of active members

136 984 133 039

Past service cost - Pensioner liabilities

499 675 513 197

Contingency reserves

11 155 11 174

647 814 657 410

GOVERNMENT EMPLOYEE PENSION FUND

Former employees of the KwaZulu-Natal Directorate of Nature Conservation are members of the Government Employee Pension Fund governed by the Pension Funds Act 1956 (Act no.24 of 1956). This multi-employee state fund is a defined benefit plan. According to the actuarial valuation at 31 March 2016, the fund was 115.8% funded. The employer continues to allow employees on this fund to migrate to the Ezemvelo KZN Wildlife Provident Fund. This does not pose any financial risk to the organisation.

POST RETIREMENT MEDICAL AID PLAN

The Board commissioned an independent valuation, based on actuarial valuation principles, of the post retirement medical aid obligation. Actuarial valuations are conducted every 3 years. A valuation conducted by actuaries (Old Mutual Actuaries) in April 2017 reflected an estimated obligation of R 67 million as at 31 March 2019. This unfunded liability is being recognised as an expense over three years.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

8. EMPLOYEE BENEFIT OBLIGATIONS (CONTINUED)

POST RETIREMENT MEDICAL LIABILITY

Baseline opening balance	65 107	62 933
Interest Cost	5 665	5 412
Current Service Cost	841	747
Actuarial gain	-	-
Benefit Payment	(4 591)	(3 985)
	67 022	65 107

The most significant actuarial assumptions are detailed in the table below:

Assumptions

(a)	Discount rate	8.9%	8.9%
(b)	Medical inflation	7.8%	7.8%
(c)	Retirement age	65	65
(d)	Proportion continuing membership at retirement	100%	100%
(e)	Proportion of retiring members who are married	90%	90%
(f)	Age of spouse	3 years older than wives	3 years older than wives
(g)	Mortality of in-service members	In accordance with SA 85-90 (Light) ultimate table	In accordance with SA 85-90 (Light) ultimate table
(h)	Mortality of continuation members	In accordance with PA (90) ultimate male and female tables	In accordance with PA (90) ultimate male and female tables
(i)	Annual rate of withdrawal owing to resignation before retirement	According to scales below	According to scales below

Annual rate of withdrawal - from Age	Male	Female
20	16%	24%
25	12%	18%
30	10%	15%
35	8%	10%
40	6%	6%
45	4%	4%
50	2%	2%
55+	0%	0%

A discount rate of 8.9% per year has been used to place a present value on future benefit payments. This is consistent with the GRAP 25 requirement that the discount rate used should be the long term government bond yield. The rate of 8.9% is the gross redemption yield on the R186 government bond as at 24 February 2017.

An expected long term rate of increase to the medical aid subsidy of 7.8% per year has been used to value the liabilities. The medical inflation assumption has been set as follows: The base inflation rate CPI has been set as the difference in the yields on the R186 and the inflation-linked R197 bond after deducting an inflation risk premium of 0.5%.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

8. EMPLOYEE BENEFIT OBLIGATIONS (CONTINUED)

In addition to this, a medical inflation premium of 1.5% has been added to obtain the medical inflation rate of 7.8%. This medical inflation premium makes allowance for affordability in the environment of lower real returns anticipated by the market.

It was assumed that employees will not have child dependants at retirement.

No mortality experience investigation for Ezemvelo KZN Wildlife has been conducted as the size of the membership is insufficient to justify such an investigation.

SENSITIVITY ANALYSIS

The results are dependent on the assumptions used. The table below shows how the past service cost as at 31 March 2019 would be impacted by changes to these assumptions.

In-Service and Continuation Members	Accrued Service Liabilities as at 31.3.2019 (R Million)	% Increase
Assumptions as above	67,022	-
Discount rate - increases by 1% p.a.	60,108	(10)
Discount rate - reduces by 1% p.a.	66,723	-
Medical Inflation - increases by 1% p.a.	65,530	(2)
Medical Inflation - reduces by 1% p.a.	54,100	(19)
Retirement age - 60	68,048	2

The tables below show how the current service cost and interest cost for the year to 31 March 2019 would be impacted by changes to the assumptions:

In-Service Members	Current Service Cost 1.4.2018 - 31.3.2019 (R Million)	% Increase
Assumptions as above	0,841	-
Discount rate - increases by 1% p.a.	0,709	(16)
Discount rate - reduces by 1% p.a.	0,892	6
Medical Inflation - increases by 1% p.a.	0,882	5
Medical Inflation - reduces by 1% p.a.	0,714	(15)
Retirement age - 60	0,732	(13)

In-Service and Continuation Members	Interest Cost 1.4.2018 - 31.3.2019 (R Million)	% Increase
Assumptions as above	5,665	-
Discount rate - increases by 1% p.a.	5,628	(1)
Discount rate - reduces by 1% p.a.	5,022	(11)
Medical Inflation - increases by 1% p.a.	5,554	(2)
Medical Inflation - reduces by 1% p.a.	4,554	(20)
Retirement age - 60	5,747	1

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

Figures in Rand thousand	EKZNW		CONSOLIDATION	
	March 2019	Restated March 2018	March 2019	Restated March 2018

9. INVENTORIES

Consumable stores	6 436	6 680	6 436	6 680
Other goods held for resale	5 500	6 672	5 500	6 672
Fuel (Diesel, Petrol and gas)	3 856	3 556	3 856	3 556
	15 792	16 908	15 792	16 908
Stock Losses			789	863

10. TRADE AND OTHER RECEIVABLES

Trade receivables from exchange transactions	10 380	17 798	10 380	17 798
Deposits	2 911	2 843	2 911	2 843
Prepayments	110	220	110	220
Other receivables	15 286	15 563	15 622	15 779
Non- exchange transaction receivables - Projects	1	0	1	0
Less: Provision for impairment	(3 111)	(3 111)	(3 111)	(3 111)
	25 577	33 313	25 913	33 529

Fair value of Trade and other receivables

Trade and other receivables have not been discounted in order to split the interest and capital portion as at the end of the current year. An adequate provision has been made for all the doubtful debts which reduced the relevant amount.

Aging of trade receivables from exchange transactions

Current	6 587	10 102	6 587	10 102
30 days	762	349	762	349
60 days	281	421	281	421
90 days	219	110	219	110
120 days	269	1 880	269	1 880
+ 120 days	2 262	4 936	2 262	4 936
	10 380	17 798	10 380	17 798

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

Figures in Rand thousand	EKZNW		CONSOLIDATION	
	March 2019	Restated March 2018	March 2019	Restated March 2018

10. TRADE AND OTHER RECEIVABLES (CONTINUED)

Reconciliation of provision for impairment of trade and other receivables

Opening balance	3 111	2 400	3 111	2 400
Provision for impairment	0	711	0	711
	3 111	3 111	3 111	3 111

The creation and release of provision for impaired receivables have been included in operating expenses in the statement of financial performance.

11. CASH AND CASH EQUIVALENTS

Cash on hand	1 036	1 363	1 157	1 484
Bank balances	61 047	78 637	61 047	78 637
Short-term investments	167 665	197 205	168 560	198 044
Other cash and cash equivalents	351	1 169	351	1 169
	230 099	278 374	231 115	279 334

A guarantee for R185 154 in favour of Eskom is held by First National Bank Limited.

12. DEFERRED INCOME

Unspent conditional grants and receipts comprises of:

Balance at beginning of period	93 319	64 743	93 319	64 743
Funds received	67 860	130 345	67 860	130 345
Disbursements	(88 785)	(112 767)	(88 785)	(112 767)
Transfer	(1 132)	-	(1 132)	-
Other	147	10 998	147	10 998
	71 409	93 319	71 409	93 319

Donor / Grant Name	Purpose	Opening Balance	Expenditure	Income	Closing Balance
DAFF / Oceans & Coasts	Marine Conservation	(1 954)	-	-	(1 954)
DEA / Oceans & Coasts	Marine Conservation	(1 260)	2 659	(2 835)	(1 436)

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

12. DEFERRED INCOME (CONTINUED)

Donor / Grant Name	Purpose	Opening Balance	Expenditure	Income	Closing Balance
DARD / Other	Fencing project	(186)	-	-	(186)
DEA-NRM / WFR	River Clearing	(36)	73	(37)	-
DEA-NRM / Payment for Eco-System Services	Donga Rehabilitation	(4)	1	3	-
EDTEA / Ingodini Border Cave Project	Infrastructure Development	(5 629)	4 623	(87)	(1 093)
DEA / Ongoye Forest Development	Infrastructure Development	(7 464)	4 551	(210)	(3 123)
DEA / Usuthu Tembi Futhi	Infrastructure Development	-	1	(1)	-
EDTEA / BHAMBATHA LOGDE	Infrastructure Development	(7 122)	1	(128)	(7 250)
EDTEA / Invasive Alien Species Programme Co-Ordination	Alien Plant Clearing	(542)	2 501	(2 116)	(157)
EDTEA / Invasive Alien Species Programme Coast	Alien Plant Clearing	(19)	7 780	(7 538)	223
EDTEA / Invasive Alien Species Programme uKhahlamba	Alien Plant Clearing	31	7 965	(7 192)	805
EDTEA / Invasive Alien Species Programme Z/land	Alien Plant Clearing	(6 326)	26 450	(23 848)	(3 725)
DEA / Cathedral Peak Camp Sites	Infrastructure Development	-	1	(1)	-
EKZNW / Community Levy	Community Developments Projects	(2 401)	2 316	(2 287)	(2 373)
DEA,EKZNW,ECT / Maloti Drakensberg TFCA Phase 2	Operations Management	(8 668)	5 624	(2 625)	(5 670)
DEA-NRM / APA	Alien Plant Clearing	(338)	432	(96)	-
WCT / Wildlands Conservation Trust	Operations Management	(689)	3	(29)	(714)
EKZNW / Project Management General (Closed Out Projects)	Operations Management	(2 977)	375	(14)	(2 617)
DARD / Agriculture Infrastructure	Infrastructure Development	-	4 502	(4 502)	-
DAFF / Small Scall and Fisheries	Marine and Coastal Management	-	108	(108)	-
EDTEA / NTSIKENI MAY LODGE	Operations Management	(369)	456	(87)	-
DEA / BUSINGATHA LODGE	Infrastructure Development	(2 958)	3 104	(146)	-

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

12. DEFERRED INCOME (CONTINUED)

Donor / Grant Name	Purpose	Opening Balance	Expenditure	Income	Closing Balance
DEA / TEMBE NDUMO	Infrastructure Development	(388)	195	(16)	(209)
DEA / Phongolo Nature Reserve	Infrastructure Development	-	(3)	3	-
EKZNW / Omakhelwane	Operations Management	(80)	11	(20)	(89)
SADC-GIZ AND Peace Parks / KZN-GIZ-MDTP Rehabilitation	Operations Management	(81)	1	(92)	(172)
DEA / WFTC AMATIKULU RIVER - MFOLOZI RIVER15/8	Coastal Management	(1 553)	3 433	(1 981)	(100)
DEA-NRM / WORKING FOR WETLANDS	Wetlands Management	-	(1)	1	-
EDTEA / EAST3ROUTE LEGACY	Infrastructure Development	(11 826)	2	(159)	(11 983)
DEA / NDUMO LODGE UPGRADE	Infrastructure Development	(6 022)	5 777	(50)	(295)
EKZNW / NRM Administration	Operations Management	(422)	369	53	-
DEA / Youth Environmental Service	Mass Employment and Training	(474)	1 526	(2 677)	(1 626)
NDT / NDT Midmar Maintenance	Infrastructure Development	(18 667)	3 523	(743)	(15 887)
NDT / NDT Roof Upgrade	Infrastructure Development	(4 895)	1 558	(202)	(3 538)
NDT / NDT Giants Castle Upgrade	Infrastructure Development	-	1	(8 241)	(8 240)
		(93 319)	89 918	(68 008)	(71 409)

Conditional grants represent amounts from external sources (grants and funders) that will be utilized in the future against the respective projects.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

13. PROVISIONS

Reconciliation of provisions - March 2019

	Opening Balance	Additions	Utilised during the year	Closing Balance
Leave Pay Provision	70 097	5 172	(4 643)	70 626
Contributory Pension	1 236	5 175	(5 113)	1 298
Post Retirement Medical Aid	65 107	1 915		67 022
Emergency Rescue Provision	1 813	-	(112)	1 701
	138 253	12 262	(9 868)	140 647
Audit Fees	4	4	(4)	4
	138 257	12 266	(9872)	140 651

Reconciliation of provisions - 2018

Leave Pay Provision	63 769	16 042	(9 714)	70 097
Contributory Pension	1 148	4 944	(4 856)	1 236
Post Retirement Medical Aid	62 933	2 174		65 107
Emergency Rescue Provision	2 010		(197)	1 813
	129 860	23 160	(14 767)	138 253
Audit Fees	4	4	(4)	4
	129 864	23 164	(14 771)	138 257
Non-current liabilities			67 022	65 107
Current liabilities			73 629	73 150
			140 651	138 257

14. EXTERNAL PROJECTS

Figures in Rand thousand	EKZNW		CONSOLIDATION	
	March 2019	Restated March 2018	March 2019	Restated March 2018
Special Projects	11 965	10 711	11 965	10 711
Community Levy	14 674	14 119	14 674	14 119
Community Facilities control account	6 447	9 731	6 447	9 731
Wildcard and commercial marine licenses	2	2	2	2
	33 088	34 563	33 088	34 563

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

14. EXTERNAL PROJECTS (CONTINUED)

	Purpose	Opening Balance	Expenditure	Income	Closing Balance
Special Project					
Chairman's Trust	A special fund to cater for staff members in need of assistance	(2 159)	-	(169)	(2 328)
National Department of Tourism - Universal access Project - Hilltop	Structural improvements aimed at ensuring that facilities cater for people with special categories of physical need.	-	-	(1 979)	(1 979)
RBM - Hilltop Ablutions	Upgrade rondavel/ablutions at Hilltop Resort	(1 500)	-	-	(1 500)
Ezemvelo Cup	Sponsorship of annual soccer tournaments aimed at benefiting neighbouring communities.	(836)	48	-	(788)
Ivory Auction Special Project	Only to be used for monitoring, management and research related to elephants.	(1 385)	634	(159)	(910)
Earthwatch Institute Game Count Program.	Only to be used for costs relating to the bi-annual game count program in HiP. This includes the purchasing and maintenance of equipment, food for camp staff and volunteers, salaries for camp staff and TOG to clear transects and maintain camps.	(197)	513	(813)	(497)
DEDTEA - Amadamu Community & Cattle Water Dams Project	Only to be used for the construction of earth dams in the surrounding community	(491)	-	-	(491)
AWF HIP Security Project	Only to be used security related projects and HiP	(17)	-	(271)	(288)
Lubombo TFCA Game Re-location	Only to be used for payment of game translocation in the Transfrontier Conservation Area	(10)	248	(474)	(236)
Save The Rhino	Rhino intervention initiative	(794)	445	(228)	(577)

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

14. EXTERNAL PROJECTS (CONTINUED)

	Purpose	Opening Balance	Expenditure	Income	Closing Balance
HiP Black Rhino Monitoring	Rhino intervention initiative	(264)	180	-	(84)
EAZA Save the Rhino Campaign	Rhino intervention initiative	(168)	-	-	(168)
Black Rhino Hunt Trust	Rhino intervention initiative	(157)	-	-	(157)
WWF ZA12A3 RFP -Rhino Range Expansion	Rhino intervention initiative	-	4	(186)	(182)
Other	Various conservation projects from various donors	(2 734)	1 611	(657)	(1 780)
	-	(10 712)	3 683	(4 936)	(11 965)

Community Levy					
Community Levy	Funds to be used for community projects	(14 119)	2 033	(2 589)	(14 674)

Community facilities					
Didima	Community facilities	(406)	-	-	(406)
Ithala	Community facilities	-	153	(153)	-
Nselweni	Community facilities	(9 325)	5 793	-	(6 041)
		(9 731)	5 946	(153)	(6 447)

Commercial and marine licence					
Wildcard and commercial licence	Wildcard and commercial licences	(2)	-	-	(2)

15. TRADE AND OTHER PAYABLES

Figures in Rand thousand	EKZNW		CONSOLIDATION	
	March 2019	Restated March 2018	March 2019	Restated March 2018
Trade payables	55 183	65 338	55 462	65 599
Deposits received	28 321	28 333	28 321	28 333
Other payables	67	33	67	33
Salary Accrual	8 988	8 532	8 988	8 532
	92 559	102 236	92 838	102 497

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

Figures in Rand thousand	EKZNW		CONSOLIDATION	
	March 2019	Restated March 2018	March 2019	Restated March 2018

16. REVENUE

The amount included in revenue arising from exchanges of goods or services are as follows:

Sale of goods	33 170	34 207	33 170	34 207
Accommodation	113 953	127 310	113 953	127 310
Natural Resource Trade	786	549	786	549
Conservation Levy	26 795	34 117	26 795	34 117
Hunting Revenue	718	541	718	541
Licences and Permits	1 253	1 262	1 253	1 262
Admission	18 550	17 561	18 550	17 561
Trails, Rides and Tours	14 204	14 252	14 204	14 252
Game Sales	4 539	9 247	4 539	9 247
Rental Income	3 480	3 506	3 600	3 626
	217 448	242 552	217 568	242 672

The amount included in revenue arising from non-exchange transactions is as follows:

Fines	29	26	29	26
Transfers	727 308	704 620	727 308	704 620
	727 337	704 646	727 337	704 646
	944 785	947 198	944 905	947 318

17. OTHER INCOME

The amount included in other revenue arising from exchange transactions are as follows:

Concession Revenue	2 419	3 566	2 419	3 566
Expense Recoveries	22 118	19 292	22 118	19 292
Other Revenue	9 456	10 250	9 456	10 250
Interest Income	11 645	6 816	11 701	6 874
	45 638	39 924	45 694	39 982

The amount included in other revenue arising from non-exchange transactions is as follows:

Funder Revenue	86 023	106 521	86 023	106 521
Sundry Income - Projects	109	303	109	303
Agency Services- Marine Coastal Management	2 672	3 202	2 672	3 202
Donations	13 867	8 554	13 867	8 554
	102 671	118 580	102 671	118 580
	148 309	158 504	148 365	158 562

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

Figures in Rand thousand	EKZNW		CONSOLIDATION	
	March 2019	Restated March 2018	March 2019	Restated March 2018

18. OPERATING EXPENSES

Administration and Management fees	751	710	751	718
Auditors remuneration	4 537	3 940	4 555	3 956
Bank Charges	3 763	3 517	3 763	3 518
Bad Debts	0	711	0	711
Consulting and professional fees	17 506	18 236	17 506	18 401
Consumables	32 590	29 128	32 590	29 128
Contracted Services	59 850	64 260	59 850	64 260
Depreciation and amortisation	71 156	52 572	71 156	52 572
Catering	2 447	2 847	2 447	2 847
Hire	35	1	35	1
Insurance	8 850	8 719	8 850	8 719
Marketing and Advertising	5 345	4 429	5 345	4 429
Communication	12 457	10 407	12 457	10 407
Stock Loss	789	863	789	863
Community payments and other expenses	3 611	2 705	3 611	2 805
Board members remuneration	4 683	6 065	4 683	6 125
Transport Expenses	29 469	28 298	29 469	28 298
Training	3 110	2 069	3 110	2 069
Travel	4 340	2 824	4 340	2 824
Electricity	25 479	22 911	25 479	22 911
Sewerage and waste disposal	307	352	307	352
Water	2 048	2 222	2 048	2 222
Refuse	202	168	202	168
Utilities - generator diesel	3 226	2 342	3 226	2 342
Gain/Loss on exchange differences	2	(493)	2	-493
Loss on Disposal of assets	2 169	2 273	2 169	2 273
Repairs and maintenance	30 650	28 441	30 650	28 441
Transfer Payments	1 061	1 805	1 061	1 805
Municipal Rates	16	41	16	41
Software Licences	6 190	4 754	6 190	4 754
Operating Leases	1 928	1 815	1 928	1 815
Cost of sales	25 923	26 224	25 923	26 224
Cost of services rendered	568	472	568	472
	365 058	335 628	365 076	335 978

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

Figures in Rand thousand	EKZNW		CONSOLIDATION	
	March 2019	Restated March 2018	March 2019	Restated March 2018

18. OPERATING EXPENSES (CONTINUED)

Contracted Services

Cleaning Services	1 329	2 351	1 329	2 351
Laundry Services	1 268	1 355	1 268	1 355
Aviation Services	17 431	12 295	17 431	12 295
Hire Services	929	216	929	216
Security	17 077	12 765	17 077	12 765
Management Fees	8 540	8 185	8 540	8 185
Construction contractors/services	12 437	26 466	12 437	26 466
Other	839	627	839	627
	59 850	64 260	59 850	64 260

19. EMPLOYEE RELATED COSTS

Basic Salary	427 848	422 203	427 848	422 203
Medical aid company contributions	51 046	49 577	51 046	49 577
Unemployment Insurance Fund (UIF)	3 908	3 990	3 908	3 990
Workmans Compensation (WCA)	6 014	5 931	6 014	5 931
Skills Development Levy (SDL)	5 730	5 602	5 730	5 602
Leave Pay Provision charge	4 643	9 714	4 643	9 714
Other personnel costs	2 290	2 872	2 290	2 872
Post-retirement contributions	67 296	64 388	67 296	64 388
Subsistence Allowance	12 962	12 706	12 962	12 706
Overtime payments	12 389	12 689	12 389	12 689
13th Cheques	36 855	35 846	36 855	35 846
Car allowance	13 890	14 270	13 890	14 270
Housing and other allowances	38 764	40 766	38 764	40 766
Contract workers	81 721	90 256	81 721	90 256
	765 356	770 810	765 356	770 810

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

Figures in Rand thousand	EKZNW		CONSOLIDATION	
	March 2019	Restated March 2018	March 2019	Restated March 2018

19. EMPLOYEE RELATED COSTS (CONTINUED)

Contract workers

Basic Salary	78 412	86 676	78 412	86 676
Unemployment Insurance Fund (UIF)	387	309	387	309
Workmans Compensation (WCA)	885	1 034	885	1 034
Skills Development Levy (SDL)	380	298	380	298
Leave Provision charge	2	-	2	-
Subsistence allowance	442	911	442	911
Overtime payments	576	539	576	539
Housing and other allowances	637	489	637	489
	81 721	90 256	81 721	90 256

Remuneration:

Chief Executive Officer

Annual Remuneration including Allowances			1 765	1 951
Contributions to Medical and Pension Funds			142	126
			1 907	2 077

Chief Financial Officer

Annual Remuneration including Allowances			1 440	1 355
Contributions to Medical and Pension Funds			117	176
			1 557	1 531

20. CASH GENERATED FROM OPERATIONS

Surplus/(Deficit)	(37 320)	(736)	(37 162)	(908)
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Adjustments for:

Depreciation and amortisation	71 156	52 572	71 156	52 572
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Changes in working capital:

Debtors	7 736	8 608	7 616	8 488
Inventory	1 116	424	1 116	424
Provisions	2 394	8 393	2 394	8 393
Deferred income	(21 910)	28 576	(21 910)	28 576
Creditors	(9 677)	7 894	(9 659)	7 993
	13 495	105 731	13 551	105 538

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

Figures in Rand thousand	EKZNW		CONSOLIDATION	
	March 2019	Restated March 2018	March 2019	Re-stated March 2018

21. NET MOVEMENT IN EXTERNAL PROJECTS

Balance at beginning of the year	(34 563)	(31 933)	(34 563)	(31 933)
Balance at end of the year	33 088	34 563	33 088	34 563
	(1 475)	2 630	(1 475)	2 630

22. COMMITMENTS

Already contracted for but not provided for

Capital expenditure	70 540	34 308	70 540	34 308
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Operating leases – as lessee (expense)

Minimum lease payments due

- within one year	2 738	588	2 738	588
- in second to fifth year inclusive	4 285	387	4 285	387
- later than five years	12	26	12	26
	7 035	1 001	7 035	1 001

Operating leases – as lessor (income)

Minimum lease payments due

- within one year	971	361	971	361
- in second to fifth year inclusive	3 647	798	3 647	798
- later than five years	26 711	30 445	26 711	30 445
	31 329	31 604	31 329	31 604

Operating leases comprise of rentals.

Indefinite contracts are calculated as 50 year leases and include inflation.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

23. CONTINGENCIES

CONSERVATION LAND

The Board has capitalised its buildings. However, the land relating to these buildings is state land. In terms of the Kwa-Zulu Natal Nature Conservation Management Act 9 of 1997, the Board has an implicit right of use of the land for an indefinite period. To date, land claims relating to Ithala Game Reserve, Hluhluwe Imfolozi Park Corridor, Ndumo Game Reserve, and Tembe Elephant Park totalling 93 698 hectares have been settled and co-management agreements entered into with the claimants. The immovable assets situated on this land could be transferred to the new owners. However, there remains significant uncertainty as to the identity of the new owners as the title deeds have not been finalised.

The total value of immovable assets situated in these areas is estimated at R 103,8 million (2018: R 110,4 million).

According to the Department of Rural Development and Land Reform (DRDLR), an additional 9 claims have been lodged of which 1 has been settled through financial compensation. The demarcations by DRDLR have not yet been finalised and thus it is difficult to ascertain the actual land under claim as well as the assets on that land.

Legal claims

The financial implications of the current cases are:

Probable	R 3 373
Improbable	R 4 550

The contingent liabilities are the total of monetary legal claims against the entity. As such the figure represents the cumulative exposure of the entity to successful legal claims made by third parties. All of these claims are live litigation in which litigation has commenced. A detailed disclosure of the nature of each claim and / or our estimates of success or actual value of a claim would be highly prejudicial to the entity. Discussion of the details of a claim will indicate to other potential claimants the nature of claim and the estimated quantum of such claims thus potentially encouraging litigation against the organisation. Any estimate of success or failure will also be clearly advantageous to a claimant and highly prejudicial to the entity. So too would an estimate of the 'actual' or realistic damages. This will embolden a claimant and render attempts to advantageously settle or defend a claim unlikely. Even where we feel that we are likely to successfully defend a matter a great deal of costs can be saved (to the overall benefit of the entity) by not disclosing to the public the details of our contingent legal liabilities.

The contingent liabilities are made up of the following claims / cases –

- Interdicts
- Termination of contracts
- Review of licences / permits
- Claim for damages of a personal nature
- Labour dispute
- Eviction of unlawful occupiers

24. RELATED PARTIES

Ezemvelo KZN Wildlife is one of the entities within the Department of Economic Development, Tourism & Environmental Affairs (EDTEA). As such, these entities and other entities within the sphere of Government are considered to be related parties.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

24. RELATED PARTIES (CONTINUED)

Relationships	
Ultimate entity	Ezemvelo KZN Wildlife
Economic Development Tourism and Environmental Affairs	Controlling Department
KZN Sharks Board	Under same control of EDTEA
KZN Tourism Board	Under same control of EDTEA
Trade and Investment KZN	Under same control of EDTEA
Moses Kotane Institute	Under same control of EDTEA
Richards Bay Industrial Development Zone	Under same control of EDTEA
Ithala Development Finance Corporation	Under same control of EDTEA
Ithala Limited	Under same control of EDTEA
KwaZulu-Natal Growth Fund	Under same control of EDTEA
KwaZulu-Natal Film Commission	Under same control of EDTEA
Dube Tradeport	Under same control of EDTEA
KZN Rehabilitation Trust	Under same control of EDTEA
KZN Liquor	Under same control of EDTEA

Department of Economic Development, Tourism and Environmental Affairs - Shareholder

The entity received grants of R 767,5 million (2018 : R 749,7 million) from the Department for operating purposes.

Member Fees

	Remuneration s	Disbursement	Total package 2019	Total package 2018
Audit & Risk Committee				
Mr BW Ngubane (Chairperson)	103 373	931	104 305	158 356
Mr NF Mchunu	65 471	-	65 471	98 207
Ms N Mthembu (Term ended 31 Oct 2017)	-	-	-	52 166
Mr SK Dlongolo	32 736	450	33 186	37 832
Ms CN Mhlongo	32 736	1 413	34 149	39 648
Ms SD Ncube Dlamini	49 103	-	49 103	-
Adv S Sethene (Term ended - 31 January 2018)	-	-	-	81 839
Mr T Ndlela	65 471	-	65 471	86 002
Adv NZ Khuzwayo (Term - 2 May 2017 to 30 May 2017)	-	-	-	17 506
Mr Z Zulu	-	-	-	16 368
Ms IN Molefe (Term - 2 May 2017 to 30 May 2017)	-	-	-	34 338
	348 890	2 794	351 685	622 262

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

24. RELATED PARTIES (CONTINUED)

	Remuneration s	Disbursement	Total package 2019	Total package 2018
Board Members				
Mr LW Mngoma (Chairman - Term commenced - 1 July 2018)	664 748	34 202	698 950	-
Ms SP Lebenya (Deputy Chairperson)	508 019	8 523	516 542	478 824
Inkosi BS Mthembu	253 024	28 359	281 383	199 900
Mr S Mtolo	330 537	3 062	333 599	360 507
Mr V Mvelase	336 656	19 378	356 023	386 189
Mr T Ndlela	284 488	13 621	298 109	400 520
Mr RF Haswell (Term commenced - 1 July 2018)	192 736	2 836	195 571	-
Mr IC Ewing (Term commenced - 1 July 2018)	181 223	7 754	188 977	-
Mr SL Ndlovu (Term commenced - 1 July 2018)	232 631	6 346	238 977	-
Ms DG Hoorzuk (Term commenced - 1 July 2018)	221 119	7 371	228 490	-
Ms SD Ncube Dlamini (Term commenced - 1 July 2018)	186 582	3 751	190 333	-
Ms T Ntshangase (Term commenced - 1 July 2018)	239 444	13 592	253 036	-
Mr Z Zulu (Chairperson - Term ended - 30 June 2018)	202 332	2 622	204 954	809 338
Adv NZ Khuzwayo (Term ended - 30 June 2018)	41 793	2 298	44 091	217 286
Ms IN Molefe (Term ended - 30 June 2018)	79 581	3 561	83 142	387 534
Ms NL Mthembu (Term ended - 30 June 2018)	73 473	8 719	82 192	348 545
Dr FM Nzama (Term ended - 30 June 2018)	84 753	5 083	89 836	402 724
Mr MM Mackenzie (Term ended - 31 May 2018)	68 368	718	69 086	362 894
Adv S Sethene (Term ended - 31 January 2018)	-	-	-	263 957
Dr SD Singh (Term ended - 31 January 2018)				
	4 181 507	171 796	4 353 291	4 823 832
	4 530 397	174 590	470 4976	5 446 094

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

25. CHANGE IN ESTIMATE

CHANGE IN USEFUL LIFE

The useful life of certain Furniture, Tools and Equipment has been extended to twenty three years, resulting in a decrease in depreciation for the current year of R 1 849 million and an increase of R 616 243 per annum in future reporting periods.

The useful life of certain Aircraft, Motor Vehicles and Boats has been extended to forty eight years, resulting in a decrease in depreciation for the current year of R 6 414 million and an increase of R 2 128 million per annum in future reporting periods. .

The useful life of certain Computer Equipment has been extended to eighteen years, resulting in a decrease in depreciation for the current year of R 2 276 million and an increase of R 758 646 per annum in future reporting periods. .

26. GOING CONCERN

The consolidated 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.

27. IRREGULAR EXPENDITURE

Figures in Rand thousand	March 2019	Restated March 2018
Opening balance	43 763	36 367
Irregular Expenditure	5 087	7 396
Irregular Expenditure Condoned	(47)	-
	48 803	43 763

28. FINANCIAL INSTRUMENTS

OVERVIEW

The entity has exposure to the following risks from its use of financial instruments.

- Credit risk
- Liquidity risk
- Market risk
- Interest rate risk

This note presents information about the entity's exposure to each of the above risks, the entity's objectives, policies and processes for measuring and managing risk, and the entity's management of capital. Further quantitative disclosures are included throughout these financial statements.

In terms of Treasury Regulations 27.2.1, issued in terms of the PFMA, the accounting authority must ensure that a risk assessment is conducted regularly to identify emerging risks in the entity. The Board has established the Audit and Risk committee which is responsible for developing and monitoring the entity's risk management policies.

The entity's risk management policies are established to identify and analyse the risks faced by the entity, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the entity's activities. The entity, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit and Risk committee oversees how management monitors compliance with the entity's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the entity. The Audit and Risk committee is assisted in its oversight role at operations level by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit and Risk committee.

CREDIT RISK

Credit risk is the risk of financial loss to the entity if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the entity's receivables from customers and cash and cash equivalents. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at 31 March 2019 was R25,9 million (restated 2018: R 33,5 million) relating to trade and other receivables (Note 10) and R 231,1 million (2018: R 279,3 million) relating to cash and cash equivalents (Note 11).

TRADE AND OTHER RECEIVABLES

The entity's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The composition of the entity's customer base, including the default risk of the industry and country in which the customers operate, has less of an influence on credit risk.

INVESTMENTS

The entity limits its exposure to credit risk by investing only in liquid securities and only with approved banks and financial institutions.

GUARANTEES

A guarantee for R 185 154 in favour of Eskom is held by First National Bank Limited as at 31 March 2019.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2019

28. FINANCIAL INSTRUMENTS (CONTINUED)

LIQUIDITY RISK

Liquidity risk is the risk that the entity will not be able to meet its financial obligations as they fall due. The entity's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the entity's reputation.

Monies are transferred to the current account to meet the weekly obligations. Any surpluses are invested on a month to month basis at the most optimum rate.

The entity does not borrow monies. There are thus no credit facilities available.

MARKET RISK

Market risk is the risk related to changes in market prices which could affect the entity's income. The policy of the entity is not to invest in any equity related instruments, as such there is no market risk exposure.

All surplus cash is invested in financial institutions at optimal interest rates and periods approved by senior management. Interest rates have not been volatile in the year under review.

CURRENCY RISK

The entity has exposure to currency risk relating to the amount that has to be paid to Microsoft for software licences in United States dollars (US\$).

INTEREST RATE RISK

The entity does not borrow monies. There are thus no credit facilities available.

FAIR VALUES

The fair values of financial assets and liabilities are the same as the carrying values reflected in the statement of financial position.



Conservation, Partnerships & Ecotourism

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