

**South African**  
NATIONAL PARKS

# 2009/2010



# VISION

National Parks will be the pride and joy of all South Africans and of the world.

# MISSION

To develop and manage a system of National Parks that represents the biodiversity, landscapes and associated heritage assets of South Africa for the sustainable use and benefit of all.

# CORPORATE VALUES

## In all that we do, we shall:

Demonstrate leadership

Embrace, and be guided by, environmental ethics

Promote transformation both within and outside the organisation

Strive for scientific and service excellence

Act with professionalism

Adopt and encourage initiative and innovation by all

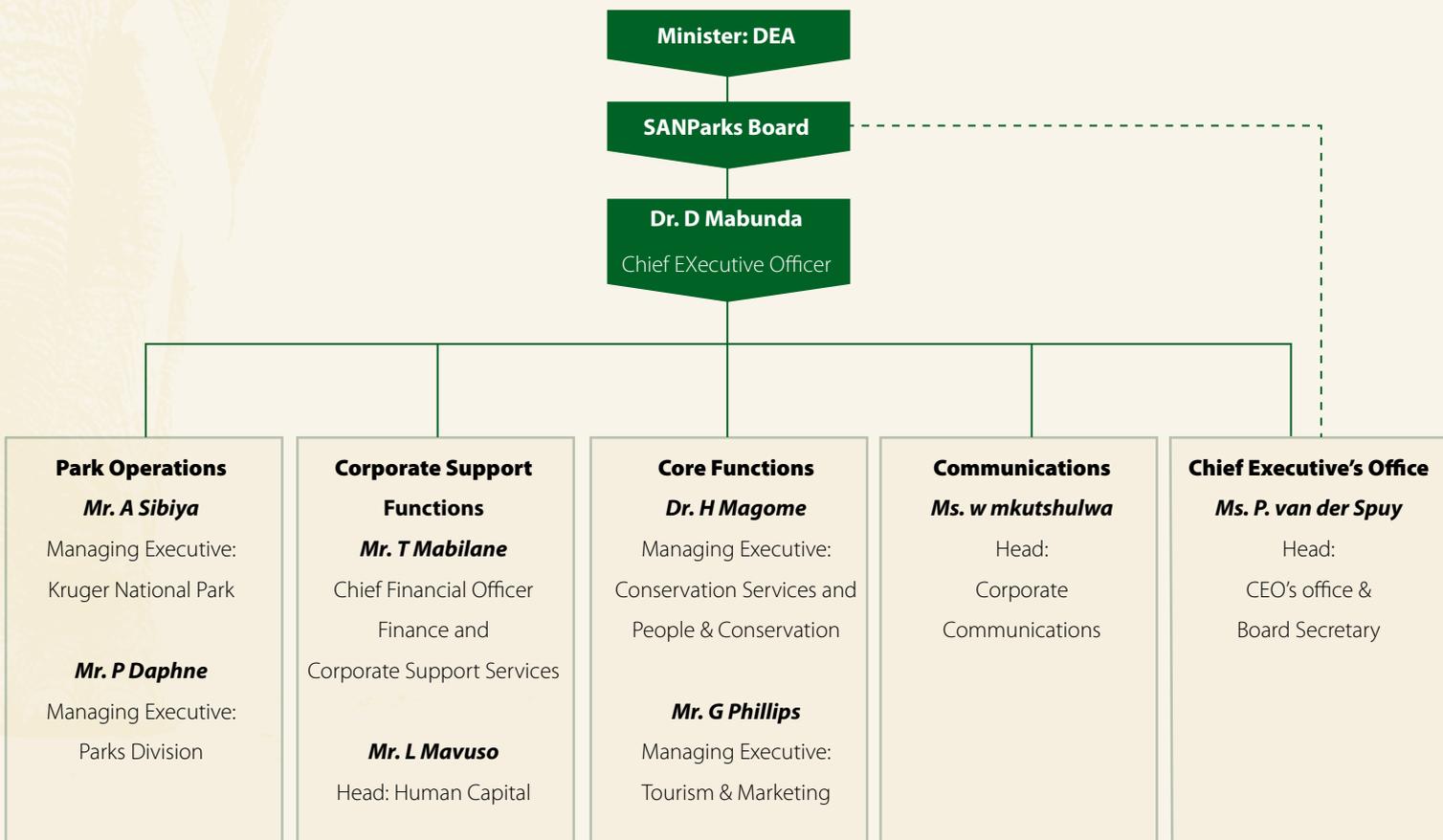
Treat all our stakeholders with equality and justice

Exercise discipline

Act with honesty and integrity

Strive for transparency and open communication at all times.

# SANParks Corporate Structure



# TABLE OF CONTENTS

## CONTENTS >

Board and Top Management	04
Chairperson's Report	05
Chief Executive Officer's Report	07
Conservation Services Report	10
Tourism Development and Marketing Report	20
Human Resources Report	38
Corporate Communications Report	48
Special Programmes Report	54
Performance Against Pre-determined Objectives for 2009/2010	57
Annual Financial Statements	83
Glossary of Terms and Abbreviations	139

*TOGETHER WE CAN MAKE A DIFFERENCE*

# SANPARKS BOARD MEMBERS

## AND TOP MANAGEMENT

---

### ***SANParks BOARD MEMBERS***

**Mr. K.D. Dlamini (Board Chairperson)**

**Mr. M. Diemont**

**Prof. G. Kerley**

**Prof. G. Swan**

**Prof. W. van Riet**

**Dr. D. Mabunda**

**Dr. G.C Dry**

**Ms. B. Kunene**

**Ms. S. Rensburg**

**Mr. F. Mketeni**

**Mr. T. Mabilane**

**Mr. J. Vilakazi**

---

### ***TOP MANAGEMENT***

#### ***Executive Management***

Dr. David Mabunda – Chief Executive Officer

Mr. Themba Mabilane – Chief Financial Officer

Dr. Hector Magome – Managing Executive: Conservation Services

Mr. Glenn Phillips – Managing Executive: Tourism Development and Marketing

Mr. Paul Daphne – Managing Executive: Parks Division

Mr. Abe Sibiya – Managing Executive: Kruger National Park

Ms. wanda mkutshulwa – Head of Communications (by invitation)

Mr. Leonard Mavuso – Head of Human Resources (by invitation)

Ms. Pauline van der Spuy – Head: Chief Executive Office and Board Support (by invitation)



Mr. K.D. Dlamini  
(Board Chairperson)

The members of the Board of South African National Parks (SANParks) are satisfied that the Board conducted its fiduciary duties effectively in its first year of the three year term.

I present this year's report with much enthusiasm as we have been able to meet most of our key targets, including tourism figures which were a concern going into the year due to the global financial meltdown.

A report by the United Nations World Tourism Organisation (UNWTO), a specialized agency of the United Nations and the leading international organisation in the field of global tourism, indicates that (arrivals) declined in 2009. Africa was the only region that bucked the trend with a 5% increase, while Europe declined by 6%, Asia and Pacific were 2% down, the Americas went down by 5% and the Middle East was down by 6%. Tourism in South Africa, by comparison, posted a 1.1% decline. It is believed that the biggest contributors to the decline in tourism figures worldwide were the economic recession and the scare of the H1N1 epidemic. The UNWTO is optimistic that global tourism will pick up in 2010 as the global financial crisis continues to ease up.

South Africa also reported a downturn in tourism occupancy of 1.05%. SANParks has continued to perform satisfactorily despite the continuing global financial crisis with the average occupancy of 73.3% comparing impressively with the overall South African average occupancy of 51.3%. Whereas SANParks had budgeted for what was thought an ambitious 0% growth in tourism occupancy it is remarkable to report that a minor growth of 0.8% instead was achieved. This growth is largely attributable to the fact that our National Parks prove to be indeed the pride of the nation as South Africans accounted for 77.6% of all guests to parks in this financial year.

SANParks continues to pride itself on the phenomenal growth in black visitors to National Parks as a result of deliberate efforts to attract this market to see the parks as part of their myriad of holiday options. Growth in black day visitors grew by 17.5% whilst growth in overnight occupancy grew by 9.7%. The SANParks Board and Management have committed themselves to continue implementing measures that will ensure more growth in this market.

The financial status of the organisation continues to be something to marvel at. In this current year we did not only manage to achieve the targeted growth of 11%, but managed to surpass it by 0.7%. We are extremely satisfied with these results. Government has indicated once again that allocation of funds to SANParks will be further reduced by R170 million. This amount is certainly going to be felt and will mean that the belt has to be tightened in a number of ways. As a result, one of the key areas in which spending will be reduced is the acquisition of land to expand National Parks. This will be done because of the prohibitive price of suitable land and the escalation in operational costs that accompanies this activity.

Recent disastrous incidents in the world oceans and a rapid decline in marine resources indicate an urgent and significant need for governments to prioritise the protection of our coastal lines and further out to sea. South Africa had to ban abalone fishing because of a threat of extinction of the species precipitated by commercial over-exploitation. This obviously created a big uproar because of the potential for job loss and further economic strife for some of the coastal communities depending on fishing. However, it has to be understood and accepted that in general, all of South Africa's coastal and marine living resources are suffering declines from over-fishing, in particular, rock lobster, pilchards, anchovies and red-eye.

*"SANParks continues to pride itself on the phenomenal growth in black visitors to National Parks as a result of deliberate efforts to attract this market to see the parks as part of their myriad of holiday options".*

# CHAIRPERSON'S REPORT

Therefore stricter regulations are required. The coastal ecosystems are also damaged by sewage and stormwater discharge as well as pressures associated with shipping which include oil spills and the discharge of ballast water and waste from vessels. Global warming, with the expected disruption of marine ecosystems due to the rise in sea levels is also going to put too much pressure on the SA marine ecology and resources. All of this, put together shows a strong need for South Africa to increase the 15% of marine area under protection to be able to meet the future needs of the country.

It gives me immense pleasure to report that SANParks has not received a qualified report from the Auditor General in more than eight years, despite the escalating number of reports pointing to mismanagement of state institutions and departments. It is also worth mentioning that during this period the Board accepted a proposal by the Executive Management to withdraw payment of bonuses until the financial situation of the organisation has satisfactorily improved. The Board decided to give the Executive Management a thirteenth cheque as compensation for this loss.

I want to take the opportunity to thank the Board for its commendable support and dedication to the organisation as well as the Chief Executive, Executive Management and employees for continuing to protect and manage the natural heritage of South Africa in a manner that makes our national parks to be the envy of many globally.



Handwritten signature of Kuseni Dlamini.

**Kuseni Dlamini**

**Chairperson of the Board**

**South African National Parks (SANParks)**

# CHIEF EXECUTIVE OFFICER'S REPORT



Dr. D Mabunda  
(CEO - SANParks)

The downturn in the world's fortunes was always going to be felt the most by the conservation fraternity as it is largely dependent on state contributions, donations from philanthropic individuals and companies as well as the fluid tourism industry. The SANParks were able to weather the first storms of this global challenge but with the continued downturn the pressure has come to be felt by the organisation.

Overall Budget performance was better than anticipated as the organisation was able to realize 0.7% above the targeted growth of 11% in Gross Operating Revenue Year on Year (YoY), and 74% above the targeted 10% growth in Alternative Revenue. The growth in Gross Operating Revenue is attributed to better performance in both Conservation Fees and Rebate Income due to an increased number of visitors to National Parks than had been expected. The phenomenal increase in Alternative Revenue is as a result of better performance in Interest Earned on investments than expected as well as increase in Gross Income from fauna and flora as part of the species population management programme. The organisation has achieved a break-even budget as the Income Budget and Expenditure Budget variances were 0.6% above budget and 1.4% below budget respectively.

However, until the overall economic climate changes, SANParks proceeds to maintain a decision made in the 2008/2009 financial year to reduce expenditure on land expansion as well as to scale down the land expansion programme until further notice. This decision was not only influenced by the price of land but also by the operating expenses that come with newly acquired land whether through expansion or establishment of new National Parks. This, however, does not imply that we have not honoured existing agreements and commitments from external parties. Land acquisition in the current financial period brought in 9,332ha to the National Parks estate. The purchased pieces of land added to the Thicket, Savanna, Lowland Fynbos and Succulent Karoo biomes.

The grassland biome continues to be a priority for future plans of expanding the country's network of National Parks. Research has shown that the grassland biome has a very high biological diversity which is believed to be second only to the fynbos biome in South Africa. It is believed that the majority of rare and threatened plant species in the summer rainfall regions of the country are found only in the high-rainfall grasslands which makes this vegetation type worthy of target for conservation urgently. It must be noted that the grassland biome ranks extremely high in biodiversity composition, second only to the fynbos biome.

The grassland biome occurs in some of the best agricultural soils in the country and so is vital for the production of maize crop as well as farming for dairy, beef and wool production which has led to the landscape being the most radically transformed in the country. The grassland biome also contains most of our major river catchments, making it a highly contested landscape. The Maloti-Drakensberg mountains are the most strategic water source in South Africa, supplying much of the sub-continent through rivers and inter-basin transfers, and also giving water to much of the 40 million residents of the provinces of Gauteng, Limpopo and Mpumalanga. Who would argue against giving this important resource higher conservation status?

As reported in the last financial year, one of the key challenges to conservation bodies today, including private nature reserve owners, throughout the country and even globally has been the escalation of poaching of rhinos for their horns. Poaching escalated at an unprecedented rate in 2008 to 83 and has been growing since [refer to Table in the report]. Whereas in the period 2000 to 2007 the highest number of poaching incidents was 25 poached animals in 2002 and the lowest was 6 animals in 2001, in the calendar year 2009 a total of 122 rhinos were poached. This is concerning because even though the rhino population in the country from 2004 has been growing at an average rate of 12.74% for white rhino and 4.8% for black rhino, the increase of poaching incidents from 0.08% to this financial year's 0.58% is a substantial growth for an illegal activity of this nature.

*"As reported in the last financial year, one of the key challenges to conservation bodies today, including private nature reserve owners, throughout the country and even globally has been the escalation of poaching of rhinos for their horns".*

# CHIEF EXECUTIVE'S REPORT

There is growing evidence that this has seized to be an environmental crime, it is now firmly in the sphere of organised crime, driven and led by syndicates emanating from countries in South East Asia. Little is known at this stage as to what is the actual reason for this instant growth in poaching across the continent of Africa.

Research continues to be the cornerstone for effective management and learning in SANParks. SANParks recognises the effectiveness of forming partnerships with entities that have an interest in benefits and opportunities for the effective improvement of park management decisions and one of these is the academic fraternity. These partnerships have ensured that National Parks make a contribution to the body of conservation knowledge in South Africa and internationally and provide a firm basis of knowledge relevant to the management of National Parks. During this financial year 425 research projects were registered with the organisation and were conducted across the network of National Parks in the country. One of the key deliverables of this programme has been the Strategic Framework for Biodiversity monitoring which was developed in the previous financial year and has set the foundation for the development of a set of Biodiversity Monitoring Programmes which are currently under construction. The other one is the ongoing research into the deaths of at least 170 crocodiles from pansteatitis in the Olifants Gorge in 2008/2009 which at this stage has not been able to provide conclusive answers as to the real cause of the deaths. It is hoped that we may make a breakthrough soon because this lack of knowledge has made it difficult for us to be able to predict similar events in the future, resulting in poor management interventions. In the current financial year another 27 crocodiles were lost in the winter months.

The concession lodge business, due to its strong reliance on international visitors, felt the effects of the economic recession far more than the organisation. The average occupancies of the concession lodges showed a decline of 4.5% YoY. The highest average occupancy achieved by an operator was 60%, a 6% decline when compared with 66% in the previous financial year. To date the concessionaires have contributed approximately R360 million to the SANParks revenue since their establishment. The shops and restaurants did marginally better than the lodges, with an increase in income YoY of just over R1 million, while the lodges brought in just under R3 million YoY.

Through the existence and proper management of the approximately 4 million ha of land under the management of SANParks, the organisation continues to contribute immensely to the "Green Economy Agenda". There is research globally that indicates that pristine thicket areas within South Africa hold more carbon compared to transformed or over-grazed land and as national parks are some of the most pristine natural environments of the country potential for carbon sequestration is definitely higher in these areas. Though often disputed, the systems benefits provided by protected areas are becoming even more important under the current cloud of global warming. From another angle SANParks continues to be a significant contributor to the country's Green Economy, through the Expanded Public Works Programme, providing 3,127 people in some of the remotest and economically depressed areas in the country with about 402,507 person days work, at an average of 128 person days per person. The various programmes under this umbrella programme collectively used 224 SMME's, spending approximately 75% of the allocated budget of R101,8 million. The Infrastructure Development Programme employed 1,442 people, working 153,482 person days at an average of 106 days per person. The programme used the services of 69 SMME's, spending 72% of the allocated budget of R120,2 million. National Parks, further to the 3,518 employees, continues to be a hub for the existence of secondary and competing businesses which also employ a number of local people that are in dire need of jobs.

I am satisfied that we have achieved our annual objectives for the 2008/2009 financial year in most areas and those for which targets were not attained were unduly affected by constraints beyond the organisation's control. The dedication of our employees has ensured that SANParks continues to perform its duties with great focus and aplomb.



**Dr. D Mabunda**

**Chief Executive Officer**





CONSERVATION  
SERVICES  
REPORT

## Executive Summary

The key performance areas of the Conservation Services Division of SANParks are grouped into the following categories:

- i. improving the state of the conservation asset
- ii. making an acknowledged contribution to conservation nationally and globally
- iii. building strong constituencies for the management of a National Park System
- iv. continuous improvement of knowledge and evidence on which management decisions are based.

During 2009/10 the emphasis was on consolidating and developing the significant expansions to the National Parks System that were made in previous years, rather than on adding further expansions. Despite the focus on consolidation, attention was given to evaluate the potential for a new park in the highly threatened grassland biome and to the particular challenge of developing landscape linkages and buffer zones around parks through partnerships with neighbouring land-holders and other stakeholders. There is widespread optimism around the potential of such partnerships, which will yield benefits to the Green Economy, and focus on the need to base these on realistic socio-economic assessment is emphasised.

New initiatives in environmental education, such as the Junior Rangers, Wild About Soccer and the more recent Kudu Green Schools initiative, have shown promising growth, and are proving very effective in involving the youth in conservation issues. Key conservation issues addressed include sustainable resource use, elephant management, the health of increasingly threatened aquatic systems, fire management in the fynbos biome, and the monitoring of large mammal populations.

## *IMPROVING THE STATE OF THE CONSERVATION ASSET*

### *National Park Expansion*

In the 2009-10 financial year SANParks expanded the National Parks System using the National Protected Areas Expansion Strategy to include priority biomes. The total of 7,498 hectares (ha) was bought with the government land grant to cover the Thicket (946 ha), Savanna (2,894 ha), Lowland Fynbos (287 ha), and Succulent Karoo (3,371 ha). The National Trust Fund acquired 806 ha in the Lowland Fynbos, and 1,028 ha of Succulent Karoo were bought through the Park Development Fund (PDF) of SANParks. The world recession slowed down the National Parks expansion plans in the 2009-10 financial year, forcing SANParks to concentrate on consolidation.

Despite the world wide economic slow-down, high priority park expansion issues continued to receive attention. Through donor funding SANParks was able to collaborate with Provincial Conservation Agencies and stakeholders in gathering background information towards developing a National Park in the highly threatened grassland biome. This is based on thorough assessment, taking into account not only biodiversity values, but also provision of ecosystem services such as water catchment, potentially conflicting land uses, ecotourism, potential partnerships with local communities and potential to strengthen the local economy. Preliminary assessment based on these criteria suggested that the southern Ukhahlamba region in the Eastern Cape Province would be the most suitable for the development of a grassland biome National Park. Much work on data collection and assessment remains to be done during the coming financial year before a grassland-protected area can be realized.

A significant achievement, building on the extensive work of the Agulhas Biodiversity Initiative over previous years, was the submission of an application of protected area status for the Nuwejaars Wetland to the Director-General of Environment Affairs. This forms part of the buffer zone to the Agulhas National Park, which is vitally important in conserving biodiversity in the Park. SANParks has concluded a Memorandum of Understanding (MoU) with the local Nuwejaars Wetland Landowners Association which will provide a model for future partnerships to create buffer zones around National Parks. Exploratory negotiations also continued with communities, other stakeholders and Provincial Conservation Departments with a view to strengthening and consolidating buffer zones to the west of the Kruger National Park.

Park expansion in SANParks over the past year continued the recent worldwide trend towards enhancing biodiversity conservation through partnerships with neighbours rather than land acquisition. It has become clear that this approach needs careful and realistic assessment as there is widespread over-optimism regarding the potential of Protected Areas to provide a flow of economic and other benefits to surrounding communities.

### *Transfrontier Conservation Areas*

The Transfrontier Conservation Areas (TFCA) initiative continued its work in accordance with the stated objectives of the Southern African Development Community in promoting synergy in regional initiatives for economic, social and conservation benefits. In the context of the Great Limpopo TFCA, progress was made towards the development of a border crossing between South Africa and Zimbabwe with the submission to the Department of Environmental Affairs of a consultant's report recommending a suitable site with an assessment of costs. Areas of Transfrontier collaboration included the anthrax outbreak in the north of Kruger National Park and its implications for community livestock, wildlife surveys, development of elephant management plans and sharing of poaching statistics. Restrictions on cross-border operations for official purposes continue to hamper the efficient functioning of the Great Limpopo TFCA and ways need to be found to make this smoother. In the Maluti-Drakensberg TFCA, SANParks worked with provincial conservation agencies in advising Lesotho on the potential for the restoration of large mammal diversity in Lesotho Protected Areas.

### *State of biodiversity conservation*

The score-based tool for assessing the state of biodiversity conservation across all National Parks has been applied to collect data over three successive years. The results are being analysed to set a baseline and future targets for improving the state of biodiversity conservation.

# CONSERVATION SERVICES REPORT

## *State of cultural heritage*

Policies and guidelines for the management of collections and the development and maintenance of heritage sites in National Parks were completed. Negotiations are taking place between SANParks, SAHRA and the University of Pretoria about a heritage agreement on the future curatorship and ownership of the precious Mapungubwe collection. This process is very complex and great caution is being exercised in drafting the agreement. A service provider has been engaged to upgrade the Skukuza Museum around a specific story which will be consulted with stakeholders.

## MAKING AN ACKNOWLEDGED CONTRIBUTION TO CONSERVATION NATIONALLY AND GLOBALLY

### *Policy development*

Special attention has been given to procedures for the development, updating and approval of policies in SANParks. A review and audit of all existing SANParks policies has been completed, and a policy on institutional governance, based on information gathered during the policy review, was developed and approved. In addition, the supporting guidelines for the development and management of policies and operating procedures were drafted and adopted. Important policies and guidelines that received attention included invasive alien species management, safety and security and the conservation, management and promotion of cultural heritage resources.

### *Wildlife management and wildlife sales*

Animal population control is often necessary for ecological reasons, and this is normally achieved through live capture. Monitoring and adaptive management procedures are applied to ensure that the aims of population control programmes are achieved. The sale of captured animals provides a source of revenue for numerous conservation projects. The total for the 2009/10 financial year of just over R78 million is used to fund, among other development programmes, stakeholder consultation meetings in the context of management planning and various research projects.

### *Wildlife Crime*

Poaching of rhino by highly organized and well-structured syndicates is on the increase in Parks and elsewhere. SANParks was delegated by the Department of Environmental Affairs (DEA) to lead the process to develop a National Safety and Security Policy to counter rhinoceros poaching in South Africa. This process took place in consultation with the Provinces and other role players. The draft policy document has been accepted by the Provinces for submission to the DEA.



### National Rhino Population And Poaching Statistics

YEAR	NUMBER OF WHITE RHINO	% GROWTH	NUMBER OF BLACK RHINO	% GROWTH	TOTAL RHINO	TOTAL POACHED	% POACHED
2004	10,796	N/A	1,328	N/A	12,124	10	0.08%
2005	13,555	25.6	1,384	4.2	14,939	13	0.09%
2006	15,941	17.6	1,456	5.2	17,397	24	0.14%
2007	16,273	2.0	1,512	3.9	17,785	13	0.07%
2008	18,352	12.8	1,587	5.0	19,939	83	0.42
2009	19,409	5.7	1,678	5.7	21,087	122	0.58
AVG. RATE	N/A	12.74%	N/A	4.8%	N/A	N/A	0.23%

## BUILD STRONG CONSTITUENCIES FOR THE MANAGEMENT OF A NATIONAL PARK SYSTEM

### Environmental Education

The Junior Ranger Programme continues to involve the youth and National Park management in conservation. The number of Junior Rangers (appointed and applicants) is currently 495, a 20% increase since 2009. Four new Junior Rangers for the following regions were established: Keimoes, Namaqua, Sandveld/Richtersveld and Tzaneen. The Kudu Green School Initiative is ready for implementation with an official launch pending for later in the new financial year. Seven schools in Gauteng have already been selected and are willing to participate in the new programme. This will be the first project of its kind in which SANParks engages with Gauteng schools by supporting their environmental improvement programme and at the same time exposing them to National Parks. Funds from the Kuduzela project and the new Lottery grant will ensure effective implementation of the project.

The Morula Kids Art competition was launched for 2010. Posters and entry forms were distributed nationally and the theme for the year linked environmental conservation to the 2010 FIFA World Cup football celebrations. Winners will be announced after the finals in July 2010. The Wild About Soccer Project in and around the Kruger National Park was very successful in promoting community and park relations and also got the attention of local and international media like FIFA and TV channels. The Wild About Soccer Project is also being implemented effectively in the vicinity of the Kalahari Gemsbok National Park and has been effective in introducing the youth to National Parks. The EDCON group is the main sponsor for the tournament.



# CONSERVATION SERVICES REPORT

## *Community-based conservation*

Assessment of the status of Park Forums, which function to allow for participation of local stakeholders in park management issues and management plan development, has shown a major improvement in performance and effectiveness. At the conclusion of the financial year only two Parks had yet to develop Park Forums. For those Parks with Park Forums, all had at least one meeting during the year and the majority had as many as three or four meetings.

## CONTINUOUS IMPROVEMENT OF KNOWLEDGE AND EVIDENCE ON WHICH MANAGEMENT DECISIONS ARE BASED

## *Research in National Parks*

Management for biodiversity needs are to be informed by high quality scientific knowledge, and to ensure this SANParks promotes and encourages partnerships with external research institutions. These partnerships ensure that National Parks make a contribution to conservation-related research in South Africa and provide a basis of knowledge relevant to the management of National Parks. At the conclusion of the financial year, 425 registered research projects were being conducted across the National Parks System. Of these, 76% were rated essential and important to addressing Park objectives and needs.

The Strategic Framework for Biodiversity Monitoring in SANParks developed in the previous financial year set the foundation for the development of a set of biodiversity monitoring programmes which are currently in progress. These programmes will include human and financial resource requirements and will allow prioritisation of monitoring across the National Parks System.

Space limitations preclude full reporting of ongoing biodiversity research and monitoring programmes, only selected highlights are presented below. For those Parks with elephant populations, the development of elephant management plans was a priority for the 2009/10 year. These will shortly be submitted to the Minister of Environmental Affairs in accordance with the National Norms and Standards for Elephant Management. Demographic profiling of elephants in the Kruger National Park (KNP) suggested that calving intervals have changed differently in the different regions of KNP under the influence of the changed management regime, including the closure of many of the water points in the Park. The growth of the Kruger elephant population has slowed down over the past six years, which may possibly indicate levelling off due to density dependent on population limitation. Verifying this indication will be a priority for research and monitoring in the immediate future.



Research into the deaths of at least 170 crocodiles from *pansteatitis* in the Olifants River gorge during 2008/09 has unfortunately not provided complete answers as to how this happened, and our ability to predict similar events in future is anticipated to remain relatively poor, as they may be triggered by slow and long-term toxin accumulations, water quality deterioration and/or acute events. There is, however, cause for optimism in that surveys revealed that crocodiles in the Olifants River Gorge are as abundant as two years ago when the first *pansteatitis* deaths were noted. Several nursery groups of newly hatched crocodiles were also encountered. It seems that crocodile movements in the system provide sufficient resilience for the local population to recover after such catastrophic die-offs. Continued annual monitoring of breeding and hatchling survival is vital.

Very few Parks are large enough to maintain the big cats, wild dogs or hyaenas, therefore large mammal carnivores are missing as a needed ecological process in most of our parks. Ecosystems with missing or impaired ecological processes tend to undergo biodiversity losses. The rarity of vultures is one of the more obvious consequences of the absence of large carnivores, and there are likely to be other less obvious ramifications. In recent years SANParks has attempted to restore large mammal carnivores in a number of Parks. This requires intensive management to mimic the social dynamics that would occur in fully natural systems, necessitating the development of best practice guidelines. Population modelling has helped to define specific carnivore management actions over the next 10 years in Marakele, Mapungubwe, Mountain Zebra, Karoo and Addo Elephant National Parks. These include the development of contraception schedules for lions and the periodic removal of sub-adults to mimic dispersal away from natal prides.

During late December 2009, a fire swept through approximately 75% of the area of the biodiversity-rich Agulhas National Park. Limited baseline information prevented assessment of possible biodiversity losses resulting from this very intense fire, underlining the need to prioritise research on fire in Parks in the fynbos biome. Since the beginning of 2010 the following activities have been initiated in Agulhas National Park (i) establishment of long-term monitoring plots across the extent of the Park, (ii) a project to assess and monitor soil erosion, (iii) a research project to quantify soil and soil-dwelling arthropod diversity across the extent of the Park, (iv) discussion of a project to examine the consequences of using herbicides to control the extensive banks of emerging alien seedlings, (v) plans are underway to obtain aerial photographs and detailed information on the distribution and intensity of the fire, (vi) a discussion has been held with the Endangered Custodians of Rare and Endangered Wildflowers (CREW) to visit the Park in spring to assist with identifying plants of special concern, (vii) further research is underway to assess the consequences of the fire for the new invasive alien species discovered in the Park in 2009.



# CONSERVATION SERVICES REPORT

## *Sustainable resource use*

The selection of ten Sustainable Resource Use Flagship projects for 2009/10, as well as their appropriate milestones, was confirmed in consultation with researchers and parks in July 2009. Of the 10 sustainable resource use flagship projects, 6 generated a combined income of R 3 386 499,20. An inventory of resource use in parks was compiled by means of a questionnaire. Information from these inventories will be extracted for different research projects and will also be used to complete the resource use compliance register for the Department of Environment Affairs.

## *Estimates of Abundance of Large Species in National Parks*

The larger species of mammals, birds and reptiles in national parks are of particular importance. Many of them play a key role in ecosystem functioning, and furthermore they are a focus of interest for visitors. Some of the larger species need extensive areas in which to range, and may therefore be negatively affected by confinement to fenced parks. The status of the populations of the larger species can therefore provide an important indicator of the health of national parks. Estimates of the abundances of various large animal and bird species are presented below for each of the national parks in which a systematic census was undertaken during the year under review.

Estimating the abundance of animals is subject to various sources of error and bias which differ according to species and the environment in which the animals are found. Specialized techniques are applied to determine sources of error and bias, to correct them and to assess the reliability of the estimate. The background methodology and assessment of reliability is too lengthy to present in this report, therefore the results need to be interpreted with caution. Readers interested in details of accuracy and reliability may apply to SANParks for additional information. The tables below include only those species for which estimates of abundance are available.



TOGETHER WE CAN MAKE A DIFFERENCE

SPECIES	KNP	AENP	MoNP	MaNP	MNP	MZNP	GGHNP	KaNP	CNP	AFNP
Baboon	Common	500	6							
Black backed jackal		700	20			9		50		
Bat eared fox			10							
Black eared jackal										
Black rhinoceros	590 – 670	49	10		10	8		5		
Black wildebeest		240	45			300	1,400		70	
Blesbok			8			280	2,380		110	
Blue wildebeest	8,960-13,770		720	310	1,080					
Buffalo	37,500	338	250			45		4	30	
Bushbuck	500			7	15					
Cape mountain zebra		76				350		550	60	
Cheetah	120	9				29				
Crocodile	4,420									
Eland	460	205	210	90	210	200	710	330	100	60
Elephant	13,700	547		210	130					
Gemsbok		75	790	130	15			1,450	60	60
Giraffe	7,090-10,950		30	35	50					30
Grey duiker		35	35			5		15	3	
Grey rhebok						80	140	100		
Hartmann's mountain zebra										35
Hippopotamus	3,100									
Impala	99,830-163,570		40	870	1,100					
Klipspringer						15		90		30
Kudu	8,050-13,180	1,445	280	110	190	170		680	80	7
Leopard	1000									
Lichtenstein hartebeest	50									
Lion	1,620-1,750	14			12					
Mountain reedbuck	150	24	15		15	450	50	30		
Mountain zebra										
Nyala	300				6					
Oribi							1			
Ostrich			330		20	100	6	580	120	
Plains zebra	20,870-33,240	230		240			1,010	140		
Red hartebeest		630	470	20	35	240	1,040	1,240	110	



# CONSERVATION SERVICES REPORT

SPECIES	KNP	AENP	MoNP	MaNP	MNP	MZNP	GGHNP	KaNP	CNP	AFNP
Roan antelope	90		45		4					
Sable antelope	290		30							
Springbok		790	790			880	450	420	250	300
Spotted hyena	2,000-5,340	40								
Steenbok		24	30			20		10		
Reedbuck	300									
Tsessebe	220		310	6	25					
Waterbuck	3,210-7,630			70	110					
Warthog	3,220-4,450	751	220	30	260					
Wild dog	120									
White rhinoceros	9,460-12,120		40	3	80					

NOTE: KNP – Kruger National Park

AENP – Addo Elephant National Park

AFNP – Augrabies Falls National Park

GGHNP – Golden Gate Highlands National Park

MNP – Marakele National Park

MZNP – Mountain Zebra National Park

CNP – Camdeboo National Park

KaNP – Karoo National Park

MoNP – Mokala National Park

MaNP – Mapungubwe National Park

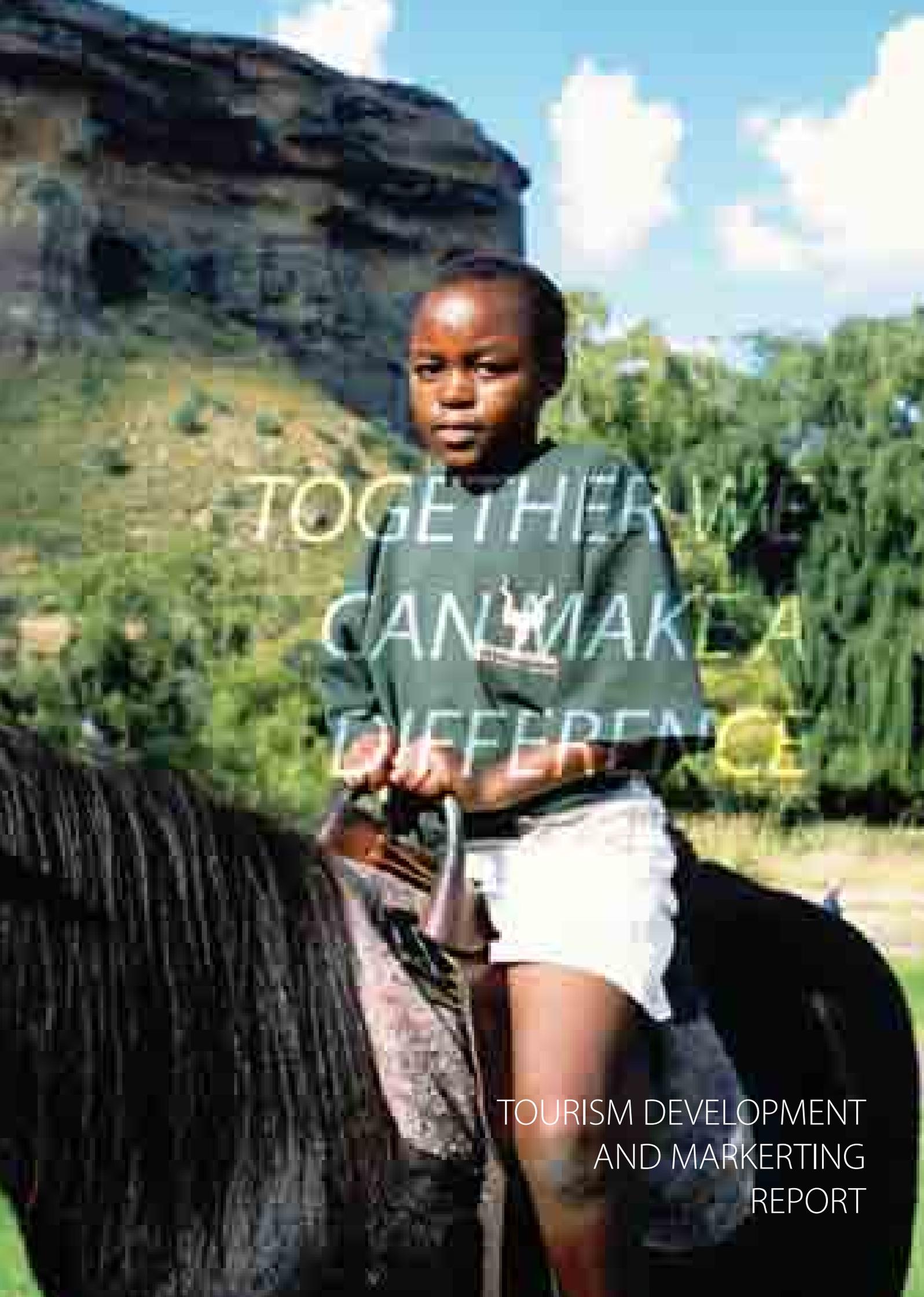
## Kalahari Gemsbok National Park (SA side of Kgalagadi Transfrontier Park)

Note: Botswana border unfenced, therefore numbers of migratory species may vary between seasons and years

Species	Number in Wet Season	Number in Dry Season
Cheetah	200	200
Leopard	150	150
Lion	450	450
Spotted Hyaena	375	375
Brown Hyaena	600	600
Blue Wildebeest	880	1 120
Eland	80- 110	20-120
Gemsbok	9 940-14 330	8 700-12 230
Springbok	1 630	1 640
Steenbok	1 510-2 750	2 040-3 150
Ostrich	1 570-2 410	1 070-1 490
Kori Bustard	360-660	230-0



TOGETHER WE CAN MAKE A DIFFERENCE

A young girl with dark hair is riding a black horse. She is wearing a green long-sleeved shirt and white shorts. The background shows a lush green field and a large, dark, thatched roof structure. The sky is blue with some clouds. The text 'TOGETHER WE CAN MAKE A DIFFERENCE' is overlaid on the image in a light green, sans-serif font.

TOGETHER WE  
CAN MAKE A  
DIFFERENCE

TOURISM DEVELOPMENT  
AND MARKETING  
REPORT

## Executive Summary

The 2009/2010 financial year has been a very good year for SANParks. The impact of the global recession has had quite an impact on the hospitality industry and overall accommodation occupancy rates fell by more than 1 percentage point. SANParks increased accommodation unit occupancies by 0,8% points to 73,3% representing the highest figure in six years. This relative resilience to declines can primarily be ascribed to both the Year in Advance Reservations Protocol as well as a strong and loyal domestic market. Camping performance in particular was good with 12% growth, compared to the national average showing of a 1,5% decline. Guest numbers to Parks increased encouragingly by 3,8% on previous year. With the assistance of focussed marketing initiatives, the black guest numbers to National Parks also increased by 17,5% and black guests now comprise a record 24,7% of all South African guests to National Parks.

Our lodge concession partners, who, to a large degree focus on international inbound visitors, have not had an easy year with most feeling the impacts of the recession. SANParks has put in place various initiatives to support the marketing and sales efforts of these partners. Growth in black day-visitor numbers has also been very encouraging with an overall growth of 17,5%. Black overnight occupancies grew by 9,7%. Continued focus on this market must and will continue into the foreseeable future.

Strong growth in the use of our web-reservations system has also been very encouraging and was a key factor in our success in selling inventory returned by MATCH. The SANParks 2010 plan is in its final delivery phase and we are confident that we will be ready to showcase our National Parks.

Consistent service delivery in our accommodation and restaurant operations continues to be an area that requires attention and the focus for the new financial year will be specifically aimed at service delivery. Our newly launched web-based feedback system is already enabling us to identify and react to weak points in service delivery in a far more effective and efficient manner. Lastly, the support of the Honorary Ranger Corps must be recognised. The individual efforts of these unselfish individuals have resulted in SANParks having at its disposal, an additional R19 million, which has been used for various initiatives such as anti poaching and environmental education.

**12%**  
**Growth of camping occupancies**

**17.5%**  
**Overall Growth of Black day visitors**

**9.7%**  
**Growth of Black Overnight occupancies**



# TOURISM DEVELOPMENT AND MARKETING REPORT

Conserving Nature Since 1926

## SANParks - SUMMARY OF TOURISM STATISTICS

FOR PAST FOUR YEARS FROM 2006/7 TO 2009/10 (01 April to 31 March)

Measure	2006/2007		2007/2008		2008/2009		2009/2010			
		%change		%change		%change		%change		
Bed Occupancy	54.80%	3.2%	56.2%	1.4%	57.2%	1.0%	58.0%	0.8%		
Bed nights sold	1,179,784	7.8%	1,221,691	3.6%	1,259,515	3.1%	1,287,787	2.2%		
Unit Occupancy	69.5%	3.5%	70.9%	1.4%	72.5%	1.6%	73.3%	0.8%		
Unit nights sold	483,553	7.7%	501,974	3.8%	521,090	3.8%	531,018	1.9%		
Camp Site Occupancy		40.8%		42.1%	1.3%	46.5%		4.4%		
Camp Site nights sold		201,881		210,166	4.1%	235,811		12.2%		
Camper person nights Sold	554,074	13.4%	591,076	6.7%	604,900	2.3%	675,392	11.7%		
Guests to Parks	4,587,815	16.4%	4,720,737	2.9%	4,347,996	-7.9%	4,512,476	3.8%		
Guests to Parks (excluding Cableway)	3,772,710		3,883,053	2.9%	3,628,181	-6.6%	3,806,729	4.9%		
Activities sold	<b>b</b>	226,211	17.2%	214,106	-5.4%	217,294	1.5%	221,530	1.9%	
Origin of Guests	SA Resident	Number	1,417,519	22.2%	1,489,203	5.1%	1,491,297	0.1%	1,641,843	10.1%
		% of total	73.6%	0.7%	74.5%	1.2%	76.4%	2.6%	77.6%	1.6%
<b>b</b>	SADC National	Number	14,007	37.7%	15,092	7.7%	14,065	-6.8%	17,637	25.4%
		% of total	0.7%	0.1%	0.8%	0.1%	0.7%	-0.1%	0.8%	0.1%
	Other Countries	Number	493,733	18.7%	494,765	0.2%	447,815	-9.5%	456,154	1.9%
		% of total	25.7%	-0.5%	24.7%	-1.0%	22.9%	-1.8%	21.6%	-1.3%
Type of Guests	Day Visitors	Number			1,320,135	1,333,986	1.0%	1,479,926	10.9%	
		% of total			67.7%	68.3%	0.6%	70.0%	1.7%	
<b>b</b>	Overnight Visitors	Number			630,459	619,191	-1.8%	635,710	2.7%	
		% of total			32.3%	31.7%	-0.6%	30.0%	-1.7%	
Roomseeker Efficiency Index (REI)				59.9%	63.8%	3.9%	71.3%	7.5%		
RevPar - Average Revenue per physical available unit	Accommodation	R281.87	R308.09		9.3%	R336.67	9.3%	R395.74	17.5%	
	Camping	R 43.53	R47.34		8.8%	R53.43	12.9%	R66.50	24.5%	
Average Rate - unit sold	Accommodation	R423.89	R454.22		7.2%	R484.03	6.6%	R560.48	15.8%	
	Camping	R116.43	R120.46		3.5%	R129.00	7.1%	R144.08	11.7%	
Average length of stay (days)	Accommodation	1.71	1.82		6.4%	1.85	1.6%	1.85	15.8%	
	Camping	2.00	2.17		8.5%	2.27	4.6%	2.37	4.4%	
<b>b</b>	Day Visitors	231.282	20.5%	276,986	19.8%	312,264	12.7%	369,548	18.3%	
Black Guest Numbers- SA residents	Day Visitors / Total SA Day Visitor	22.8%	-1.1%	26.1%	3.3%	29.7%	3.6%	31.5%	1.8%	



# TOURISM DEVELOPMENT AND MARKETING REPORT

## SANParks - SUMMARY OF TOURISM STATISTICS

FOR PAST FOUR YEARS FROM 2006/7 TO 2009/10 (01 April to 31 March)

Measure			2006/7		2007/8		2008/9		2009/10	
				%change		%change		%change		%change
Number - SA Resident	Overnight Visitors		24,547	15.8%	33,502	36.5%	33,295	-0.6%	36,537	9.7%
	Overnight Visitors / Total		6.1%	-0.8%	7.8%	1.7%	7.5%	-0.3%	7.8%	0.3%
	SA Overnight Visitors									
	Total		255,829	16.9%	310,488	21.4%	345,559	11.3%	406,085	17.5%
	Total Visitors / Total SA Visitors		18.0%	-0.8%	20.8%	2.8%	23.2%	2.4%	24.7%	1.5%
Top Five International markets <sup>b</sup>	Germany	Number	198,036	11.9%	181,354	-8.4%	150,614	-17.0%	134,465	-10.7%
		% of total foreign visitors	39.0%	-2.4%	35.6%	-3.4%	32.6%	-3.0%	28.4%	-4.2%
Markets	United Kingdom	Number	56,333	19.7%	54,485	-3.3%	63,015	15.7%	64,062	1.7%
		% of total foreign visitors	11.1%	0.1%	10.7%	-0.4%	13.6%	2.9%	13.5%	-0.1%
	Holland	Number	48,068	16.8%	55,160	14.8%	51,393	-6.8%	49,935	-2.8%
		% of total foreign visitors	9.5%	-0.1%	10.8%	1.3%	11.1%	0.3%	10.5%	-0.6%
	France	Number	28,636	15.4%	32,810	14.6%	31,760	-3.2%	43,059	35.6%
		% of total foreign visitors	5.6%	-0.2%	6.4%	0.8%	6.9%	0.5%	9.1%	2.2%
United States	Number	19,223	8.3%	23,724	23.4%	23,126	-2.5%	25,663	11.0%	
	% of total foreign visitors	3.8%	-0.4%	4.7%	0.9%	5.0%	0.3%	5.4%	0.4%	
TOTAL	Number	350,296	13.8%	347,533	-0.8%	319,908	-7.9%	317,184	-0.9%	
	% of total foreign visitors	69.0%	-3.0%	68.2%	-0.8%	69.3%	1.1%	66.9%	-2.4%	

<sup>a</sup>= As from September 2005, Table Mountain Cableway figures are included in the Guests to Parks figure

<sup>b</sup>=Excluding figures from Auglhas, Table Mountain, Tankwa Karoo and West Coast National Parks

TOGETHER WE CAN MAKE A DIFFERENCE

## SALES AND MARKETING REPORT

### **Black diamond focus**

To increase the visits of the black middle class and making it SANParks' primary audience remained a priority. The strategy implemented in achieving this objective included the consolidation of marketing efforts at corporate and regional level by directing them towards achieving the same goal. In continuation of the work that was started in the previous year, a more direct campaign was put together with the aim to increase the number of black visitors across all National Parks. The campaign carried out in the third and fourth quarter of the year included the printing of a special brochure, building a database and reaching out to this market through exhibitions at six key shopping centres in Gauteng.

### **Current primary domestic market**

To reach the current primary domestic market and to keep it informed and interested in the Parks we participated in eight domestic travel and tourism exhibitions nationally. The balance of the multimedia marketing campaign that started in the previous year was also concluded in the first quarter of the year under review. That campaign was carried on national and regional radio stations, magazines, billboards and regional and national newspapers.

### **International market**

Close to 20% of the total number of guests to Parks are international visitors and a continued partnership with SA Tourism and SA foreign embassies remained a key feature in accessing key overseas markets. In order to service the United Kingdom travel market effectively, Talking Stick Marketing was appointed as an official SANParks representative for this market. We also participated in three international travel and tourism exhibitions and workshops.

### **Wild Card**

The process to improve and revitalise the Wild Card Programme from being an access system to be a true loyalty programme has gained momentum and the new programme is due to be launched in the first half of the next financial year. To increase the visibility of the programme a dedicated Wild Card website and newsletter was launched. The programme grew by 6,29% and presently has more than 105 600 members which translates to a 19% Wild Card revenue growth.

### **Sales highlights**

On the sales front the strong growth in customer utilisation of the web reservation facility has again exceeded all expectations: the total revenue generated through online sales is R68 million which is a 55% growth compared to the same time last year. The development of new enhanced functionalities is on track for implementation in the new financial year. The process of contracting 30% of our inventory to MATCH to accommodate the anticipated 2010 FIFA World Cup visitors went very well and when the bulk of this inventory was released back into general circulation due to the inability of MATCH to sell its packages, the collective efforts of the sales department ensured that the released inventory was sold to the general public within a day of being released.



# TOURISM DEVELOPMENT AND MARKETING REPORT

## Online reservations

SANParks' online reservations continue to grow in leaps and bounds, with the 2009/2010 financial year showing an increase of 43,6% in the number of new reservations created online against the previous year – almost 16% of all new reservations are now being made via this channel. Since the launch of our online reservation system in November 2007 more than 72 000 members of the public have registered to make use of it, with almost 73 000 successful reservations worth more than R123 million having been made.

## Online Reservation statistics up to end March 2010

MONTH	Number of reservations created online	Value of payments: reservations created online
<i>Best performing month in the 2007/8 book year was March 2008</i>		
Mar 2008	2 471	R3 706 381,35
Book year 2007/8 (5 months)	5 377	R8 372 234,15
<i>Best performing month in the 2008/9 book year was March 2009</i>		
Mar 2009	3 506	R5 443 575,85
Book year 2008/9 (12 months)	27 756	R43 030 745,40
<i>Best performing month in the 2009/10 book year was March 2010</i>		
Apr 2009	2 981	R5 006 541,35
May 2009	2 952	R5 308 241,20
Jun 2009	3 443	R5 700 605,50
Jul 2009	3 540	R6 092 919,15
Aug 2009	3 436	R6 030 526,05
Sep 2009	3 103	R5 474 073,90
Oct 2009	2 911	R5 385 812,00
Nov 2009	2 977	R5 510 044,85
Dec 2009	2 948	R5 347 161,60
Jan 2010	3 728	R7 506 918,80
Feb 2010	3 298	R6 461 725,25
Mar 2010	4 546	R8 608 018,85
<b>Book year 2009/10 (to date)</b>	<b>39 863</b>	<b>R72 432 588,50</b>
<b>TOTAL</b>	<b>72 996</b>	<b>R123 835 568,05</b>

### *Senior citizen concession review*

The revised framework according to which SANParks offers discounted rates to South African senior citizens came into effect on 15 January 2010. This followed an evaluation of the occupancies of the different accommodation types in the different camps across the organization over the different seasons. While the results achieved for the organisation during January, February and March 2010 have been very satisfactory the impact of the changes will continually be monitored to assist in ensuring that SANParks achieves the best possible yields from its tourism inventory.

### *Business development and concessionaires*

#### **Strategic Plan for Commercialisation (2006 – 2011) implementation**

Over the past ten years, SANParks has progressively increased the number of PPP transactions, covering a wide range of projects i.e. accommodation, restaurants, retail, adventure activities and the Table Mountain Aerial Cableway. By March 2010, there were more than forty actively implemented PPP projects. The growing number of PPP projects attests to the growing body of experience related to PPPs, both within SANParks and across the private sector. In particular, PPPs in SANParks have proved to be an important service delivery mechanism as they can facilitate rapid infrastructure delivery as envisaged under the Accelerated and Shared Growth Initiative for South Africa (AsgiSA). In addition, Black Economic Empowerment (BEE) is a national policy objective, and PPPs are a good vehicle for promoting and developing this process. In each SANParks PPP's project, there is a BEE scorecard with targets set for the private party (i) to promote direct ownership of substantial interests by black people, black women and black enterprises, (ii) to achieve effective participation in the management control of the private party and its subcontractors by black people and black women, (iii) to ensure that the private party contracts a significant proportion of its subcontracting and procurement to black people, black women and black enterprises, and (iv) to promote positive local socio-economic impact from the project to the benefit of small, medium and micro-enterprises (SMMEs), the disabled, the youth and non-governmental organisations within a targeted area of the projects operations.

#### ***During 2009/2010 there has been significant progress in the implementation of the Strategic Plan for Commercialisation (SPfC):***

- Thesens restaurant facility in the Garden Route National Park: The running of the Thesens restaurant facility was awarded to a reputable operator and is currently operational as a Quay-4 restaurant.
- Malelane Hotel development in the Kruger National Park: An internationally well-recognised brand i.e. Rezidor Africa was sourced for the development of the Malelane Hotel. The private party has commenced with the final planning process and the environmental impact assessment for the development.



- Alignment of PPP agreements to the Tourism BEE Charter: In order to facilitate greater energy and commitment, as well as adherence to the empowerment aspects, the PPP agreements concluded prior to the conclusion of the Tourism BEE Charter are being aligned to the charter. This will allow for the transparent measurement of BEE achievements and the reporting of such.
- Post-award management of PPPs: Significant progress has been made with the variation management of PPPs. This included a focus on the service delivery of certain outsourced operations as well as a viability analysis and comparisons of PPPs in order to ensure the sustainability of such operations.
- Kudzela: SANParks, Kudu Kudu Manufacturing together with First National Bank (FNB) officially unveiled the Kudzela. The Kudzela was registered as a trademark in October 2007, went into production in January 2009 and was launched in July 2009. FNB has ensured that 6,24% of the cost of every Kudzela produced will be contributed to SANParks for the Kids in Parks project, an environmental education programme. FNB and Kudu Kudu Manufacturing, have donated over R600 000 towards the Kids in Parks programme. SANParks will also benefit from a percentage of future sales of the Kudzela.

### *For the financial year 2010/2011, the following PPP projects are scheduled for conclusion*

- Micro PPP Strategy: In order to further enhance the implementation of the SPfC, a micro PPP strategy is being developed. This document is intended to strategize a process to decentralize the release of micro business opportunities and capacitate park managers to manage the process. This will allow for the unlocking of new business ventures especially when it comes to smaller State assets that have the potential as tourism destinations, refreshment facilities or recreational activities.
- The outsourcing of the petrol stations in the Kruger National Park.
- Skukuza airport: Pending the outcome of a litigation process, the tender process for the appointment of an airport operator and aircraft carrier for the Skukuza airport in the Kruger National Park will continue.
- Luxury tented safaris in the Kruger National Park.
- The appointment of an operator for the Addo Elephant National Park picnic site.
- The appointment of an operator for the Rhodes Memorial tearoom in the Table Mountain National Park.
- The appointment of an operator for the Listers Place tearoom in the Table Mountain National Park.
- The appointment of operators for various PPP projects in the Mapungubwe National Park. Canoe trails in the Wilderness National Park.
- Canoe trails in the Wilderness National Park.

## Summary Net PPP Income

From inception to 31 March 2010, in addition to infrastructural developments worth over R340 million with the assets reverting to SANParks, commercialisation has resulted in a total PPP Income of R361 million to SANParks:

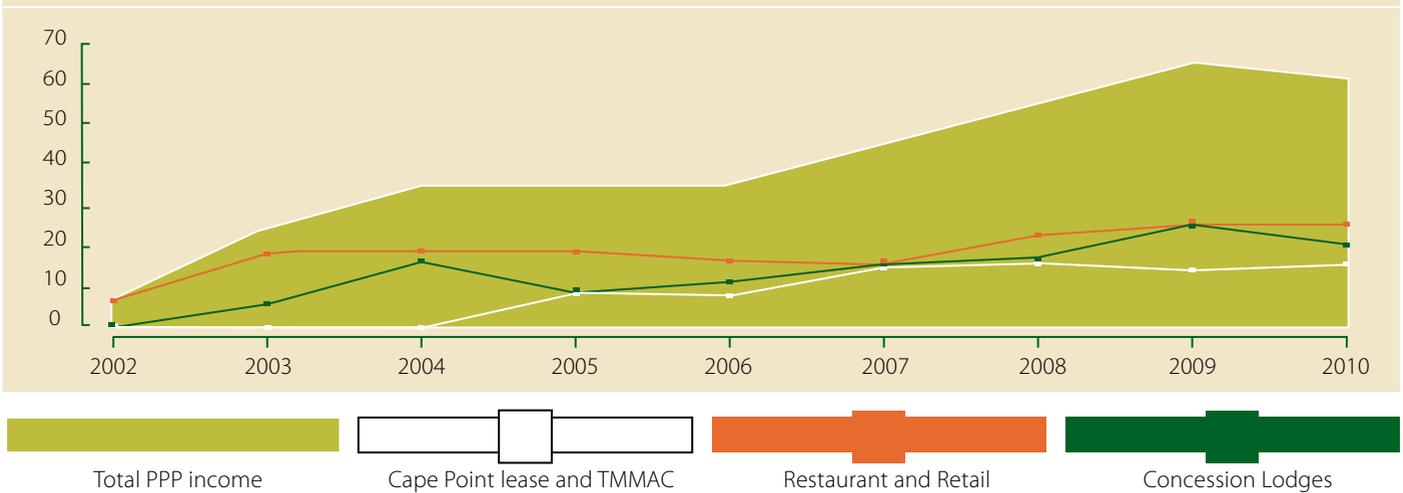
SUMMARY NET PPP INCOME			
Concession Lodges	Life-to-Date (2002 to 2010)	2010-Mar	09-Mar
Tinga Private Game Lodge - Kruger	11 804 748	1 960 322	2 117 730
Jock Safari Lodge – Kruger	10 306 713	2 943 633	1 538 686
Lukimbi Safari Lodge – Kruger	4 013 568	811 998	868 828
Imbali Safari Lodge – Kruger	7 902 444	1 535 986	1 725 757
Rhino walking safaris – Kruger	1 640 378	341 293	405 656
Singita Lebombo – Kruger	44 470 408	7 947 545	8 972 859
Shishangeni Lodge – Kruger	12 051 725	1 952 745	1 817 344
Brandwag Hotel - Golden Gate	4 317 280	0	0
Gorah Elephant camp – Addo	5 817 942	754 194	887 007
Nguni River Safari Lodge – Addo	2 834 368	-448 254	605 781
River Bend Country Lodge - Addo	1 011 996	224 348	440 770
Kuzuko Game Lodge – Addo	567 184	567 184	0
Darlington Lodge – Addo	141 667	141 667	0
Roundhouse Restaurant – Table Mountain	652 211	82 830	0
Tintswalo Atlantic - Table Mountain	496 904	243 912	174 201
!Xaus Lodge – Kgalagadi	130 178	80 000	50 178
Intsomi Lodge – Addo	46 285	29 595	0
Knysna Oyster Company - Knysna	1 039 767	90 000	491 875
Quay 4 Restaurant – Knysna	66 667	66 667	0
Tender fees received	558 506	43 703	0
Marakele (Pty) Ltd – Marakele	4 734 724	874 718	3 810 628
Langebaan houseboats - West Coast	1 166 176	195 604	294 960
Duinepos - West Coast	69 011	35 019	0
Eden Adventure Canoe Trails - Wilderness	460 890	111 789	99 340
Canoe Trails – Augrabies	34 827	0	0
Cape Point Lease and TMACC - TMNP	75 896 664	15 131 966	14 328 243
<b>Sub-Total Concessions</b>	<b>192 233 231</b>	<b>35 718 464</b>	<b>38 629 843</b>



# TOURISM DEVELOPMENT AND MARKETING REPORT

Facilities Rentals	Life-to-Date (2002 to 2010)	2010-Mar	09-Mar
KNP shops - Tiger's Eye	96 905 503	15 589 806	14 425 857
KNP restaurants – Compass Game Park Services	36 377 297	4 540 890	4 513 652
Staff shop KNP - Stoffels and Pursad cc	1 353 421	87 886	201 446
Tshokwane & Nkuhlu KNP- Outpost Picnics	581 317	303 314	278 003
West Coast – Geelbek restaurant	280 107	129 691	150 416
Addo shop & restaurant - Tiger's Eye	13 035 752	2 005 248	2 000 207
Tsitsikamma shop & restaurant - Tiger's Eye	11 387 084	1 562 279	1 669 428
Mountain Zebra shop & restaurant - EJ Viljoen	888 243	140 242	126 748
Augrabies shop & restaurant - EJ Viljoen	2 315 954	366 900	298 235
Kgalagadi shops & restaurants - EJ Viljoen	3 602 274	646 994	591 024
Karoo shop & restaurant - Jan Viljoen	1 068 227	199 163	189 299
KNP Avis Rentals	588 700	104 817	141 602
<b>Sub-total facility rentals</b>	<b>168 383 879</b>	<b>25 677 230</b>	<b>24 585 917</b>
<b>TOTAL PPP income</b>	<b>360 617 110</b>	<b>61 395 694</b>	<b>63 215 760</b>

## SANParks PPP Income Multiple Years



### Concession Lodge occupancies

The reporting of the average annual Lodge Concession occupancies has been amended to include the latest concession lodges i.e. Riverbend Lodge and Kuzuko Game Lodge in the Addo Elephant National Park, Tintswalo Atlantic in the Table Mountain National Park, Langebaan Houseboats in the West Coast National Park, Marataba Game Lodge in the Marakele National Park and !Xaus Lodge in the Kgalagadi Transfrontier Park. It should be noted that the reported occupancies reflect a variance from the previous reporting period. The average annual Lodge Concession occupancies for the fifteen lodges has shown a decline of 4,5% to 46,2% since the previous reporting period. This is an indication that the tourism sector has been negatively affected by the global economic downturn. This is not however the first time that tourism has suffered a setback and, if handled correctly, it looks set to bounce back stronger than before.

The highest average occupancy achieved by an operator was 60% in 2010 compared to 66% in 2009, 69% in 2008, 63% in 2007 and 60% in 2006. The average annual occupancies from 2005 to 2010 for all the Lodge Concessions are depicted in the figure below:



### Restaurant performance

The Business Development Unit (BDU) continues to monitor performance of the restaurants through the SMS-feedback system that was implemented in February 2008 as well as the e-mail-feedback system that was implemented in February 2010. Both these systems inform management of areas that require intervention. In light of this, numerous proactive measures were taken during the reporting period aimed at establishing a superior product for SANParks' guests. This is an ongoing process and will be continued in the next financial year.



## *Retail performance*

The retail facilities in national parks outsourced to private operators continue to perform well. From these operations SANParks received rental to the amount of R18,5 million for the reporting period. Complaints from customers about these operations are few and limited to prices and friendliness of staff. Continuous training in customer service is undertaken and various studies conducted have shown that prices of merchandise in the shops compare well with the prices of convenience shops in major centres or cities.

## *2010 Soccer World Cup event*

In January 2007 SANParks entered into an agreement with MATCH Event Services (Pty) Ltd (MATCH), the body appointed by the International Federation of Association Football (FIFA) responsible for the IT systems, accommodation and ticketing of the 2010 Soccer World Cup (the event). Through this agreement SANParks undertook to actively participate in the event and allocated 30% of the park's inventory to MATCH.

The MATCH sales channels were monitored closely and it soon became apparent that sales were unsatisfactory. In light of the lower sales, SANParks requested that accommodation that was not booked, be released earlier than stipulated in the agreement. MATCH agreed and this enabled SANParks to release accommodation inventory back to the general public timeously. This together with accompanying press releases ensured that the general public was kept up-to-date and resulted in most of the released accommodation being sold.

## TOURISM STATISTICS

### Executive Summary

The first month of the 2009/10 financial year was different to previous years, as Easter fell in March in 2008, while in 2009 it fell in April. April 2009 therefore had Easter as bonus, and both April 2009 and 2008 had the first half of the provincial school holiday period.

Of relevance to the performance figures, the following significant changes impacted on comparisons to the previous year:

- Basotho Cultural Village was opened to the public in December 2008. With an initial low occupancy rate, it impacted
- on the overall performance figures for Golden Gate in general.
- Golden Gate Hotel was being refurbished and withdrawn from business (including certain chalets) from 19 January 2009 until early March 2010.
- The ten tents at the Tlopi Camp were refurbished during March and April 2009 and were withdrawn from business until the start of May 2009.
- The following accommodation units were affected by fires:
  - Mopani Family Cottage (no.12) – 26 July 2009 – cause unknown.



Summary of Visitor Statistics for the Twelve Months Ended March 2010  
for the SANParks

PARK	ACCOMMODATION (EXCL CAMPING)						Site Nights Sold
	Unit Nights Sold	% Change	Unit Occupancy	Bed Nights Sold	% Change	Bed Occupancy	
ADDO	24,439	-0.5%	85.2%	56,028	-0.2%	70.5%	9,046
Previous year	24,568		85.7%	56,122		70.8%	8,363
AGULHAS	0		0.0%	0		0.0%	0
Previous year	0		0.0%	0		0.0%	0
AUGRABIES	10,548	3.9%	49.7%	23,451	8.3%	47.9%	6,226
Previous year	10,151		58.3%	21,646		56.5%	4,906
BONTEBOK	2,104	1.5%	59.0%	4,884	-7.1%	45.7%	2,709
Previous year	2,073		59.4%	5,259		50.3%	2,378
CAMDEBOO	0		0.0%	0		0.0%	0
Previous year	0		0.0%	0		0.0%	0
GOLDEN GATE	11,858	-24.2%	36.6%	29,563	-19.1%	28.9%	4,767
Previous year	15,645		41.1%	36,561		29.5%	4,084
KAROO	9,631	0.9%	67.9%	23,581	1.1%	52.5%	5,204
Previous year	9,545		68.8%	23,318		54.1%	4,702
KGALAGADI	26,709	-0.2%	81.2%	62,076	0.0%	64.4%	20,242
Previous year	26,763		81.4%	62,064		65.1%	17,555
KRUGER	392,970	3.0%	79.4%	958,923	3.2%	62.7%	148,765
Previous year	381,622		78.3%	929,372		61.9%	133,212
MARAKELE	2,661	12.5%	74.2%	5,360	10.9%	74.7%	6,493
Previous year	2,366		70.7%	4,833		72.2%	5,379
MAPUNGUBWE	5,253	15.0%	48.9%	11,970	13.0%	44.2%	1,960
Previous year	4,568		40.6%	10,597		38.4%	1,458
MOUNTAIN ZEBRA	5,233	8.3%	71.7%	14,355	7.8%	48.0%	3,276
Previous year	4,834		66.2%	13,312		44.5%	2,478
NAMAQUA	719	25.9%	48.9%	1,585	27.2%	35.2%	0
Previous year	571		39.1%	1,246		28.4%	0
RICHTERSVELD	1,679	14.0%	28.3%	3,807	15.2%	25.8%	4,486
Previous year	1,473		25.2%	3,306		22.6%	4,163
TABLE MOUNTAIN	805	3.9%	55.1%	3,294	1.8%	30.1%	0
Previous year	775		53.1%	3,235		29.5%	0
TANKWA KAROO	1,692	43.8%	39.2%	4,942	38.5%	22.5%	279
Previous year	1,177		32.2%	3,569		14.6%	218
TSITSIKAMMA	22,534	0.6%	69.1%	53,722	-1.6%	57.5%	14,045
Previous year	22,405		70.5%	54,595		60.7%	13,682
MOKALA	2,729	-3.3%	26.7%	6,278	3.1%	16.2%	1,051
Previous year	2,823		23.4%	6,087		15.2%	660
WEST COAST	737	5.3%	67.8%	2,711	1.4%	37.6%	0
Previous year	700		63.9%	2,673		36.5%	0
WILDERNESS	8,717	-3.5%	48.7%	21,257	-2.1%	39.9%	7,262
Previous year	9,032		50.9%	21,720		41.1%	6,928
<b>TOTAL 2009/10</b>	<b>531,018</b>		<b>73.3%</b>	<b>1,287,787</b>		<b>58.0%</b>	<b>235,811</b>
TOTAL 2008/9	521,091		72.5%	1,259,515		57.2%	210,166
DIFFERENCE	1.9%		0.8%	2.2%		0.8%	12.2%

CAMPING									
% Change	Camp Site Occ	Person Nights Sold	% Change	Guests To Park	% Change	Wild Card Free Guests	% Change	Total Activities	% Change
8.2%	75.1%	24,818	7.6%	135,109	-4.8%	9,483	29.7%	28,806	-0.2%
	69.4%	23,065		141,925		7,313		28,857	
	0.0%	0		25,318	17.2%	0		0	
	0.0%	0		21,595		0		0	
26.9%	26.0%	18,264	25.3%	85,762	35.7%	4,600	20.3%	918	-23.4%
	19.2%	14,580		63,182		3,824		1,199	
13.9%	25.6%	8,397	11.4%	15,183	8.6%	3,151	16.6%	0	
	24.3%	7,538		13,982		2,702		0	
	0.0%	0		42,088	4.1%	8,004	68.9%	0	
	0.0%	0		40,424		4,739		0	
16.7%	29.0%	13,769	16.2%	34,090	-8.8%	2,548	136.1%	543	-31.8%
	24.9%	11,846		37,399		1,079		796	
10.7%	57.0%	13,555	13.3%	41,078	17.4%	2,029	113.4%	1,083	27.0%
	51.5%	11,963		35,000		951		853	
15.3%	71.1%	60,646	16.4%	27,481	3.9%	7,568	38.3%	5,389	22.3%
	61.7%	52,109		26,439		5,471		4,407	
11.7%	61.3%	419,433	11.1%	1,429,904	7.8%	265,629	1.5%	161,198	-0.2%
	56.3%	377,593		1,326,054		261,581		161,508	
20.7%	44.5%	18,255	20.9%	24,215	5.3%	6,225	8.9%	1,464	128.8%
	36.8%	15,097		23,002		5,718		640	
34.4%	53.7%	5,443	28.8%	32,279	18.1%	3,221	2.6%	3,850	4.8%
	41.6%	4,226		27,321		3,140		3,673	
32.2%	44.9%	8,526	28.1%	22,039	31.0%	5,940	39.0%	965	132.0%
	33.9%	6,656		16,821		4,272		416	
	0	0		11,195	49.7%	2,425	31.2%	0	
	0.0%	0		7,478		1,848		0	
7.8%	19.8%	15,172	6.1%	5,980	17.4%	216	266.1%	0	
	18.4%	14,304		5,095		59		0	
	0	0		2,173,548	-3.0%	0		1,084	-4.5%
	0.0%	0		2,240,841		0		1,135	
28.0%	10.9%	773	18.9%	3,146	28.1%	296	-48.5%	0	
	11.6%	650		2,455		575		0	
2.7%	22.4%	43,805	3.2%	160,405	3.0%	5,049	0.3%	15,177	18.2%
	21.8%	42,466		155,762		5,036		12,844	
59.2%	58.4%	2,930	66.6%	8,519	49.6%	525	64.1%	1,053	9.0%
	36.2%	1,759		5,693		320		966	
	0	0		195,255	50.0%	0		0	
	0.0%	0		130,140		0		0	
4.8%	15.0%	21,606	2.7%	39,884	45.6%	8,799	61.4%	0	
	14.8%	21,048		27,388		5,453		0	
	<b>46.5%</b>	<b>675,392</b>		<b>4,512,478</b>		<b>335,708</b>		<b>221,530</b>	
	42.1%	604,900		4,347,996		314,081		217,294	
	4.4%	11.7%		3.8%		6.9%		1.9%	

# TOURISM DEVELOPMENT AND MARKETING REPORT

- Basotho Cultural Village 9 chalets – 08 September 2009 – cause unknown. Lillydale 3 chalets – 27 September 2009 – electrical fault.
- Talamati Cottage (no. 10) – 30 November 2009 – lightning suspected.
- The funicular at Cape Point has been closed for upgrading between 18 January and 2 April 2010. A temporary bus service will be in operation in the interim.
- West Coast National Park corrected the methodology by which the guests-to-park statistics were collected, effective from December 2009.
- Richtersveld National Park's De Hoop, Potjiespram and Richtersberg camping areas, as well as Tatasberg Wilderness Camp, were closed in mid-February 2010 due to flooding which affected the access roads and camp terrains. The high levels of the Orange River also necessitated suspending the operation of the pontoon at Sendelingsdrif.

## Guests to parks

For the period under review, total guests-to-parks numbers increased by 3,8% from 4 347 996 to 4 512 478 persons through the SANParks gates. For Kruger the number increased by 7,8% from 1 326 054 to 1 429 904 and for the remaining parks increased by 2,0% from 3 021 942 to 3 082 574 persons.

## Top Five Parks – Highest Guests to Parks for 12 month term

Position	Park	Guests-to-park (12 months)	% of total
		<i>Previous year &amp; change in brackets</i>	<i>Previous year in brackets</i>
1	Table Mountain	2 173 548 (2 240 841 -3,0%)	48,2% (51,5%)
2	Kruger	1 429 904 (1 326 054 +7,8%)	31,7% (30,5%)
3	West Coast	1 95 255 (130 140 +50,0%)	4,3% (3,01%)
4	Tsitsikamma	160 405 (155 762 +3,0%)	3,6% (3,6%)
5	Addo	135 109 (141 925 -4,8%)	3,0% (3,3%)
<b>Total</b>			<b>90,7% (91,9%)</b>

TOGETHER WE CAN MAKE A DIFFERENCE

### Unit occupancy

The average unit occupancy for the 12-month term was 73,3% (last year 72,5% (+0,8) comprising 60,1% (last year 60,3% (-0,1) for Parks Division and 79,4% (last year 78,3% (+1,1) for Kruger Division.

### Top five parks – highest unit occupancy(%) for 12 month term

Position	Park	Occupancy (12 months)
		<i>Previous year &amp; change in brackets</i>
1	Addo Elephant	85,2% (85,7%) -0,5%
2	Kgalagadi Transfrontier	81,2% (81,4%) -0,2%
3	Kruger	79,4% (78,3%) +1,1%
4	Marakele	74,2% (70,7%) +3,5%
5	Mountain Zebra	71,7% (66,2%) +5,5%

### Bed occupancy

Bed occupancy for the 12-month term across all National Parks was 58,0% (last year 57,2% (+0,8%) comprising 47,5% (last year 47,2% (+ 0,3%) for Parks Divisions and 62,7% (last year 61,9%(+0,8%) for Kruger Division.

### Camping

For the 12 months under review, person-nights sold is up by 11,7% from the previous year from 604 900 to 675 392 person-nights. In the case of Parks Division, person-nights sold is up by 12,6% from 227 307 to 255 959 person-nights, while the Kruger Division increased by 11,1% from 377 593 to 419 433 person-nights.

Site-nights sold increased for the 12-month term by 12,2% from 210 166 to 235 811. In the case of Parks Division site-nights sold increased by 13,1% from 76 954 to 87 046, while for the Kruger Division the increase was 11,7% from 133 212 to 148 765.



# TOURISM DEVELOPMENT AND MARKETING REPORT

For the 12-month term the average number of persons per site sold was 2,86 (previous year 2,88) and in the case of Parks Division this was 2,94 (previous year 2,95) while for the Kruger Division the average was 2,82 (previous year 2,83). Camp site occupancy (sites occupied as a margin of sites available) for the 12-month term increased by 4,4 percentage points from 42,1% to 46,5%. In the case of Parks Division, camp site occupancy increased by 3,7 percentage points from 29,3% to 33,0%, while the Kruger Division increased by 5,0 percentage points from 56,3% to 61,3%.

## *Activities*

For the 12 months under review, the "activity" statistics show an overall increase of 1,9% from 221 530 to 217 294 activities across SANParks with Kruger showing a decrease of -0,2% from 161 508 to 161 198 activities and parks showing an increase of 8,1% from 55 786 to 60 332 activities.

72,8% of all SANParks activities were performed in the Kruger National Park compared to 74,3 (-1,6%) for the previous year.

## *Demographics*

Please note that the following parks are excluded from reporting of below categories, as demographics information is not captured there: Agulhas, Table Mountain, Tankwa Karoo and West Coast National Parks.

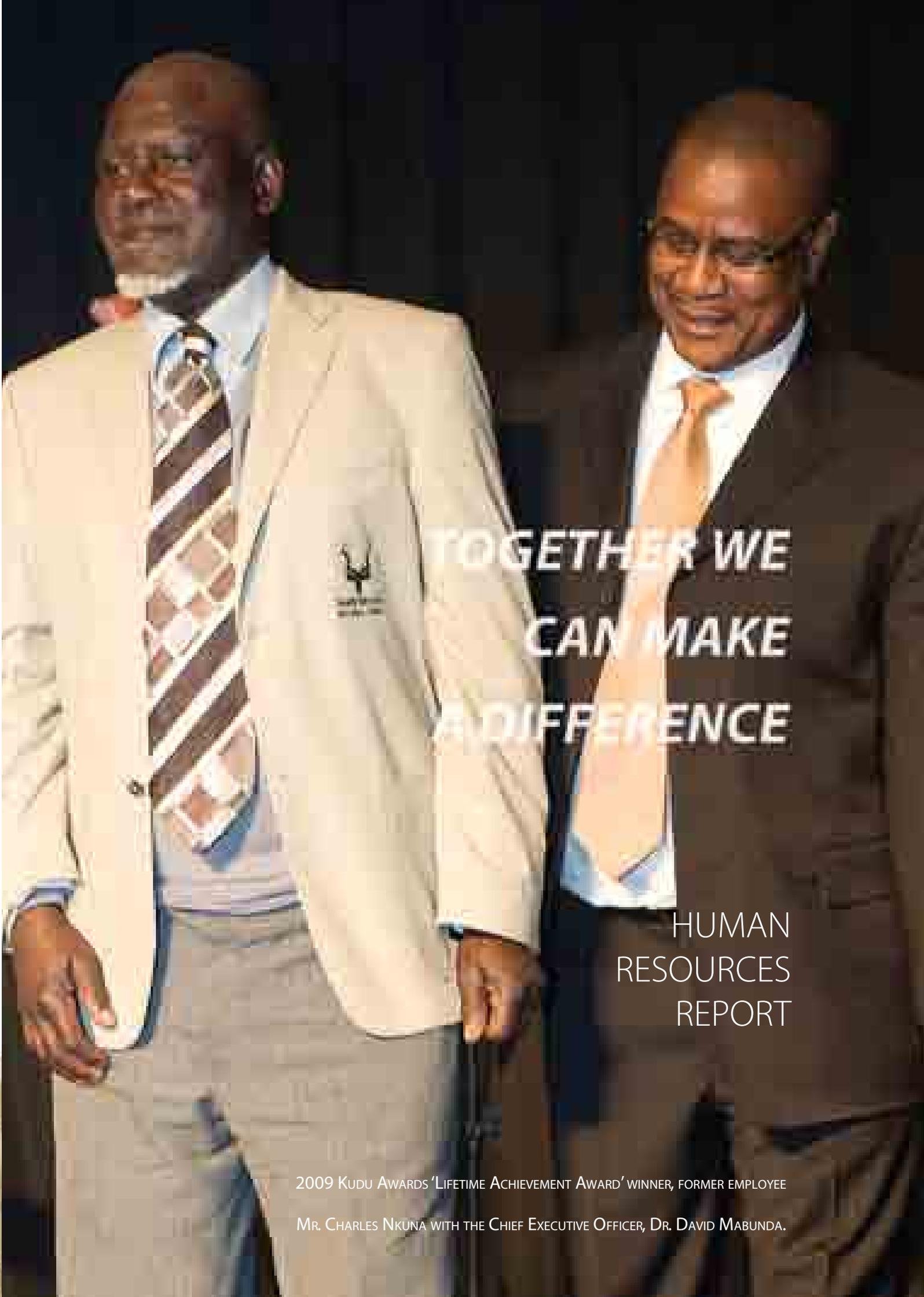
## *Black guests*

For the 12-month term, total number of black guests grew by 17,5% from 345 559 to 406 085 comprising a growth of 18,3% from 312 264 to 369 548 for day visitors and an increase of 9,7% from 33 295 to 36 537 for overnight guests. Black guests comprise a total of 31,5% (previous year 29,7%) of the total South African day visitors and 7,8% (previous year 7,5%) of the total South African overnight guests. The total black guests (day visitors and overnight guests) comprise 24,7% (previous year 23,2%) of total South African guests.

## *Honorary Ranger Corps*

The performances of the Honorary Rangers (HR) in terms of the pre-determined performance targets are reported below. The number of appointed Honorary Rangers increased by 10,9% from 626 to 694. The applicants increased by 13,3% from 263 to 298. The total increased by 11,6% from 889 to 992. The number of historically disadvantaged individuals (HDI) and applicants increased by 16,8% from 149 to 174. This is from a low base of 62 in 2006 and 124 in 2007. Appointed members increased by 19,5% from 77 to 92. Applicants increased by 13,9% from 72 to 82. This results that 17,5% of our Honorary Rangers and applicants were historically disadvantaged individuals.

The total contribution by the Honorary Rangers to SANParks was R 26,7 million, an increase of 21,6% from R21,9 million last year. Direct contribution increased by 36,9% from R14 million to R19,2 million.



TOGETHER WE  
CAN MAKE  
A DIFFERENCE

HUMAN  
RESOURCES  
REPORT

2009 KUDU AWARDS 'LIFETIME ACHIEVEMENT AWARD' WINNER, FORMER EMPLOYEE

MR. CHARLES NKUNA WITH THE CHIEF EXECUTIVE OFFICER, DR. DAVID MABUNDA.

## Executive Summary

The Corporate Human Resources programme for the 2009/2010 was structured according to SANParks' needs, as detailed in the Business Plan of the period under review. The programme was informed by both policy and strategy, and covers the following areas:

- employee benefits
- staff procurement (recruitment) labour relations
- human capital and organizational development
- employee wellness and occupational health and safety.

This report details the high level strategic objective of the Human Resources programme, the highlights and achievements, and where necessary, provides quantitative human resources information.

### *Employee benefits*

Similar to most organisations, SANParks offers its employees value proposition and a number of benefits other than remuneration, as part of the retention programme. These include medical aid and retirement benefits. The range of benefits is reviewed from time to time to ensure that they continue to give SANParks the competitive advantage when compared with other employers. SANParks offers three medical aid schemes to its employees. This is done in order to provide a wider choice to all employees at different levels. The broad range of medical aid schemes continues to have a positive impact on the employee retention strategy, and there are initiatives that are being introduced in an attempt to reduce the post-retirement medical aid liability.

### *Staff recruitment*

The cycle of recruitment of staff to SANParks has improved by shortening the turn around time since the introduction of the e-recruitment system in the past financial year. The system has led to improved efficiencies and continuous improvement of staff procurement. To date, the vacancies are filled within four weeks for internal, and eight weeks for external candidates respectively. The system has assisted in matching candidates to the profile of the job, thus eliminating candidates who are not suitable for the advertised positions, thereby shortening the placement process. For the period under review, another intervention has been introduced, which focuses on the retention of incumbents in key critical positions. Currently SANParks has identified 32 critical positions, which are occupied by 913 incumbents. For the period under review, SANParks has retained 95% of employees occupying these key critical positions.

### *Labour relations*

The Labour Relations programme for the year under review was based on a relationship-by-objectives principle, and supported by the following objectives:

- Improvement of relationship between SANParks management and organized labour.
- Partnership-building around the principles which will minimise conflict, but enhance the level of business understanding through information sharing, joint problem solving and fair negotiations, based on the good-faith principle.

- Management of disputes in an efficient but fair manner to ensure minimum liability for SANParks.
- The promotion of the freedom of association, thus allowing employees to belong to a trade union of their choice, and recognising those trade unions that have achieved a majority membership amongst staff, which fall within a bargaining unit.

The Health and other Service Personnel Trade Union of South Africa (Hospersa) was granted bargaining rights after achieving the threshold of 50% plus one for employees in the bargaining unit (Paterson A and B Bands). Subsequently, negotiations over conditions of employment for employees who deal with environmental crime, were conducted with the trade unions and these yielded positive results.

The consultation process between SANParks' management and Hospersa has improved, and both parties considered the following matters:

- review of current Medical Aid policy
- climate Improvement Programme
- medical surveillance
- review of the organisational rights
- Employment Equity Constitution and report.

The following trade unions played an active role within SANParks, and their membership statistics are tabulated below:

*(Trade Union membership: March 2010)*

Trade Union	Total membership
Health and Other Services Personnel Trade Union of South Africa (HOSPERSA )	1 521
South African Commercial, Catering and Allied Workers Union (SACCAWU)	948

The management of dispute reflected a decrease in disciplinary cases and grievances, with all cases referred to the external structures for adjudication currently reflecting a 100% record in favour of SANParks. This is attributed to a high level of labour relations competency within management.

### *Human Capital Development and Equity*

The Human Capital Development and Equity programme has been underpinned by the following broad principles, which reflect the overall strategy.

- Promoting lifelong learning as a principle that governs learning organizations.
- Providing sustainable capacity development opportunities for staff and management to enhance performance.
- Promoting equity and fairness in employment by ensuring legal compliance for employment equity requirements as determined by the legislation.



# HUMAN RESOURCES REPORT CONTINUED

- Promoting skills development as a means to create capacity of relevant competencies to meet organizational performance requirements.

Based on the above strategic intent, the following projects were implemented:

- The Human Capital Development programme formed part of the social outreach project by recruiting 105 interns for experiential learning.
- Educational bursaries were made available to children of employees.
- SANParks complied with the legislative requirements in terms of the Employment Equity Act and Skills Development Act, by submitting the Workplace Skills Plans, Annual Training Report and the Employment Equity Report.

The table below depicts the workforce profile as at the end of March 2010.

## SANParks - workforce profile as at 30 March 2010

OCCUPATIONAL LEVEL	MALE				FEMALE				TOTAL MALE	TOTAL FEMALE	TOTAL EMPLOYEES
	AFRICAN	INDIAN	COLOURED	WHITE	AFRICAN	INDIAN	COLOURED	WHITE			
<b>F</b>	4	0	0	2	0	0	0	0	6	0	6
	-80%			-40%					-100%		
<b>E</b>	13	1	3	18	8	0	0	4	36	11	47
	-27.6%	-2.2%	-6.4%	-38.3%	-17.1%			-8.5%	-76.6%	-23.4%	
<b>D</b>	64	3	18	95	33	6	9	36	180	84	264
	-24.3%	-1.2%	-6.8%	-36%	-12.5	-2.3%	-3.41	-13.6%	-68%	-32%	
<b>C</b>	139	2	45	47	73	1	33	75	233	185	415
	-33.5%	-0.5%	-10.8%	-11.3%	-17.6%	-0.25%	-7.9%	-18.1%	-56.2%	-44.6%	
<b>B</b>	781	0	286	13	227	3	77	33	1080	340	1420
	-55%		-20%	-0.92%	-15.9%	-0.2%	-5.4%	-2.3%	-76%	-23.9%	
<b>A</b>	735	0	63	1	487	1	79	0	799	567	1366
	-53.8%		-4.6%	-0.1%	-0.1%	-35.6%	-5.8%	-58.5%	-41.5%		
<b>TOTAL</b>	<b>1736</b>	<b>6</b>	<b>415</b>	<b>176</b>	<b>828</b>	<b>11</b>	<b>198</b>	<b>147</b>	<b>2333</b>	<b>1184</b>	<b>3518</b>
	<b>-49.4%</b>	<b>-0.2%</b>	<b>-11.8%</b>	<b>-5%</b>	<b>-23.5%</b>	<b>-0.3%</b>	<b>-5.5%</b>	<b>-4.2%</b>	<b>-66.3%</b>	<b>-33.6%</b>	

## Organizational development

The Organizational Development Model is underpinned by the culture of organizational performance as driven by the Balance Score Card. Thus a number of interventions were introduced in the year under review which entailed the following:

- The process of identifying and confirming required organisational leadership competencies by the organisation has been completed. The best practice framework and methodology for implementation of a comprehensive leadership development programme for SANParks has been designed, and will be implemented in the next financial year.

- SANParks' strategy for the Improvement of Organisational Climate seeks to ensure that SANParks sustains the new processes, systems and products that are being implemented. The strategy will ensure that employees understand and are committed to change, and that the benefits of change at organisational and individual levels are understood by all. The processes of implementing the remuneration strategy has commenced, and is currently at phase 2. The processes of job profiling, job evaluation and salary parity were done in areas which were identified. A comparative exercise of salary levels of employees against similar and/or equivalent positions in the general employment market and relevant industries will constitute the final phase of this process.
- The Productivity Improvement project was piloted during the financial year 2008/2009. The project presentations highlighted improvements in areas of focus, which included standardizing operational procedures for Hospitality Services Managers, to improve levels of efficiencies, and the establishment of a productivity committee to monitor progress on the project.

### *Occupational Health and Safety Programme*

The programme is underpinned by three flagship projects, which were implemented in the year under review. The strategic intent of the programme is to minimise risk factors, through the introduction of relevant interventions as summarised as below.

The Medical Surveillance project which determines the prevalence of occupational diseases amongst employees. The results of the baseline medical examinations led to the drafting of a program to enhance the accessibility to medical services in the parks.

- The Emergency Disaster Plan is meant to assist the organization in developing a contingency as a response to emergencies.
- The legislative training is a means to be used to enhance legal compliance.
- The Occupational Health and Safety audits have been conducted throughout the clusters of the parks to establish compliance to general administration, electrical, machinery, occupational and hazardous substances regulations.

### *Employee Wellness programme*

The Employee Wellness programme is a comprehensive response strategy that is underpinned by a philosophy to promote healthy living to enhance productivity. During the year under review the scope of the Employee Wellness programme can be summarized as follows:

- Wellness champions were established throughout SANParks to assist in carrying out the wellness mandate at park level.
- Health promotions and disease prevention.
- HIV/AIDS programmes continued to be implemented. The candlelight memorials were observed throughout the parks, and all the partners within the health sector were involved. The World Aids Day was commemorated across SANParks.
- The social outreach programme as part of our social responsibility programme.

Public-private partnerships are growing stronger each year. Partnerships have been developed with hospices and orphanages in some parks. A 24-hour counselling services for staff including their families was made available. The overall participation rate amounted to 6,7% which compares well to the 9,2% of the previous year. The drop in service delivery is attributed to the austerity measures put in place, thus only limited services were available. The most commonly utilised service was telephone counselling, as it constituted 75,5% (compared to 60,9% the previous year) of the total participation rate. Based on the outcome of the Medical Surveillance results and Employee Wellness activities, a partnership with some of the Provincial Health Departments have been formed as an intervention to address some of the employee ailments identified.



# HUMAN RESOURCES REPORT CONTINUED

## SANPARKS SALARY SCALES: 2009/2010

### EMPLOYEES WHO QUALIFY FOR HOUSING ALLOWANCE

BAND	ANNUAL			MINIMUM R'000
	MINIMUM R'000	AVERAGE R'000	MAXIMUM R'000	
A1	R 34,320.00	R 48,304.30	R 62,288.60	R 2,860.00
A2	R 34,320.00	R 48,304.30	R 62,288.60	R 2,860.00
A3	R 34,320.00	R 48,304.30	R 62,288.60	R 2,860.00
B1	R 34,320.00	R 49,533.55	R 64,747.10	R 2,860.00
B2	R 34,320.00	R 50,831.55	R 67,343.10	R 2,860.00
B3	R 35,523.40	R 52,798.90	R 70,074.40	R 2,960.28
B4	R 37,000.70	R 55,518.10	R 74,035.50	R 3,083.39
B5	R 39,447.10	R 59,159.10	R 78,871.10	R 3,287.26
C1	R 124,114.10	R 156,263.61	R 188,413.12	R 10,342.84
C2	R 125,778.40	R 158,359.12	R 190,939.84	R 10,481.53
C3	R 143,865.70	R 181,131.73	R 218,397.76	R 11,988.81
C4	R 157,800.50	R 198,676.41	R 239,552.32	R 13,150.04
C5	R 178,850.10	R 225,178.57	R 271,507.04	R 14,904.18
D1	R 263,378.50	R 331,601.97	R 399,825.44	R 21,948.21
D2	R 303,508.70	R 382,129.39	R 460,750.08	R 25,292.39
D3	R 306,406.10	R 385,776.09	R 465,146.08	R 25,533.84
D4	R 366,018.40	R 460,830.24	R 555,642.08	R 30,501.53
D5	R 373,434.60	R 470,168.58	R 566,902.56	R 31,119.55
EL	R 504,528.20	R 635,220.10	R 765,912.00	R 42,044.02
EU	R 578,284.30	R 728,081.35	R 877,878.40	R 48,190.36



MONTHLY				SALARY PER MONTH R'000
MIDPOINT	MAXIMUM	30 Percentile		
R'000	R'000	R'000		
R 4,025.36	R 5,190.72	R 42,710.58	R 3,559.22	
R 4,025.36	R 5,190.72	R 42,710.58	R 3,559.22	
R 4,025.36	R 5,190.72	R 42,710.58	R 3,559.22	
R 4,127.80	R 5,395.59	R 43,448.13	R 3,620.68	
R 4,235.96	R 5,611.93	R 44,226.93	R 3,685.58	
R 4,399.91	R 5,839.53	R 45,888.70	R 3,824.06	
R 4,626.51	R 6,169.63	R 48,111.14	R 4,009.26	
R 4,929.93	R 6,572.59	R 51,274.30	R 4,272.86	
R 13,021.97	R 15,701.09	R 143,403.81	R 11,950.32	
R 13,196.59	R 15,911.65	R 145,326.83	R 12,110.57	
R 15,094.31	R 18,199.81	R 166,225.32	R 13,852.11	
R 16,556.37	R 19,962.69	R 182,326.05	R 15,193.84	
R 18,764.88	R 22,625.59	R 206,647.18	R 17,220.60	
R 27,633.50	R 33,318.79	R 304,312.58	R 25,359.38	
R 31,844.12	R 38,395.84	R 350,681.11	R 29,223.43	
R 32,148.01	R 38,762.17	R 354,028.09	R 29,502.34	
R 38,402.52	R 46,303.51	R 422,905.50	R 35,242.13	
R 39,180.72	R 47,241.88	R 431,474.99	R 35,956.25	
R 52,935.01	R 63,826.00	R 582,943.34	R 48,578.61	
R 60,673.45	R 73,156.53	R 668,162.53	R 55,680.21	



# HUMAN RESOURCES REPORT

## SANPARKS SALARY SCALES: 2009/2010

### EMPLOYEES WHO QUALIFY FOR HOUSING ALLOWANCE

BAND	ANNUAL			MINIMUM R'000
	MINIMUM R'000	AVERAGE R'000	MAXIMUM R'000	
A1	R 34,320.00	R 48,304.30	R 62,288.60	R 2,860.00
A2	R 34,320.00	R 48,304.30	R 62,288.60	R 2,860.00
A3	R 34,320.00	R 48,304.30	R 62,288.60	R 2,860.00
B1	R 34,320.00	R 49,533.55	R 64,747.10	R 2,860.00
B2	R 34,320.00	R 50,831.55	R 67,343.10	R 2,860.00
B3	R 35,523.40	R 52,798.90	R 70,074.40	R 2,960.28
B4	R 37,000.70	R 55,518.10	R 74,035.50	R 3,083.39
B5	R 39,447.10	R 59,159.10	R 78,871.10	R 3,287.26
C1	R 91,334.10	R 114,992.25	R 138,650.40	R 7,611.18
C2	R 92,999.50	R 117,088.87	R 141,178.24	R 7,749.96
C3	R 111,085.70	R 139,860.93	R 168,636.16	R 9,257.14
C4	R 125,021.60	R 157,406.72	R 189,791.84	R 10,418.47
C5	R 146,069.00	R 183,913.38	R 221,757.76	R 12,172.42
D1	R 220,187.00	R 277,223.82	R 334,260.64	R 18,348.92
D2	R 260,318.30	R 327,751.23	R 395,184.16	R 21,693.19
D3	R 248,316.20	R 323,948.74	R 399,581.28	R 20,693.02
D4	R 322,828.00	R 406,451.52	R 490,075.04	R 26,902.33
D5	R 330,244.20	R 415,790.42	R 501,336.64	R 27,520.35
EL	R 453,270.40	R 570,683.52	R 688,096.64	R 37,772.53
EU	R 527,026.50	R 663,545.33	R 800,064.16	R 43,918.88



MONTHLY				SALARY PER MONTH R'000
MIDPOINT R'000	MAXIMUM R'000	30 Percentile R'000		
R 4,025.36	R 5,190.72	R 42,710.58	R 3,559.22	
R 4,025.36	R 5,190.72	R 42,710.58	R 3,559.22	
R 4,025.36	R 5,190.72	R 42,710.58	R 3,559.22	
R 4,127.80	R 5,395.59	R 43,448.13	R 3,620.68	
R 4,235.96	R 5,611.93	R 44,226.93	R 3,685.58	
R 4,399.91	R 5,839.53	R 45,888.70	R 3,824.06	
R 4,626.51	R 6,169.63	R 48,111.14	R 4,009.26	
R 4,929.93	R 6,572.59	R 51,274.30	R 4,272.86	
R 9,582.69	R 11,554.20	R 105,528.99	R 8,794.08	
R 9,757.41	R 11,764.85	R 107,453.12	R 8,954.43	
R 11,655.08	R 14,053.01	R 128,350.84	R 10,695.90	
R 13,117.23	R 15,815.99	R 144,452.67	R 12,037.72	
R 15,326.12	R 18,479.81	R 168,775.63	R 14,064.64	
R 23,101.99	R 27,855.05	R 254,409.09	R 21,200.76	
R 27,312.60	R 32,932.01	R 300,778.06	R 25,064.84	
R 26,995.73	R 33,298.44	R 293,695.72	R 24,474.64	
R 33,870.96	R 40,839.59	R 373,002.11	R 31,083.51	
R 34,649.20	R 41,778.05	R 381,571.93	R 31,797.66	
R 47,556.96	R 57,341.39	R 523,718.27	R 43,643.19	
R 55,295.44	R 66,672.01	R 608,937.80	R 50,744.82	







WE CAN MAKE A  
DIFFERENCE

CORPORATE COMMUNICATIONS  
REPORT

## Executive Summary

The two key objectives for the Corporate Communications Division are:

1. to develop and enhance SANParks' reputation to its stakeholders and to broader society
2. to share and provide access to correct information and knowledge to internal and external stakeholders.

### *Highlights of the year were:*

- Higher than expected revenues were collected from website reservations, a 98,6% increase year-on-year.
- Media coverage of SANParks continues to enjoy low negative ranking across all media, currently an average of 4%, which is better than last year's average of 8%. Positive coverage is currently at 28%, which is better than last year's 23% after the correction of the media report.
- A successful fourth annual SANParks Week programme.
- A successful fifth annual Kudu Awards event, more quality entries having been realised.
- Membership of the SANParks website forum increased by 27% again this past financial year, while the activity online through forum articles increased by 90%.

### *External stakeholder relations*

The key focus of engagement with stakeholders once again was to enhance existing relations and to target new potential key stakeholders. SANParks continued to derive value from specific stakeholder relations. Relations with strategic partners such as the various media houses, My Acre of Africa Trust, Honorary Rangers, continued to improve, thus better delivery on a number of awareness raising and fundraising programmes was ensured. Continued and strategic relations with donors or financiers and business partners such as First National Bank (FNB) (for the SANParks Week and Kudu Awards 2009), Pick n Pay (for the Kids in Parks programme), Peace Parks Foundation (for the TFCA programme), De Beers (for various land and conservation agreements) and many others, continued to assist SANParks in advancing the cause of conserving the National Parks in South Africa. SANParks has been courting other new possible financiers for various other social responsibility and awareness raising programmes and campaigns, details of which will be provided in the report for the 2010/2011 financial reporting period.

In its bid to work with all stakeholders who have a keen interest on SANParks business, the organisation developed working relations with two NGOs in order to avoid mudslinging and accusations through the media on simple matters that could be easily addressed with cooperation and collaboration. SANParks met with the members of the Animal Rights Africa, an animal rights organisation which has often criticised the work of SANParks through the media on issues specifically related to elephant management. In the period under review they also took up the issue of the sale of rhino to private individuals who may or may not be allowing hunting on their properties. SANParks made it abundantly clear that conservation management is a concurrent responsibility in South Africa as enshrined in the constitution and that SANParks does not regulate hunting or the movement of animals in the country. Moreover, it was pointed out that hunting is a legal but regulated activity in the country. Discussions are to continue engaging on matters and ironing out differences in the most amicable ways possible. SANParks further engaged with AfriForum, a NGO that concerns itself with fighting for the rights of white people. AfriForum had taken up the battle on behalf of two youths who claimed to have been discriminated against in the Table Mountain National Park (TMNP) because they are white.

When SANParks called AfriForum to discuss the matter it became clear that the matter was more a misunderstanding and lack of knowledge than a racism issue. The two organisations undertook to address matters in a more systematic fashion in the future.

## *Government relations*

The Department of Environmental Affairs (DEA), as the mother government department to SANParks, continues to give tremendous support to the organisation and to partner SANParks on a number of initiatives aimed at improving the state of biodiversity management in the country. On a public and media related front the DEA has been working closely with SANParks in dealing with the contentious issue of rhino poaching in public and private protected areas.

Through the programmes of People and Conservation, SANParks continues to enjoy great support from the Department of Education (DOE) at a provincial and national level. The DOE continues to be a key partner in the Kids in Parks programme. The Department of Arts and Culture and its relevant entities like the South African Heritage Resources Agency (SAHRA) continue to be engaged and consulted on matters relating to cultural heritage in the custody of SANParks.

## *Corporate and media partnerships*

SANParks continued to form good working relationships with the media, based on mutual respect and benefit, with both the broadcast and print media. As the major national broadcasters, the SABC radio and e.tv were key media partners. SANParks has also expanded its media relations to include community media. We are looking forward to establish formal relations with the community media fraternity in the new financial year.

FNB funded the SA National Parks Week with R500 000 (decreased by 10% on last year) due the credit crunch. The DEA also funded the event to with a R500 000 contribution. The FNB was unable to provide the funding of prizes for winners of the Kudu Award. Sponsorships were also received for a number of Public Relations projects at the corporate and park level from organisations such as The Guild, Vuswa-Avis, Old Mutual, DBSA, Standard Bank, Total SA, the SANParks website forum and many smaller contributions from other key stakeholders. SANParks has also entered into sponsorship and trade agreements with a number of media players.

SANParks entered into an agreement with Match Event Services in order to supply beds for the 2010 FIFA World Cup. There do also exist memoranda of understanding (MoU) with the De Beers Consolidated Mines, My Acre of Africa, Peace Parks Foundation and a number of academic institutions. The memorandum of understanding with My Acre of Africa is under revision.

### *Agreements with local and international conservation bodies*

Most organisations have been hit by the credit crunch and this continues to affect the activation of formally agreed joint initiatives with countries with which SANParks has forged formal relations. SANParks continues to forge formal and informal relations with African and international conservation authorities for the purpose of exchanging expertise, knowledge and skills in a number of target areas. The formal agreements have been solidified through the signing of the Memorandum of Understanding (MoU). Informal relationships have been created through a number of foreign delegations that have been hosted by SANParks' management, sharing expertise in all three spheres of SANParks' business, conservation management, tourism development and constituency building (people and conservation). Technical cooperation agreements are already in place between SANParks and parks in the USA, Italy and Argentina. Relationships with African countries continue to take priority as SANParks plays its role in the development of African institutions.

SANParks enjoys existing agreements with provincial conservation bodies such as the Northern Cape Parks and Tourism Board, Eastern Cape Parks Board and Limpopo Parks and Tourism Board. In the period under review SANParks signed a MoU with the Mpumalanga Parks authority. As reported in the last financial year, the agreement has been in the pipeline for quite some time. These agreements are aimed at creating better synergy between SANParks and these organisations. SANParks continues to be committed to pursuing more formal relations with provincial conservation bodies. Discussions have started with Cape Nature.

### *Media relations and management*

Media coverage of SANParks and all its national parks continues to enjoy acceptable levels, with neutral to positive coverage accounting for 95% of the tone of reporting. In the last calendar year, average extreme negative-to-negative coverage was kept within the target of below 10%, at 5%. The fact that the organisation still enjoys less than 10% negative coverage indicates that, in spite of the challenges of differing perceptions on largely conservation matters, SANParks enjoys integrity in the public and media spheres. The reputation rating of SANParks, based only on negative and positive coverage, was calculated to be 64% for the period under review. The Advert-spend Value Estimate (AVE) for SANParks was estimated at approximately R276 million, a 26% increase on last year's estimate.

As the flagship of the country, the Kruger National Park continues to draw most of the media coverage. This is followed by the corporate organisation, Table Mountain, Addo Elephant and Garden Route National Parks. Surprise entrants to this community of media interest draw cards for the organisation have been the Mapungubwe National Park and World Heritage Site and this is believed to be mostly influenced by the public concerns around the possible mining of coal in close proximity of the World Heritage Site by Coal of Africa.

Conservation and stakeholder issues continue to receive the most coverage and are responsible for a sizeable component of the neutral coverage and a major part of the negative media coverage.

The issues of most interest to the media were:

- the rise in rhino poaching in state and private protected areas
- anti-poaching measures and poaching statistics in national parks
- the downturn in tourism statistics and the financial outlook for SANParks and other tourism entities
- the ongoing debate on elephant management and culling
- some racism allegations against the Table Mountain National Park
- preparations for the 2010 FIFA World Cup
- possible mining of coal in the Vele mine, which is a few kilometres from Mapungubwe National Park and World Heritage Site by Coal of Africa.

Due to the manner in which some of the issues were managed by SANParks, potentially contentious issues received neutral/balanced rather than negative media coverage.

## *PR campaigns and corporate events*

### ***The SANParks Week 2009***

The SANParks Week 2009 was held from 14 to 20 September 2009. The opening was held at the Kruger National Park on 14 September 2009 and was graced by the presence of the Minister of Environmental Affairs, Buyelwa Sonjica. The event received extensive coverage from e.tv, SABC Radio and a number of newspapers. The focus of the campaign continues to be geared towards young people and communities living adjacent to the parks. The main focus was on the Open Access campaign for all community members. Challenges continue to be pointed out by visitors who would like this aspect of the campaign to be available even on weekends. Due to the programme's name, "SANParks Week", confusion continues to be apparent.

### ***The Kudu Awards 2009***

The annual Kudu Awards were completed successfully, with entries for the different categories continuing to improve. In particular, there were once again more entries for the Community Contribution to Conservation and Environmental Education/Capacity Building categories. Due to the financial crunch FNB was unable to sponsor the prizes for the last event.

### ***Other events***

- SANParks once again celebrated Earth Day and Earth Hour as well as other dates on the environmental calendar such as World Biodiversity Day, Arbour Week, World Wetlands Week, World Environment Day, National Heritage Day .



- A wind instrument called the kuduzela was developed by the KuduKudu Company in association with SANParks and FNB in time for the 2010 FIFA World Cup. This was launched in the presence of the Deputy Minister of Environmental Affairs, Rejoice Mabudafhasi, the CEO of the FIFA Local Organising Committee, Danny Jordaan, the Group CEO of FNB, Michael Jordan, and the CEO of SANParks, David Mabunda.

### Website management

The website has continued to be the highlight of SANParks' communication efforts. A number of key initiatives and achievements have enhanced the organisation's reputation among online stakeholders. It is commendable that the website community forum has continued to grow, from the previously reported 14 409 members to 18 348 members at the time of reporting, an increase of 27% once again. An annual growth of 20% had been estimated but again the estimated target was more than met.

Activity in the discussions posted by the forum grew from approximately 324 136 active articles to 612 494, an amazing 90% increase and well above the 40% targeted increase in forum member numbers. The site web cams have been removed from the normal statistics but the figures seem to continue growing. This is attributed to the growing awareness of the vast business of SANParks and a growing activity amongst consumers. SANParks has also joined other organisations of the twenty-first century who have embraced the information highway for their improved business relations with clients. SANParks has added several Facebook fan pages which collectively had approximately 8 400 members. A Twitter account has also been established in order to make the sharing of information with the public and the media speedy and instant. The use of Facebook, Twitter and the website forum yielded great returns when MATCH returned some of the inventory contracted to them. SANParks used these forums to advertise the availability of this inventory and people proceeded to book through the SANParks bookings online.

Last year SANParks raised an income of just more than R43 million through the Online Reservations, improving on the R8 million realised in the five months from the date of the launch the previous year on 27 November 2007 (this is reported fully in the Tourism and Marketing report). We are happy to report that we have realised a 98% increase YoY. Income raised is about R72,4 million.

The website continued to attract high numbers of visitors, with an annual 594 343 visitor sessions (48% increase), almost 1 billion hits (48% increase) and 269 500 unique visitors (41% increase). The website continued to function at an admirable uptime of 99.9%. The accessibility of SANParks as an organisation and the SANParks.org website has been further enhanced by participation in social media tools such as Facebook, Twitter and YouTube which have all gained popularity across the globe.



TOGETHER WE CAN  
MAKE A DIFFERENCE

SPECIAL PROJECTS  
PROGRAMMES  
REPORT

### Expanded Public Works Programmes

SANParks' participation in the Expanded Public Works Programme (EPWP) focused on the implementation of the various projects in the following programmes:

- Working for Water
- Working for the Coast
- Working for Wetlands
- Working on Fire
- People and Parks

The programmes performed as planned and achieved the planned deliverables. The annual Water for Water (WfW) programme and Wetlands were implemented over the past year, while the Working for the Coast completed the second year of a three-year cycle. The People and Parks Programme from the previous cycle is in the process of being closed down. An allocation of R123 million in September 2009 will support further implementation of the EPWP over the next two years with deliverables such as staff accommodation, upgrade of tourism units, upgrade of roads and fencing, and has also assisted to increase employment numbers over the last quarter of the year. SANParks performed excellently in exceeding the targets for the year in all deliverables listed below.

The expenditure and social deliverables achieved by these programmes in 2009/10 are as follows:

DELIVERABLE	Target for 2009/10	DEA Social Responsibility Programme			DWA	Total Achieved	%
		People & Parks	Working for the Coast	Working for Wetlands	Working for Water		
Expenditure (R million)	88	30	18,4	5,3	48,1	101,8	116%
No of people employed	2 000	901	383	182	1 548	3 127	166%
Person days worked	399 784	73 884	87 764	22 845	184 954	402 507	101%
Training days	30 757	0	11 831	2 619	15 399	29 849	97%
SMMEs used	176	41	43	15	125	224	127%
Amount paid to SMMEs (R million)	54,5	13	10,8	2,5	30,5	56,9	104%
% Expenditure to SMMEs	70%	73%	75%	95%	90%	75%	
% Procurement from 100% black owned companies of total procurement	70%	72%	84%	78%	93%	74%	

# SPECIAL PROJECTS PROGRAMMES REPORT CONTINUED

*Other project deliverables achieved during the year included:*

DELIVERABLE	ACHIEVED
<b>DEA Social Responsibility Programme</b>	
<b>Working for the Coast</b>	
Coastal clean-ups (repetitive cleaning of stretches of allocated beaches)	23 257 km
Beach patrols & marine monitoring of activities (repetitive monitoring)	4 760 km
Rehabilitation and maintenance of roads/tracks/footpaths/hiking trails	5 468 km
<b>Working for Wetlands</b>	
Area of wetlands rehabilitated	11 082 m <sup>3</sup>
<b>DWA</b>	
<b>Working for Water</b>	
Initial clearing	34 920 ha
Follow up hectares cleared	184 954 ha

## *Infrastructure Development Programme 2009/10*

The fourth year of implementation of this programme, with an initial R574,7 million allocation, was implemented in 2009/10. During this year the performance of contractors played a major role in achieving the planned deliverables. The termination of contracts and poor performance impacted on the planned cash flow and the programme achieved 91,1% of planned expenditure. The programme in total has performed well and achieved most of the planned deliverables with regards to the infrastructure. A total of 2 500 people were employed, working 628 470 person-days. Ninety-six SMMEs were supported and R 293 million was paid to them.

*The programme to date has achieved the following deliverables in 2009/10:*

Deliverable	Achieved
People employed	1 442
Person days worked	153 482
SMMEs used	69
Amount paid to SMMEs (million)	R120,2
% Expenditure to SMMEs	72%
% Procurement from 100% black owned companies of total contracts awarded	71%
Tourism units upgraded (including Golden Gate Hotel)	86
New tourism accommodation units	12
Upgrade & new staff accommodation units	68
Roads constructed & upgraded	15
Upgrade & new bulk services (water, sewer, electricity)	6
Upgrade power supply & generator sets	8
Entrance Gate Crocodile Bridge	1
Upgrade main buildings (reception & restaurant) at Letaba & Olifants	2

*TOGETHER WE CAN MAKE...*



*...A DIFFERENCE*

SANPARKS' PERFORMANCE  
AGAINST  
PREDETERMINED OBJECTIVES

# SANPARKS' PERFORMANCE AGAINST PREDETERMINED

## OBJECTIVES – 2009/10 FINANCIAL YEAR

### F1- Effective Budget Management

Key Performance Indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M1 - Budget variance</b>	Income budget variance > - 1% Expenditure budget variance < 1%	0,6% above budget 1,4% below budget
<b>Performance analysis</b>	<p>For the year under review, a break-even position has been achieved. The income budget and expenditure budget variances are 0,6% above budget and 1,4% below budget respectively. Overall both measure performances are considered to be good as they are within acceptable threshold of the organisational break-even or 1%.</p> <p>It is worth noting that, even though the economic situation had not been favourable for the year under review, budget variances were contained within the targeted 1% range for both income and expenditure.</p>	
<b>Planned improvement</b>	<p>Effective budget management and monitoring has been elevated as a strategic priority across all organisational operations. The strategic intention in this regard is to frequently measure coverage of income over expenditure - hence enabling ongoing monitoring of financial sustainability.</p>	

Key Performance Indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M2 - Income to cost ratio</b>	83,0%	85,7%
<b>Performance analysis</b>	<p>For the year under review, income to cost ratio is 2,7% better than the planned annual target of 83,0%. Performance in this measure has been generally above planned quarterly targets throughout the year under review. This is a good performance that can be attributed to the cost curtailment exercise and savings made on expenditure. The annual tourism tariff increase for the year under review was more than the inflationary impact, hence enabling the organisation to recoup planned required targets. Expenditure has been reduced through the introduction of the cost curtailment irrespective of the expanding mandate, hence reduction to the overall cost structure of the entire organisation.</p>	
<b>Planned improvement (corrective actions)</b>	<p>Effective budget &amp; cost management and monitoring have been prioritised, while there are continuous efforts to identify other revenue streams.</p>	

## F2- Grow Revenue (Incl. Alternative Sources of Revenue)

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M3 - % increase in Gross Operating revenue - year on year</b>	11,0%	11,7%
<b>Performance analysis</b>	<p>The cumulative gross operating revenue for the year under review has improved by 11,7% (R588,7 million to R657,6 million) year-on-year; and performance is 0,7% more than the set annual target.</p> <p>This good performance can be attributed to better performance in both conservation fees and rebate income due to an increased number of visitors to Parks than was expected, hence recovery of rebates.</p>	
<b>Planned improvement (corrective actions)</b>	<p>Improved effectiveness of budget &amp; cost management and monitoring have been prioritised for the new year. Marketing and sales interventions have also been planned to address revenue growth in the next financial year.</p> <p>Revenue generation interventions should continue to receive priority focus. This should be further addressed by increased seasonality wildcard sales, while Parks have been encouraged to be more sales focused.</p>	

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M4 - % increase in alternative revenue</b>	10,0%	84,0%
<b>Performance analysis</b>	<p>For the year under review, the final cumulative alternative revenue figure is R128,8 million. This is 84,0% (R70 million to R128,8 million) better than the planned annual target of a 10% increase, year-on year. Better performance in this regard resulted from higher interest earned than had been anticipated, and increased in gross income from fauna and flora as part of the species population management programme.</p> <p>The reopening of the Skukuza airport in KNP has been delayed due to legal resolutions that need to be concluded between Kruger Mpumalanga International Airport (KMIA) and SANParks - this project has therefore not yet contributed to revenue generation as was initially anticipated.</p>	
<b>Planned improvement (corrective actions)</b>	<p>Future execution of the SANParks Investment Policy should provide guidance and framework in which beneficial investments will be undertaken. Chartered flights have been considered as another option to operationalise the Skukuza airport, while the legal resolution is being undertaken with KMIA.</p>	

# SANPARKS' PERFORMANCE AGAINST PREDETERMINED

## OBJECTIVES – 2009/10 FINANCIAL YEAR

### C1- Enhance reputation and collaboration with key stakeholders

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M6 - % implementation of the Marketing plan</b>	100% delivery of key milestones/deliverables	100%
<b>Performance analysis</b>	<p>The following key milestones were undertaken as deliverables of the Corporate Marketing Plan for the year under review:</p> <ul style="list-style-type: none"> <li>• Integration of all parks' regional marketing efforts to get more mileage from allocated budget;</li> <li>• Participation in 14 local travel consumer and trade exhibitions;</li> <li>• Completion of Customer Needs Research (and report) in 13 Parks;</li> <li>• Rollout of the of the Black Diamond focused campaign in Gauteng;</li> <li>• Completion of multimedia marketing campaign through various media (radio, magazines, regional and national newspapers and billboards);</li> <li>• Participation in 2 international trade and consumer shows – Vakantie Beurs and Salon, SAT Fundi in Holland;</li> <li>• Conducted Trade Product Presentations in 3 major cities Johannesburg, Durban and Cape Town;</li> <li>• Review of the Wild Card Programme as our loyalty programme.</li> </ul> <p>It is worth mentioning that SANParks has achieved 60% revenue growth from its online reservations.</p>	
<b>Planned improvement (corrective actions)</b>	A new Corporate Marketing Plan, aligned with new strategic objectives has been developed, and its execution will be undertaken in the next financial year.	

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M7 - Recognized media reputation rating</b>	Overall media rating = 10% improvement Positive coverage = 10% improvement Negative coverage <10% Improvement	65% average 37% average 6% average
<b>Performance analysis</b>	<p>For the year under review, overall media coverage rating slightly declined by 4.4% as reflected by the MSA report, from 68% in 2008/9 to 65% in 2009/10, with favourable perception rating improving by 32% (from 28% to 37%) and unfavourable perception rating declining by 50% (from 4% to 6%); while the neutral/statement of fact rating has improved by 6% (from 68% to 72%). The media reputation grade has remained fairly stable over time; hence there is a room for improvement.</p> <p>The following key matters that may have had a potential impact on SANParks' media reputation management are noted:</p> <ul style="list-style-type: none"> <li>• Announcement about SANParks' investment of R5,2 million towards its anti-poaching strategy and crime-privation initiatives; in which among other things, 57 new field rangers have been recruited and deployed to the areas identified as hot spots for poaching.</li> </ul>	

	<ul style="list-style-type: none"> <li>• Plans to bring the military to patrol along the Kruger National Park (KNP) border with Mozambique.</li> <li>• SANParks agreement with FIFA accommodation agents (MATCH) for the 2010 FIFA World Cup i.e. 30% off selected accommodation going to MATCH, and subsequent re-selling of two-thirds of that accommodation received from MATCH.</li> <li>• Launch of the Kuduzela initiative in support of the 2010 FIFA World Cup.</li> <li>• SANParks opposition of coal mining prospects near Mapungubwe National Park.</li> <li>• Launch of the Mapungubwe Interpretive Centre, and subsequent winning of the centre for the World Architecture Festival award.</li> <li>• My Acre of Africa plans to allocate funds for environmental learning programmes at the environmental education facility in KNP, Kids in Kruger Programme and community-based conservation projects in conjunction with SANParks' social ecology initiative.</li> <li>• Afriforum reporting about the allegations of racism in the Table Mountain, which was later proven to be misunderstanding by the complainants.</li> </ul>
<p><b>Planned improvement (corrective actions)</b></p>	<p>Strategic focus will remain on improvement of positive media coverage, whilst ensuring that the core of our media activities solidifies the organisation's reputation grade.</p>

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<p><b>M8 - % progress against implementation of stakeholder engagement plan</b></p>	<p>80%</p> <p>Delivery of key milestones / deliverables</p>	<p>70%</p>
<p><b>Performance analysis</b></p>	<p>The Stakeholder Management Plan has been completed, although there is further consultation still needs to be completed, there have been focused activities aimed at key stakeholders with specific deliverables aimed at improved collaboration, publicity, awareness improvements and reputation management.</p> <p>Collaborations with DEA and National Treasury have been established, to address grant allocation particularly that of land acquisition and infrastructure Development Programme.</p> <p>Successful interaction with the online forum also contributed to the current performance level. The online forum has registered an increase of 27,1% (14 436 to 18 348) members who have posted 612 494 articles on a variety of issues which have been dealt with by SANParks.</p> <p>All the divisions within the organisation have continued to improve and to establish relations with key stakeholders such as surrounding communities; park concessionaires; private sector; and government structures such as provincial parks and tourism authorities.</p>	
<p><b>Planned improvement (corrective actions)</b></p>	<p>Finalisation of the Corporate Engagement Plan and execution thereof will take place in the next financial year.</p>	

# SANPARKS' PERFORMANCE AGAINST PREDETERMINED

## OBJECTIVES – 2009/10 FINANCIAL YEAR

### C2- Provide value for money nature-based experiences

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M9 - Customer satisfaction index</b>	80,3% (10% improvement)	70,2% Average
<b>Performance analysis</b>	<p>For the year under review, the average Customer Satisfaction Index is 70,2%. This is 10,1% less than the set annual target of 80,3%. This performance can be attributed to delay in implementation of some of the service levels associated with less than expected levels of housekeeping; ageing tourism infrastructure; dining and shopping experiences in the Parks. Though we might have been optimistic, the set annual target is proven to be unrealistically high. Recently implemented customer feedback system, has improved strategic decisions making in the area of tourism service levels, hence a better response to our customer needs and expectations.</p> <p>It is also worth mentioning that planned Tourism Service Levels Standards Audits have been completed in eight of the selected camps: 5 in Kruger National Parks (KNP), and 2 in Parks division. The shortcomings identified through these audits should be addressed in order to close the service gaps.</p>	
<b>Planned improvement (corrective actions)</b>	<p>Promotion efforts for both staff members and customers have been undertaken to enhance future customer feedback. Analysis of responses will further enhance the organisation's interventions aimed at customer service delivery.</p>	

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M10 - occupancy levels</b>	Accommodation occupancy = 73,0%	73,3%
	Accommodation units sold = 520 000	531 018
	Camping Person nights sold = 590 000	675 392
	Activities (number) = 230 000	221 530
<b>Performance analysis</b>	<p>For the year under review, accommodation occupancy rate; accommodation units sold; and camping person nights have improved by 0,4%; 2,1%; and 8,9% respectively when compared year-on-year.</p> <p>Activities (numbers), is the only measure that has underperformed by 3,7% when compared to the annual target. However, this performance still translates to 1,9% better year-on-year.</p>	
<b>Planned improvement (corrective actions)</b>	<p>Both proactive and responsive sales and marketing plans with a prime focus on the domestic market will be undertaken. This will include shorter term vacation decisions made under prevailing unfavourable economic conditions.</p> <p>Furthermore, inventory and yield will be closely managed to retain our market position; and to identify, and create opportunities for growth.</p>	

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M11 - % increase in number of visitors</b>	Number of total visitors = 0% Number of domestic black visitors = 0%	8,3% 17,5%
<b>Performance analysis</b>	<p>For the year under review, the total number of visitors have improved by 8,3% (1 953 177 to 2 115 636) when compared year-on-year, resulting from both day-visitor and night-visitor numbers improvement with 10,9% (1 333 986 to 1 479 926) and 2,7% (619 191 to 635 710) respectively.</p> <p>Number of domestic black visitor numbers have also improved by 17,5% (345 559 to 406 085) when compared year-on-year, with both day black-visitor and night black-visitor numbers to have improved by 18,3% (312 264 to 369 548) and 9,7% (33 295 to 36 537) respectively.</p> <p>Please note that Agulhas; Table Mountain and West Coast National Parks, have been excluded from the above counting as their visitor-number monitoring systems are not yet compatible with the one used in the rest of other National Parks. However, when considering their count, the accumulative total number of visitor in all National Parks becomes 4 512 478 for the year under review.</p>	
<b>Planned improvement (corrective actions)</b>	Both proactive and responsive sales and marketing plans with a prime focus on the domestic market will be undertaken. This will include shorter term vacation decisions made under prevailing unfavourable economic conditions.	

### **I1- Derive optimum value from the tourism business**

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M12 - % growth of maximum Baseline potential revenue</b>	Baseline + 2%	13,9%
<b>Performance analysis</b>	<p>The Maximum Potential Revenue evaluates our ability to generate maximum possible revenue from our accommodation and camping facilities; hence the figures presented, indicate the potential revenue we can possibly generate should all our accommodation and camping facilities be at 100% occupancy, and occupied at a full base rate for the entire year. For the year under review, the Maximum Potential Revenue has improved by 13,9% (R457,7 million to R521,5 million) when compared year-on-year. This measure has been improving throughout the year, and it is envisaged that this trend will continue to do so over time.</p> <p>This improvement can be attributed to the tariff rate increases in November 2008 and September 2009 by 7,9% and 13,3% respectively; as well as new camps and accommodation units, which have been gradually brought to operation - and these include Basotho Cultural Village and Tankwa Karoo facilities.</p>	
<b>Planned improvement (corrective actions)</b>	Other tourism business opportunities will be considered for inclusion in the Maximum Potential Revenue definition of the formula (in addition to the Accommodation and Camping facilities), hence providing a more realistic picture of SANParks Maximum Potential Revenue, and tourism capabilities.	

# SANPARKS' PERFORMANCE AGAINST PREDETERMINED

## OBJECTIVES – 2009/10 FINANCIAL YEAR

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M13 - revenue per available room (REVPAR)</b>	2% growth	17,5%
<b>Performance analysis</b>	<p>For the year under review, the revenue per available room (REVPAR) has improved by 17,5% (337 to 396) when compared year-on-year. This is 15,2% improvement than the set annual target of 344 (2% growth).</p> <p>This improvement can be attributed to the higher accommodation occupancy rates (73,3%) as compared to the previous financial year; where CPI was 5,7% as reported by Stas SA - February 2010.</p>	
<b>Planned improvement (corrective actions)</b>	<p>Efforts to intensify our sales and marketing plans have been put in place, while taking the current global economic turn-down as well as the opportunities brought about by the Soccer World Cup Tournament, into consideration. The pensioner discount regime will be reviewed for 2010. Park Managers have been authorised within agreed flexibility levels to price units in their parks with the aim to attract more visitors at short notice when accommodation units are available.</p>	

### **I4- Promote Access to Benefits from the National Parks System**

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M19 - number of sustainable Resource use projects</b>	10 (Flagship resource use projects)	10
<b>Performance analysis</b>	<p>For the year under review, the following seven 10 flagship projects were undertaken by SANParks (per National Park):</p> <ul style="list-style-type: none"> <li>• Kgalagadi Transfrontier NP - Khomani San Cultural Heritage Resource Use: This is a joint effort between SANParks' scientists and the San communities to identify medicinal plant species, and to work on the solution for propagation methods that have been sought from Kirstenbosch.</li> <li>• Kgalagadi Transfrontier NP - Monitoring &amp; Evaluation System for the Khomani San Cultural Heritage Project: This is about implementation of the monitoring system for the impact and success of the Cultural Heritage Resource Use project.</li> <li>• Tsitsikamma (now part of GRNP) - Rastafari Rooiwortel (Bulbine latifolia) Nursery: This is the formation of the nursery project to combat over harvesting and illegal harvesting of the Rooiwortel from the national park.</li> <li>• Tsitsikamma (now part of GRNP) - Commercial Timber Harvesting: This is a project involving several stakeholders surrounding the Tsitsikamma Forests, in which financial and employment benefits are envisaged.</li> <li>• Tsitsikamma (now part of GRNP) - Fern Harvesting Project: Harvesting of Fern plants by neighbouring communities in the National Park.</li> </ul>	

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M19 - number of sustainable Resource use projects</b>	10 (Flagship resource use projects)	10
	<ul style="list-style-type: none"> <li>Wilderness (now part of GRNP) NP - Outeniqua Farming: Honey Bee farming project.</li> <li>Agulhas NP - Suurvy Plukkers: This is a monitored harvesting project of the Suurvy plant by the surrounding communities in the National Park; which is used for making honey and for other medicinal purpose.</li> <li>Agulhas NP - Thatching Reed Harvesting: Harvesting of thatch grass by neighbouring communities in the National Park.</li> <li>Agulhas NP - Flower Harvesting Project: This is a monitored bi-annual harvesting of flowers to be used for neighbouring communities' benefits surrounding the National Park.</li> <li>Kruger NP - Grass Harvesting Project: Harvesting of thatch grass by neighbouring communities in the park.</li> <li>Kruger NP - Pepper Bark (<i>Warburgia salutaris</i>) Project: to facilitate the long-term conservation of <i>Warburgia salutaris</i> in the Kruger National Park, with the objective to take a wider, trans disciplinary approach to the problem involving both research and outreach to surrounding communities.</li> </ul>	
<b>Planned improvement (corrective actions)</b>	Various research initiatives will be undertaken in the next financial year to determine the required interventions for improving the quality of the projects, and to further explore opportunities for additional resource use projects that will mutually benefit the park(s) and surrounding communities.	

### **I5- Manage for sustainability of biodiversity and cultural heritage assets**

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M20 - % progress against implementation of Biodiversity improvement programme</b>	80% Delivery of key milestones / deliverables	80%
<b>Performance analysis</b>	<p>For the period under review, the following Biodiversity improvement initiatives and interventions have been undertaken:</p> <ul style="list-style-type: none"> <li><b>Alien invasive special management and control:</b> The 2009/10 WfW projects have been completed as planned for the year under review, hence the following key deliverables were achieved: <ul style="list-style-type: none"> <li>Initial and follow-up clearing of 34 920 ha and 132 565 ha respectively have been completed; and in the process 1 548 people received employment. The SANParks' long term clearing plan has been revised, and clearing plans for the 2010/11 financial year has been completed. In the Garden Route the current density and contribution of the Mediterranean mussels to the overall mussel</li> </ul> </li> </ul>	

# SANPARKS' PERFORMANCE AGAINST PREDETERMINED

## OBJECTIVES – 2009/10 FINANCIAL YEAR

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M20 - % progress against implementation of Biodiversity Improvement programme</b>	80% Delivery of key milestones / deliverables	80%
<b>Performance analysis</b>	<p>population in the mid zone have doubled those from the previous year with the mean mussel density rising from approximately 1 300 to 3 800 individuals per 1m, and the alien mussel contribution to the population increasing from about 40% to 80% over the last year.</p> <ul style="list-style-type: none"> <li>• <b>Management of conservation and ecosystems threats:</b> State of Biodiversity surveys (Tsitsikamma, Knysna and Wilderness sections of the Garden Route NP) have been completed. Outcomes of the analysis will be utilised for strategic park management. Development of overarching monitoring framework has been completed and submitted for peer-reviewed publication. This will provide a sound basis for monitoring plans at various scales. The Global Environmental Change assessment is currently being undertaken for the various change biodiversity drivers in national parks. The mappings of threats, drivers and mechanisms in the Parks have been undertaken. This is an ongoing process in a number of parks resulting in emergence of a shared rationale around threats, drivers and mechanisms between managers and scientists; which is better advanced from one park to another due to including historical investment in research &amp; monitoring, resident capacity and experience, and other reasons.</li> <li>• <b>Biodiversity restoration:</b> The development of a policy on predator management is in progress, and it is envisaged that it should be completed for approval and implementation in the next financial year. The removal of the wildebeest in the West Coast National Park has been delayed due to disagreement on the method of removal with the contractual owners of the land on which the animals resides.</li> </ul>	
<b>Planned improvement (Corrective actions )</b>	<p>The costing model for Park Management Plans will be prioritised to inform next financial year's budgeting cycle.</p> <p>The core assessment team of SANParks scientists working in conjunction with identified external scientists has been established to work on medium to long term strategies to address environmental change challenges.</p>	

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M21 - % progress against Biodiversity monitoring plan</b>	80% Delivery of key milestones / deliverables	80%
<b>Performance analysis</b>	<p>For the period under review, the following deliverables have been achieved against the Biodiversity Monitoring Plan:</p> <ul style="list-style-type: none"> <li>• Ten monitoring programmes have been identified with the objective of monitoring and evaluating status of biodiversity, and trends in biodiversity within and across all National Parks and associated surrounding protected areas. Identified programmes are: 1) Organisational Reporting Responsibilities; 2) Invasive Alien Species; 3) Species of special concern; 4) Biodiversity mechanisms; 5) Freshwater systems; 6) Fauna and Floral diseases; 7) Climate change; 8) Habitat degradation; 9) Sustainable Resource Use; and 10) Park Development and Activities.</li> <li>• Undertaking of counts of the Near-Threatened Cape cormorants breeding colonies on inshore stacks on western most section of the Otter Trail; including the mouth of the Knysna Estuary. These revealed considerable increases – those on the Otter Trail being the highest ever recorded – and this is due to an increase in food supply caused by an eastward shift in the anchovy stocks along the South African Coast.</li> <li>• Undertaking of assessments of the abundance of bait organisms in two areas of the intertidal zone in the Tsitsikamma Marine Protected Area (MPA).</li> <li>• Demographic monitoring of a critically endangered orchid species endemic to the Wilderness section of the Garden Route NP has been conducted and revealed extremely few plants (&lt; 50).</li> <li>• A report on the suitability of the habitat at Bontebok NP for Cape Mountain Zebra (vulnerable) was produced to help inform the proposal to the Wildlife Management Committee for off take of zebra.</li> <li>• Completion in monitoring of the Red Data Species, <i>Gasteria polite</i> (critically rare). A population of <i>Acrolophia lunata</i>, an endangered species, has been discovered and mapped for future monitoring processes and procedures.</li> <li>• Finalisation of the report on the interim analysis of monitoring data on the spread of exotic Australian Blackwood (<i>Acacia melanoxylon</i>) in timber harvesting compartments (1997/98 – 2007/08).</li> <li>• Commencement with re-measurement of Blackwood monitoring sites in compartments where no control or harvesting is taking place, and to assess rate of spread and population turnover.</li> </ul>	
<b>Planned improvement (corrective actions)</b>	An action plan has been developed for development of various key component of monitoring programmes within the SANParks Biodiversity monitoring strategy.	

# SANPARKS' PERFORMANCE AGAINST PREDETERMINED

## OBJECTIVES – 2009/10 FINANCIAL YEAR

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M22 - % progress against implementation of Species Management programme</b>	80% Delivery of key milestones / deliverables	80%
<b>Performance analysis</b>	<p>For the period under review, the following deliverables have been achieved against the implementation of Species Management Programme:</p> <ul style="list-style-type: none"> <li>• Profiling of White Rhino demographic in the Kruger National Park (KNP) – results from surveys suggest that SANParks' white rhino removals leave no detectable signals in the population. However, individual movement patterns are needed to compliment the existing study. The SANParks' White and Black Rhino Strategic Management Plan has been completed.</li> <li>• Elephant management plans have been completed for all National Parks with elephants, and the elephant count for the KNP to date is estimated at 16,250. The elephant count in Gonarhezou NP in Zimbabwe is estimated at 9,000; hence the count for the Greater Limpopo Transfrontier Parks can be estimated at 25,000 to date.</li> <li>• The summer spotlight survey showed that crocodiles in the Olifants Gorge (KNP) are as abundant as two years ago when the first deaths were noted. The indications are that crocodile movements into the Olifants Gorge system from upstream or Missingir Dam most likely buffered the acute event that lead to over 200 crocodile deaths in 2008/9. However, breeding still seems healthy in spite of the concerns over environmental degradation in the area.</li> <li>• Two large carnivore management plans have been completed for Marakele and Mapungubwe. Both plans focus on lions and mimicking social dynamics to minimize adverse ecological effects on SANParks achieving the park specific objectives.</li> </ul>	
<b>Planned Improvement (Corrective Actions)</b>	Crocodiles breeding in the Olifants Gorge (KNP) will be closely monitored for sustainability of the crocodile population in the KNP rivers.	

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M23 - % progress against implementation of Cultural Heritage improvement programme</b>	80% Delivery of key milestones / deliverables	80%
<b>Performance analysis</b>	<p>For the period under review, the following Cultural Heritage Improvement initiatives and interventions have been undertaken:</p> <ul style="list-style-type: none"> <li>• Negotiations on the future of the Mapungubwe heritage objects, currently stored in the University of Pretoria, are still continuing between SANParks, SAHRA and the University of Pretoria; and it is envisaged that this should be concluded in the second quarter of the next financial year, with a mutually beneficial agreement to all parties. The installation of exhibitions at the Mapungubwe Interpretation Centre has been further delayed, hence it envisaged that the Interpretation Centre will only operational by the second quarter of the next financial year (July 2010).</li> </ul>	

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M23 - % progress against implementation of Cultural Heritage improvement programme</b>	80% Delivery of key milestones / deliverables	80%
<b>Performance analysis</b>	<ul style="list-style-type: none"> <li>The Skukuza Museum project has been segmented into different phases, namely the storyline and the narrative phases. A service provider has been appointed and is currently working on the storyline and narrative.</li> <li>The filming on the documentary of the life of Charlie Nkuna in the Kruger National Park has been completed, and is currently being edited, and it is envisaged that this process should be completed by the second quarter of the next financial year.</li> </ul>	
<b>Planned improvement (corrective actions)</b>	<p>Efforts will be put in place to ensure speedy official opening of the Mapungubwe interpretation centre, which is planned in the second quarter of the next financial year (September 2010).</p> <p>Efforts will also be put in place to secure funding from the internal Park Development Fund (PDF) for the Skukuza Museum.</p>	

## **I6- Promote environmental, economic and social sustainability**

KeyPerformance Indicator (KPI)	annual target (as per the business plan)	Performance (relative to target)
<b>M24 - % progress against implementation of responsible tourism strategy</b>	80% Delivery of key milestones / deliverables	0%
<b>Performance analysis</b>	The Responsible Tourism Strategy is currently being finalised and the final national minimum standards will be incorporated as soon as the Department of Tourism (DoT) finalizes the standards, and it is anticipated that both should be completed by the end of the first quarter of the next financial year.	
<b>Planned improvement (corrective actions)</b>	The Responsible Tourism workshop and completion thereof will be undertaken in the next financial year to discuss the final strategy as well as the delivery mechanisms at park levels.	

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M25 -energy efficiency index</b>	Set the baseline	No data
<b>Performance analysis</b>	<p>The Energy Efficiency Programme has been put on hold due to lack of funding to pursue this initiative, however several related interventions are being undertaken.</p> <p>The implementation programme and audit (Including the possible adoption of the Green Building Rating System for the energy efficiencies) should still be concluded in the remaining two quarters of the financial year.</p>	
<b>Planned improvement (corrective actions)</b>	<p>The pilot study will be used to evaluate energy efficiencies, and although the results will be based on two rest camps only, it should be informative in guiding further audits and energy efficient interventions required.</p> <p>Sourcing of funding for this initiative needs to be undertaken.</p>	

# SOUTH AFRICAN NATIONAL PARKS' PERFORMANCE AGAINST PREDETERMINED OBJECTIVES – 2009/10 FINANCIAL YEAR

## ***I7- Promote effective bioregionalism and landscape connectivity, including park consolidation and expansion***

<b>Key performance indicator (KPI)</b>	<b>Annual target (as per the business plan)</b>	<b>Performance (relative to target)</b>
<b>M26 -% progress against the South African National Parks' expansion programme</b>	75% delivery of key milestones / deliverables (20 184 ha)	48% (9 500 ha)
<b>Performance analysis</b>	<p>For the year under review, the following key deliverables have been achieved against the Parks Expansion Programme:</p> <ul style="list-style-type: none"> <li>• Land acquisition plan for 2009-2012 MTEF has been completed and submitted to DWEA for further evaluation and approval thereof.</li> <li>• Negotiations complete (contract awaited):</li> <li>• A land acquisition agreement has been reached with the owner of the Paapenkuil 281/12 and 14 (Jeffrey) - 471 ha, valued at R9,5 million in Agulhas - however this is awaiting completion of the land-subdivision application. These two add in critically endangered Lowland Fynbos into the Agulhas National Park.</li> </ul> <p>Three contracts around the purchase of 946 ha of Thicket for Addo Elephant National Park, 3 371 ha in Tankwa &amp; 2 894 in Mokala all awaits signature.</p> <p>For the period under review, performance levels against annually planned contributions are:</p> <ul style="list-style-type: none"> <li>• 2 011 ha in Fynbos biome = 14%; 2 380 ha in Thicket biome = 90% (contract awaits signature), 8 793 ha in Succulent Karoo biome = 50% (in signature stage); 2 894 ha in Savanna (90%) (Contract awaits signature). 7 000 ha in Nama Karoo biome = 0% moved out given other priorities.</li> </ul> <p>To date there is a collective land of 8 736 ha with signed contracts amounting to R47,7 million, while negotiations for the 831 ha land amounting to R9,5 million is still in progress. Therefore one can conclude that 9 567 ha of land have been acquired for the period under review.</p>	
<b>Planned improvement (corrective actions)</b>	<p>SANParks' legal representatives have been fully engaged to enhance negotiations and related legal proceeding, hence expediting acquisition of the targeted land (biomes). Due to recent budgetary cuts imposed by National Treasury the Park Expansion Programme will be put on hold until adequate funding to pursue this objective has been secured</p>	

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M27 -% progress against the Marine Management Programme</b>	90% delivery of key milestones / deliverables	90%
<b>Performance analysis</b>	<p>For the year under review, the following key deliverables have been achieved against the Marine Management Programme:</p> <ul style="list-style-type: none"> <li>A service level agreement with Marine &amp; Coastal Management (MCM), has been concluded as planned. Spending was 4,9% below budget, however 18,4% below the grant. The discrepancy can be attributed to the manner in which HR costs are calculated in the financial reporting system.</li> </ul> <p>Preparation of the Marine Work Plans (annual plans for operations were due to be completed and submitted to MCM by the end of the financial year, but this had to be put on hold pending changes expected with MCM because of the transfer of some functions in the branch from DEA to DAFF.</p>	
<b>Planned improvement (corrective actions)</b>	SANParks' finance and human resource (HR) departments are being engaged to rectify problems with the programme financial reporting system.	

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M28 -% progress against the implementation of Bioregional Linkage Programme</b>	80% delivery of key milestones/ deliverables	85%
<b>Performance analysis</b>	<p>For the year under review, the following key deliverables have been achieved against Bioregional Linkage Programme:</p> <ul style="list-style-type: none"> <li>The Agulhas Biodiversity Initiative (ABI) and Garden Route Initiative (GRI) projects are both close to completion as per the plan, with all deliverables and timelines on schedule.</li> <li>The analyses for the Overberg fine scale conservation plan and the Maputaland Pondoland Albany hot spot have been completed; while the Garden Route National Park management plan is in its finalisation stages.</li> <li>The climate project has been combined with the PDF funded SANParks and global change project, and a draft project plan has been developed, to be concluded in the first quarter of the next financial year.</li> <li>Provisional buffer zones have been identified around all parks through the park management plans. The buffer zones are being refined with more park management input, as part of the management planning process - and to date these have been completed for Agulhas, Namaqua, Mapungubwe, Garden Route, Golden Gate and West Coast National Parks.</li> </ul>	
<b>Planned improvement (corrective actions)</b>	Further deliverables for the next financial year have been planned for implementation and management improvement in this regard.	

# SANPARKS' PERFORMANCE AGAINST PREDETERMINED

## OBJECTIVES – 2009/10 FINANCIAL YEAR

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M29 -% progress against implementation of TFCA Programme</b>	80% delivery of key milestones / deliverables	80%
<b>Performance analysis</b>	<p>For the year under review, the following key deliverables have been achieved against the implementation of the TFCA Programme:</p> <ul style="list-style-type: none"> <li>Greater Limpopo Transfrontier Area (GLTFCA- RSA component): Planning for communal land inclusion, including identification of possible benefits to communities is in progress;</li> <li>Scoping report on Limpopo crossing link has been finalized and endorsed by the JMB of the Great Limpopo TFCA. This report will be submitted to the Department of Environmental Affairs (DEA) for approval.</li> <li>Twee Rivieren entrance gate: an additional R3,6 million has been approved by the DEA for paving at TFCA Entrance Gate, and the business plan has been concluded in this regard. An opening ceremony of the gate is being planned in collaboration with the DEA, and the presidents for all involved countries will be expected - and this process is expected to be concluded by the end of the second quarter of the next financial year.</li> <li>The service provider (consultant) to assist in the development of the elephant management plan of the Greater Mapungubwe TFCA has been appointed. Project committee comprising representatives from participating countries has been established, initial data collection process has also been completed while the report is currently being concluded.</li> </ul>	
<b>Planned improvement (corrective actions)</b>	<p>Efforts have been put in place to source additional funding to expedite development of Elephant Management Plans for the GMTFCA.</p> <p>The GLTFCA stakeholder engagement workshop will be implemented in the first quarter of the next financial year.</p>	

## I11- Improve parks' safety & security

Key performance indicator (KPI)	annual target (as per the business plan)	Performance (relative to target)
<b>M34 -% progress against implementation of Corporate Safety and Security Programme</b>	80% delivery of key milestones / deliverables	80%
<b>Performance analysis</b>	<p>The reality of poaching, particularly of the Rhino in Kruger National Park (KNP), continued to receive attention.</p> <p>For the year under review, the following key deliverables have been achieved against the implementation of the Corporate Safety and Security Programme:</p> <ul style="list-style-type: none"> <li>• Completion of the Anti-Poaching Strategy document (which included both Rhino and Abalone) which now supports the development and implementation of the National Environmental Crime Investigation Unit, mandated by the Minister of DEA. The proposed unit will be headed by SANParks, as we have expertise to do so.</li> <li>• Completion of the SAPS assessment exercise in all identified SANParks areas.</li> <li>• Implementation of selected SAPS Safety and Security recommendations in the KNP is in progress, and thus far 70% of the planned work have been completed for the period under review.</li> <li>• All parks assessed during the State of Area Integrity Management (SoAIM) process have had their Safety &amp; Security Plans reviewed with an exception of West Coast and Agulhas National Parks.</li> <li>• Implementation of the SANParks Crime Intelligence and Investigation System (Memex) has been completed as planned; hence more priority will be given to training of all super-users to ensure business continuity.</li> </ul>	
<b>Planned improvement (corrective actions)</b>	<p>Plans have been put in place to assist parks managers with the review of their respective safety and security plans during the SoAIM evaluation process so as to expedite the review process in future.</p>	

# SANPARKS' PERFORMANCE AGAINST PREDETERMINED

OBJECTIVES – 2009/10 FINANCIAL YEAR

## I12- Growing constituencies for the SANParks system

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M35 -Number of learners participating in Environmental Education Programme</b>	120 000	170 534
<b>Performance analysis</b>	<p>The number of learners participating in SANParks Environmental Education Programme has improved by 8,3% year-on-year, and this is 42% higher than the planned annual target. This performance can be attributed to increased awareness through educational programmes during the SA National Parks Week; Mandela Day and curriculum demands for educators; and educational programmes offered by individual parks. Educator workshops held throughout various regions have heightened the level of interest amongst educators in schools and has added value in their ability to develop environmentally related curriculum activities.</p> <p>The following is a list of initiatives that have been undertaken under the SANParks Environmental Education Programme:</p> <ul style="list-style-type: none"> <li>• The Kudu Green School initiative as a new programme</li> <li>• Kids in Parks (including 'Take Kruger to Kasie Project'), Imbewu Youth Project;</li> <li>• SANParks Junior Rangers and KNP's Kids in Kruger (My Acre of Africa); and</li> <li>• Day to day Park Base Environmental Education Programmes, including the school holiday programmes.</li> </ul>	
<b>Planned improvement (corrective actions)</b>	<p>The programme deliverables will be revised to keep learners motivated for attending the programme, and to provide adequate support where required.</p>	

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M36 -% increase on Junior Honorary Rangers participants</b>	10% (661)	10% (661)
<b>Performance analysis</b>	<p>For the year under review, a total number of 661 Junior Rangers were registered as active associates for constituency building within SANParks.</p> <p>This represents 10% improvement year-on-year; which is an achievement on the set annual target.</p> <p>Significant improvements have been observed in Table Mountain and Kruger National Parks, largely due to SANParks' close working partnership with local communities. Three new Junior Ranger regions have been established in the Northern Cape in Keimoes, Namaqualand and Richtersveld.</p>	

<b>Performance analysis</b>	<p>The following is a list of key interventions undertaken toward the South African National Parks Junior Honorary Rangers Project for the period under review:</p> <ul style="list-style-type: none"> <li>• Commemoration of Weed Buster Day took place with youth in Table Mountain, Kruger, Golden Gate and Agulhas National parks to raise awareness about alien invasive plant species;</li> <li>• The launch of Marine Week Environmental Awareness campaign in all coastal National Parks;</li> <li>• Celebration of the World Aids Day across all National Parks;</li> <li>• Launching of new information boards for Vredefort Birding routes Cleaning campaign in Ikageng, study of indigenous flora of the Richtersveld and aloe habitat in Northern Cape together with environmental education tour of Augrabies NP.</li> </ul>
<b>Planned improvement (corrective actions)</b>	<p>A centralised database for active associates will be developed to enable effective planning and intervention in this regard.</p> <p>Three Junior Rangers symposium have been planned for the next financial year, to enhance further recruitments.</p>

### **I13- Facilitation of socio-economic development**

Key Performance Indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M37 -% achievement against Tourism BEE Charter and scorecard</b>	Achieve "Good BEE Contributor" Status 65% - 89%	77,10%
<b>Performance analysis</b>	<p>For the year under review, SANParks' Tourism BEE Charter and Scorecard is 77,10%, which is a decline by 6,3% year-on-year.</p> <p>Even though there might have been a decline overall, this score still falls within the category of "Good BEE Contributor" status as planned.</p> <p>This performance can be attributed to a significant annual decline (&gt;10%) in the following areas of performance:</p> <ul style="list-style-type: none"> <li>• Black people as a % of overall level of Board representation is down by 28,7%.</li> <li>• Black woman as a % of overall Board representation is down by 63,3%.</li> <li>• Black people as a % of management is down by 17,5%.</li> </ul>	

# SANPARKS' PERFORMANCE AGAINST PREDETERMINED

## OBJECTIVES – 2009/10 FINANCIAL YEAR

Key Performance Indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M37 -% achievement against Tourism BEE Charter and scorecard</b>	Achieve "Good BEE Contributor" Status 65% - 89%	77,10%
	<ul style="list-style-type: none"> <li>Black women as a % of management is down by 19,3%.</li> <li>Black women as a % of supervisors, junior and skilled employees is down by 13,4%.</li> <li>% of payroll spend on skills development (including skills development levy) on all accredited training is down by 44,8%.</li> </ul> <p>However there has been an improvement in the areas of Black woman as a % of Executive Management by 22,2%.</p>	
<b>Planned improvement (corrective actions)</b>	<p>Adherence to BEE Tourism Scorecard targets will be consistently monitored. Special focus on the recruitment of Black Women into management positions is required. Special focus will be made in the following areas of performance:</p> <ul style="list-style-type: none"> <li>This scorecard will be revised to comply with adjusted generic scorecard as gazetted by the DTI.</li> <li>Recruitment of Black women at supervisory, junior and skilled level is required; and</li> <li>Spending on skills development, particularly on black employees should pick up in the next financial year.</li> </ul>	

Key Performance Indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M38 -Number of person-days on temporary jobs created</b>	400 000	402 507 (with 3 217 employment)
<b>Performance analysis</b>	<p>For the year under review 3 127 people were employed, with 402 507 Person Days covered in the Expanded Public Works Programmes. This translates to a 0,7% better performance than the planned annual target. Due to this performance, Working for Water allocation has been increased for the year under review, hence this resulted in more person days achieved.</p> <p>At least 70% of all the temporary jobs created are Full Time Equivalent (FTE) employment, i.e. full year of employment for 230 working days.</p> <p>This performance can be attributed to the approval on new DEA Social Responsibility Programme projects that started in Feb 2010. On the other hand for the year under review cumulatively, the following have been the achievements per individual programme under the EPWP:</p> <p><i>Working for Water (WfW) = 18,5% ;</i>  <i>Working for the Wetlands (WfW) = 3,8%;</i>  <i>Working for the Coast (WfC) = 1,6%; and</i>  <i>Working for Fire (WfF) = 3,3%.</i></p>	

	However the People and Parks Programme has achieved 28,4% lesser than the planned person days, and this can be attributed to late start of the new projects during the course of the year.
<b>Planned improvement (corrective actions)</b>	Efforts will be put in place to increase the FTE employment opportunities in the construction projects moving forward.

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M39 - Number of community-based socio-economic initiatives implemented</b>	7 Flagship Projects	9
<b>Performance analysis</b>	<p>For the year under review, a collective of 9 flagship community-based socio-economic initiatives have been implemented, and those projects are:</p> <ul style="list-style-type: none"> <li>• The 5th Art, Crafts and Retail Outlet at Phabeni Gate has been opened - Kruger National Park;</li> <li>• Community Hop-On-Guide- Kruger National Park;</li> <li>• KNP Car Wash Project – Kruger National Park (3 Rest Camps)</li> <li>• Thatching Reed Harvest for Parks Infrastructure - Agulhas National Park; and</li> <li>• DWAE/SANParks Community Water Efficiency Projects (COWEP) – Karoo, Mountain Zebra and Camdeboo National Parks.</li> <li>• Eco- bee honey harvesting – second training of community participants done Wilderness Section of Garden Route National Park;</li> <li>• Timber harvesting – Tsitsikamma Section of Garden Route National Park;</li> <li>• Suurvy harvesting - Agulhas National Park.</li> </ul> <p>The KNP projects made a collective income of R325 348 with Phalaborwa Hlanganani Curio Outlet making R250 000 and Phabeni R7 587 of the income for the financial year.</p>	
<b>Planned improvement (corrective actions)</b>	<p>Establishment of additional flagship projects; and continuous monitoring and evaluation of existing ones will be undertaken in the next financial year.</p> <p>A central repository will be established to monitor further mutual benefits to be derived from these projects.</p>	

# SANPARKS' PERFORMANCE AGAINST PREDETERMINED

OBJECTIVES – 2009/10 FINANCIAL YEAR

## I14 - Proactively engage in purposeful research & development

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M40 -% of new research projects relevant to South African National Parks key issues</b>	80% in "Essential" and "Important" categories	73,9%
<b>Performance analysis</b>	<p>For the year under review a total of 425 new research projects were evaluated, and of those approved, 314 (73,9%) fall within the "essential" and "important" categories.</p> <p>A key challenge in this regard, remains the provision of appropriate logistical support and knowledge harvesting. In addition, limited in-house social science research capacity (only 1 social scientist on our staff at present) is severely hampering our ability to coordinate important social; livelihood; economic; and tourism-related projects. An ongoing growth in the scientific support infrastructure, which is partly funded through donation grants, is assisting in facilitating research in the Parks.</p>	
<b>Planned improvement (corrective actions)</b>	<p>Development of the web-based research project application and feedback process will be expedited to streamline research applications and reporting thereof.</p>	

## L1- Effective management of human capital

Key performance indicator (KPI)	Annual target (as per the business plan)	Performance (relative to target)
<b>M42 -retention of employees in identified key positions</b>	90% retention	95,3%
<b>Performance analysis</b>	<p>For the year under review, 32 positions (job categories) across all areas of business have been identified as key for the organisation. To date, out of 913 employees occupying the 32 key positions identified at the beginning of the financial year, 43 resigned, which translated into a turnover of 4,71% or a retention rate of 95,3%. This is 5,3 points above the set annual target of 90,0%; however, this does not mean the organisation has to do little to intensify its retention efforts.</p>	
<b>Planned improvement (corrective actions)</b>	<p>Efforts to sustain career management; succession planning and retention of talent, will be intensified through effective Human Capital Development Forum (HCD); the Employment Equity and Skills Development Fora (EE &amp; SDF). SANParks will continue to ensure that all key positions are occupied by the appropriate employees at all times, through an effective employee value proposition.</p>	

Key Performance Indicator (KPI)	Annual Target (As per the Business Plan)	Performance (Relative to Target)
<b>M43 – Human Resources Index</b>	10% improvement on baseline	81,8%
<b>Performance Analysis</b>	For the year under review, the HR Index has achieved a score of 81.8%, which has been considered as a baseline for performance in this regard. The HR Index measures HR performances in the areas of HR Operations (Staff Turnover; Overtime costs as % of total payroll; and Staff Satisfaction Index); Recruitment Practices; Occupational Health & Safety; and Labour Relations. These have been appropriately weighted according to their importance in the HR operations, i.e. Operation have been weighted at 40% while the rest equally share the remaining 60% to complete the index.	
<b>Planned Improvement (Corrective Actions)</b>	Strategies such as Succession Planning, Remuneration, and Effective Absenteeism Management have been put on the HR corporate plan to ensure effective retention of knowledge within the organisation, while growing promising talent. Further efforts have been put in place to sustain and enhance improvement in the Occupational Health standards of the organisation.	

Key Performance Indicator (KPI)	Annual Target (As per the Business Plan)	Performance (Relative to Target)
<b>M44 -% progress against implementation of Skills Development Programme</b>	70% in delivery of key milestones / deliverables	85%
<b>Performance Analysis</b>	For the year under review, the implementation of SANParks Skills Development Programme is 50% against the set annual target of 70%, and the following key deliverables have been achieved: <ul style="list-style-type: none"> <li>• Completion of organisational annual skills and training needs analysis, and training plan thereof;</li> <li>• Completion of both 2009/10 Workplace Skills Plan (WSP) and the 2008/9 Annual Training Report (ATR) for submission to Tourism &amp; Hospitality Education and Training Authority (THETA);</li> <li>• Completion of the half-yearly SANParks 2008/9 Internship Programmes, in which 215 interns are being hosted at various organisational divisions. An amount of R1,5 million has been received from THETA in support of the SANParks internship programme;</li> </ul>	

# SANPARKS' PERFORMANCE AGAINST PREDETERMINED

## OBJECTIVES – 2009/10 FINANCIAL YEAR

Key Performance Indicator (KPI)	Annual Target (As per the Business Plan)	Performance (Relative to Target)
<b>M44 -% progress against implementation of Skills Development Programme</b>	70% in delivery of key milestones / deliverables	85%
	<ul style="list-style-type: none"> <li>• Completion of the training in the following areas of importance to the organisation:                             <ul style="list-style-type: none"> <li>- Rangership, particularly in the KNP;</li> <li>- Customer Service</li> <li>- Project Management;</li> <li>- Occupational Health and Safety; and</li> <li>- Junior Science Programme.</li> </ul> </li> <li>• Implementation of the Loan/Bursary Assistance Programme for all SANParks employees.</li> </ul> <p>A business case for SANParks Learning Academy has been proposed, however, further consultation still has to be undertaken before implementation.</p>	
<b>Planned Improvement (Corrective Actions)</b>	Enhancing SANParks relations with THETA for continuous support in the accessing funding for Learnership and ABET programmes. Enhancing continuous partnership with SANDF/SASSETA with an objective of intensifying rangership capacity in KNP.	

Key Performance Indicator (KPI)	Annual Target (As per the Business Plan)	Performance (Relative to Target)
<b>M45 -% progress against implementation of Wellness Programmes</b>	80% "Essential" and "Important" categories	82%
<b>Performance Analysis</b>	<p>For the year under review, the following Wellness programme deliverables have been achieved:</p> <ul style="list-style-type: none"> <li>• 24hr Counselling Services - The overall engagement rate amounted to 6.7% which compares to 9.2% of the previous year. The drop in service delivery is attributed to by austerity measures put in place as only limited services were availed. The most commonly utilised service was telephone Counselling as it constitutes 75.5% comparable to 60.9% of total engagement of the previous year.</li> <li>• HIV/Aids Awareness - Condom Week was celebrated in most parks and there is continuous distribution and easy access of condoms in the bathrooms in all the parks.</li> <li>• Education sessions and articles on meningitis have been conducted for the benefit of all staff members.</li> <li>• Social Responsibility - SANParks continue to nurture established relationships with neighbouring NGO's which look after the needs of Orphans and Vulnerable Children (OVC). SANParks employees provided financial and material donations in the form of clothing, blankets, books and toys to these children.</li> </ul>	
<b>Planned Improvement (Corrective Actions)</b>	However due to financial constrains some of the initiatives have not been undertaken as envisaged; i.e. training of Wellness champions and launch of the annual wellness day. Plans for the next financial year will be focusing on enhancing participation of all employees in Wellness Programmes.	

### L3- Enhance transformation

Key Performance Indicator (KPI)	Annual Target (As per the Business Plan)	Performance (Relative to Target)
<b>M48 -% progress against Employment Equity targets</b>	90% in delivery of key milestones / deliverables	89.6%
<b>Performance Analysis</b>	<p>For the period under review, employment equity representivity within SANParks is depicted as follows:</p> <ul style="list-style-type: none"> <li>• Top Management (F) = 66,7% Black; of which are 100% Male; and 0% Female, against 6 incumbents.</li> <li>• Senior management (E) = 53% Black; of which are 76,6% Male; and 23,4% Female, against 47 incumbents.</li> <li>• Professionally qualified and experienced specialists (D) = 50,5% Black; of which are 68% Male and 32% Female, against 264 incumbents.</li> <li>• Technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (C) = 70,5% Black; of which are 56% Male; and 44% Female, against 415 incumbents.</li> <li>• Semi-skilled and discretionary decision making (B) = 96,5% Black; of which are 76% Male, 24% Female, against an annual target of 1,420 people.</li> <li>• Unskilled and defined decision making (A) = 100% Black; of which are 58,5% Male; and 41,5% Female, against an annual target of 1,317 people.</li> </ul> <p>Only 0.61% of the People with Disabilities has been achieved against an annual target of 5%.</p>	
<b>Planned Improvement (Corrective Actions)</b>	<p>Corporate Employment Equity Plan linked with the WSP; will be revised to address shortage in race, gender and disability representivity across all occupational levels of the organisation. This will further ensure that there is adequate sustainable synergy for career planning and development. The numerical targets for 2010/11 should indicate a good percentage of positions being earmarked for Black Females, with resignations, promotions and retirements being used as a strategy to attain the target.</p>	

# FINANCIAL REPORT

*TOGETHER WE CAN MAKE A DIFFERENCE*



# FINANCIAL REPORTS

## FOR THE YEAR ENDED 31 MARCH 2010

### **Contents**

Statement of responsibility by the Board	83
Accounting Authority's report	85
Corporate governance statement	92
Report of the Audit and Risk Committee	96

### **Annual Financial Statements:**

Report of the Auditor-General	98
Accounting Policies	100
Statement of financial performance	107
Statement of financial position	108
Statement of changes in net assets	109
Cash flow statement	110
Notes to the annual financial statements	111

The Public Finance Management Act, 1999 (Act No. 1 of 1999), as amended, requires the Board (accounting authority) to ensure that SANParks keeps full and proper records of its financial affairs. The annual financial statements should fairly present the state of affairs of SANParks, its financial results, its performance against predetermined objectives and its financial position at the end of the year in terms of Generally Accepted Accounting Practice (GAAP) including any interpretation of such Statements issued by the Accounting Practices Board, with the prescribed Standards of Generally Recognised Accounting Practice (GRAP) issued by the Accounting Standards Board replacing the equivalent GAAP Statements.

The members of the Board of SANParks are ultimately responsible for the preparation, integrity and fair presentation of the annual financial statements of SANParks. The Auditor-General is responsible for independently auditing and reporting on the financial statements. The Office of the Auditor-General have audited SANParks' financial statements and the Auditor-General's report appears on pages 98 to 99.

The annual financial statements presented on pages 98 to 138 have been prepared in accordance with South African Statements of Generally Accepted Accounting Practice as well as Standards of Generally Recognised Accounting Practice where applicable and include amounts based on appropriate accounting policies, supported by reasonable and prudent judgements and estimates made by management.

The Board has reviewed SANParks' budgets and cash flow forecasts for the year ended 31 March 2010. On the basis of this review, and in view of the current financial position, the Board has every reason to believe that the organisation will be a going concern in the year ahead, however this is dependant on continued future funding from Government. The annual financial statements support the viability of SANParks. The going concern basis has therefore continued to be adopted in preparing the annual financial statements.

The Board sets standards to enable management to meet the above responsibilities by implementing systems of internal control and risk management that are designed to provide reasonable, but not absolute assurance against material misstatements and losses. SANParks maintains internal financial controls to provide assurance regarding:

- The safeguarding of assets against unauthorised use or disposition
- The maintenance of proper accounting records and the reliability of financial information used within the business or for publication.

# FINANCIAL REPORTS

FOR THE YEAR ENDED 31 MARCH 2010

The controls contain self-monitoring mechanisms, and actions are taken to correct deficiencies as they are identified. Even an effective system of internal control, no matter how well designed, has inherent limitations, including the possibility of circumvention or the overriding of controls. An effective system of internal control therefore aims to provide reasonable assurance with respect to the reliability of financial information and, in particular, financial statement presentation. Furthermore, because of changes in conditions, the effectiveness of internal controls may vary over time.

The Board has reviewed SANParks' systems of internal control and risk management for the period from 1 April 2009 to 31 March 2010. The Board is of the opinion that SANParks' systems of internal control and risk management were effective for the period under review.

In the opinion of the Board, based on the information available to date, the annual financial statements fairly present the financial position of SANParks at 31 March 2010 and the results of its operations and cash flow information for the year and that the Code of Corporate Practices and Conduct has been adhered to.

The annual financial statements and appendices for the year ended 31 March 2010, set out on pages 98 to 138, were submitted for auditing on 31 May 2010 and approved by the Board in terms of section 51(1)(f) of the Public Finance Management Act, 1999 (Act No. 1 of 1999), as amended, and are signed on its behalf by:



**Mr. K Dlamini**  
**Chairperson**  
**Pretoria, 29 July 2010**



**Dr. MD Mabunda**  
**Chief Executive Officer**  
**Pretoria, 29 July 2010**

The Accounting Authority of SANParks hereby presents its report for the year ended 31 March 2010.

### ***NATURE OF BUSINESS***

SANParks is a schedule 3A Public Entity, governed by the Protected Areas Act No. 57 of 2003 and is primarily engaged in nature conservation as well as the tourism and hospitality industries.

### ***FINANCIAL RESULTS***

Full detail of the financial results for the year under review are set out on pages 83 to 138.

#### ***Revenue***

Total revenue from tourism, retail, concession and other income increased to R726,86 million in 2010 (2009 - R664,14 million). This represents an increase of 9,41%.

#### ***Net Income before investing activities***

The surplus from operations before investing activities amounts to R56,52 million (2009 - R32,67 million). The increase in the surplus from operations before investing activities has grown with 73%, this is a result of a cost curtailment strategy as well as increased revenue from our tourism, retail and concession activities.

#### ***Net investment income***

The income from investments and interest decreased by R3,94 million from the previous year as a result of interest rate reduction.

#### ***Finance charges and interest paid***

The finance cost decreased with R3,37 million from the previous year as a result of interest rate reduction.

#### ***Actual performance versus budget***

The SANParks budgeted for a break-even position. A surplus of R67,6 million was achieved in 2010 (2009 restated - R44,3 million). The achievement of the surplus is mainly due to:

- Land acquisition grant of R63,08 million (2009 - R50,25 million) was received from the Department of Environmental Affairs. R33,62 million (2009 - R54,6 million) was recognised as revenue in the current year as the balance of the inflow (29,46 million) was recognised as a liability due to the application of GRAP 23.
- Improved revenue collection and better cost management.

# FINANCIAL REPORTS

ACCOUNTING AUTHORITY'S REPORT FOR THE YEAR ENDED 31 MARCH 2010

## DEPARTMENT OF ENVIRONMENTAL AFFAIRS

### *Expanded Public Works Programme*

#### *"People and Parks" Programme*

SANParks participation in the Social Responsibility Programme of the Department of Environmental Affairs enables the creation of temporary employment and skills development opportunities in the sphere of environment and tourism for unemployed people through the implementation of labour intensive projects under the auspices of the People and Parks Programme, which mostly focuses on infrastructure development and upgrade.

Projects of the 2004 - 2009 People and Parks programme were closed during the year and only three active projects remain. To date, the programme has achieved all the deliverables planned and exceeded all social deliverables such as people employed, SMMEs used and created and payment to SMMEs. A new allocation of R123 million was approved in September 2009 and implementation has started with good progress. The projects approved will focus on staff accommodation, upgrade of tourism facilities in KNP, upgrade of roads and fencing at the Qwa Qwa portion of Golden Gate Highlands National Park. To date the new projects employed 1,300 people after the start of the projects in January 2010.

### *Working for the Coast Programme*

The Working for the Coast programme also funded by the Department of Environmental Affairs Social Responsibility Programme, consists of projects and activities that supports the coastal policy and at the same time provides temporary employment in coastal communities to create a clean and safe coastline.

The second year of implementation of a R57 million allocation in 2008, was according to the project implementation plans and progress to implement within approved timeframes are on track. The programme employs an average of 350 people per year and has supported 128 SMMEs over the implementation period. Payment of R19 million was made to these SMMEs. Beach clean-ups continued over the year, with the upgrade of hiking trails and cleaning of coastal facilities also regular activities.

### *Working for Wetlands Programme*

Working for Wetlands is implemented by the South African National Biodiversity Institute as part of the Department of Environmental Affairs Social Responsibility Programme.

Rehabilitation work carried out by workers employed in the wetlands projects includes gabion construction, the removal of invasive alien plants in the immediate area, construction of earth plugs and stabilising of drainage lines and eroded areas.

The annual Working on Wetlands programme for 2009/10 was completed at the end of March 2010. A total expenditure of R5,4 million was achieved after the approval of the Namaqua project which increased the approved budget from R3,8 million to R5,4 million. All planned deliverables in the projects were achieved, including the employment of 132 people, working 22,000 person days and using 15 SMMEs. 11,000m<sup>3</sup> of wetlands were rehabilitated.

## DEPARTMENT OF WATER AFFAIRS

### *Working for water programme*

SANParks continued the implementation of various projects approved as part of the Working for Water (WfW) programme funded by the Department of Water Affairs. The fight against invasive alien plants is one of the biodiversity objectives of the organisation.

All eighteen *Working for Water* projects for the 2009/10 cycle were completed by 31 March 2010, with the approval of new projects in place. The available budget of R46 million was increased to R48,1 million in the past year and led to an increase in deliverables achieved in the programme. These include creation of temporary work to 1,500 people resulting in 185,000 person days. Initial clearing of alien species amounted to 35,000 ha with a follow up clearing of 132,000 ha of alien vegetation. 125 SMMEs were used and R20 million paid to these contractors.

### INFRASTRUCTURE DEVELOPMENT PROGRAMME

The Infrastructure Development Programme is funded by the Department of Environmental Affairs and is directed towards the development and upgrading of tourism facilities, personnel accommodation and infrastructure services within the national parks. 40% of the funding goes towards creating and upgrading income generating facilities which are aimed at ensuring self-sustainability for SANParks, whereas 60% goes towards creating and upgrading of non-income generating infrastructure in order to support the income generating infrastructure within SANParks.

#### *Year 4: 2009/2010*

Of the allocation of R185 million (including interest generated by the programme funds) for Year 4 of InfraDP programme, 80% was spent on the implementation of various projects. Poor performance and resulting termination of contractors had an impact on expenditure. In total, 91% of the programme was achieved over a 4 year period. The programme employed 1,400 people resulting in 153,000 person days in 2009/10. R120 million was paid to 69 SMMEs and 71% of all contracts were awarded to black owned construction companies. In 2009/10, 86 tourism accommodation units were upgraded and 12 new units constructed, 68 new and upgraded staff accommodation units were completed, 15km of road were upgraded and 8 bulk services projects completed.

### *Recognition of fauna and flora*

As part of its mission, SANParks is responsible for managing a wide range of biodiversity, encompassing fauna, flora, geological structures, unique scenery and heritage assets. The exact quantity and value of these assets cannot be measured with reliable accuracy. The key drivers to ensure successful biodiversity include scientific management of the eco-system in terms of fauna and flora and the implementation of processes to maintain these patterns. This does not however constitute the management of the biological transformation through growth, degeneration or procreation. IAS 41 (Agriculture) will therefore not be applicable to the accounting of wildlife. As such SANParks, does not reflect the value of wildlife in its financial statements.

### *Useful life of Assets*

In compliance with GRAP 17 SANParks assess the useful life of assets annually. During this process a number of assets were detected where the assets were fully depreciated but are still in active use. These assets were evaluated and adjustments were made as per note 21.2

# FINANCIAL REPORTS

## ACCOUNTING AUTHORITY'S REPORT FOR THE YEAR ENDED 31 MARCH 2010

### *Acquisition of property, plant and equipment*

During the year SANParks acquired land at a cost of R33,62 million (2009 - R54,55 million) for the purpose of expanding land under conservation and the system of national parks. The following land was registered in the name of SANParks during the financial year:

Portion 4 of the farm Rietfontein	287 ha
Portions 1 & 2 of the farm Request no. 234	1786.9085 ha
Portion 20 of the farm Scholtz Fontein North no. 137	584.489 ha
The farm Platfontein no. 11	3680.7792 ha
The farm Mieriesfontein no. 1093	5113.4475 ha

### *Business Development*

In September 1998, the former Department of Environmental Affairs and Tourism articulated the need for SANParks to prepare for a lesser dependence on state funding, which would increasingly be aimed at funding the essential conservation requirements. This formed the basis of the Commercialisation Strategy adopted by SANParks in 2000 with its foundation in the economic theory which defines the State's responsibility as one of performing a regulatory function and intervening in the market-place only where there is market failure. The objective was to reduce the dependence on state funding and improve existing operational efficiencies.

The implementation of the Commercialisation Strategy 2000, resulted in the award of 11 lodge concession sites to private operators as well as the outsourcing of 21 shops and 17 restaurants across all national parks to private operators. Following the implementation of the Commercialisation Strategy 2000, there have been significant developments in SANParks' approach to PPP initiatives. SANParks accordingly developed the Strategic Plan for Commercialisation 2006 - 2011 which is a significant element of SANParks' ecotourism pillar and has as its objective (through the implementation of Public Private Partnerships) reducing the cost of delivery, improving service levels by focusing on core business, leveraging private capital and expertise as well as the objective of expansion of tourism products and the generation of additional revenue for the funding of conservation and constituency building.

Over the past ten years, SANParks have progressively increased the number of PPP transactions, covering a wide range of projects. By March 2010, there were more than forty PPP projects. The growing number of PPP projects attests to the growing body of experience related to PPPs, both within SANParks and across the private sector.

In particular, PPPs in SANParks have proved to be an important service delivery mechanism as they can facilitate rapid infrastructure delivery as envisaged under the Accelerated and Shared Growth Initiative for South Africa (Asgi-SA). In addition, Black Economic Empowerment (BEE) is a national policy objective, and PPPs are a good vehicle for promoting and developing it. In each SANParks PPP project, there is a BEE Scorecard with targets set for the private party in relation to equity, management and employment, subcontracting and local socio-economic impact.

### Board members attendance at meetings, remuneration and associated costs

						2010	
	Board Meetings & Workshops	Chairperson's Committee	Conservation & Tourism Committee	Audit & Risk Committee	HR & Remuneration Committee	Remuneration	Subsistence & Travel Allowance
Number of Meetings:	5	0	3	6	2		
	No	No	No	No	No	R	R
Mr KD Dlamini <sup>1</sup>	4	0	0	0	0	-	-
Dr GC Dry	5	0	3	6	0	26,245	3,502
Prof G Kerley	2	0	2	0	0	8,829	52,342
Ms B Kunene <sup>3</sup>	1	0	0	5	0	-	-
Prof G Swan	4	0	3	0	0	-	-
Mr F Meketeni	4	0	2	0	2	-	-
Ms S Rensburg	3	0	0	0	2	6,124	1,636
Prof W van Riet <sup>2</sup>	3	0	2	0	0	18,664	19,557
Mr M Diemont	3	0	0	4	0	15,748	18,635
Mr J Vilakazi <sup>4</sup>	1	0	0	0	1	-	-
Dr MD Mabunda	5	0	3	6	2	-	-
Mr RT Mabilane	5	0	0	6	0	-	-
<b>Total</b>						<b>75,610</b>	<b>95,672</b>

1 - Chairperson - Board and Chairperson's Committee

2 - Chairperson - Conservation & Tourism Committee

3 - Chairperson - Audit and Risk Committee

4 - Chairperson - Human Capital & Remuneration Committee

The Chairperson of the Board, Mr. KD Dlamini has opted not to claim.

Prof G Kerley was on sabbatical leave (overseas) from 1 April 2009 to 30 September 2009.

Ms. B Kunene, Chairperson of the Audit & Risk Committee is a government employee and is therefore not eligible to receive the remuneration payable to members for attending meetings.

Prof. Swan has opted not to claim.

Mr. F Mketeni is a Government employee and therefore not eligible to receive the remuneration payable to members for attending meetings of the Board.

Dr. MD Mabunda and Mr. RT Mabilane are employees of SANParks and therefore not eligible for remuneration.

*(These figures are based on submitted claims)*

### Materiality Framework

During the year under review for purposes of materiality (sections 50(1), 55(2) and 66(1) of the Public Finance Management Act) and significance (section 54(2) of the Public Finance Management Act), the SANParks for the period 1st April 2009 – 31 March 2010 determined a materiality figure of R4,98 million. This has been determined by applying 0,75% on the gross annual turnover i.e. R664,14 million of 2008/09 financial year.

# FINANCIAL REPORTS

## ACCOUNTING AUTHORITY'S REPORT FOR THE YEAR ENDED 31 MARCH 2010

Material facts of a quantitative nature need to be disclosed if any fact discovered exceeds the materiality figure of R4,98 million (2009 - R4,55 million) All losses of a quantitative nature need to be disclosed in the annual report and financial statements if they arose through irregular, fruitless, wasteful expenditure.

Material facts of a qualitative nature need to be disclosed if:

- Disclosure of the event/item is required by law
- The fact discovered could influence the actions of the executive authority or legislature

Any material losses arising through criminal conduct need to be disclosed.

### Soccer World Cup Expenditure

As a token of appreciation and a gift to thank employees it was decided to buy something relevant to the big event, in the manner of Bafana jerseys. The wearing of the jerseys by staff on Football Fridays and at the various venues, dedicated to the watching of the World Cup, had a positive effect on creating the relevant atmosphere and excitement to visitors. SANParks did not buy any World Cup tickets nor spend money on transporting anyone to the stadium.

### Executive Management's interest in contracts

No material contracts involving Executive Management's interests were entered into in the current year.

### Executive Management and their remuneration

The following people served on the Executive Management of SANParks during the Financial Year and were appointed by the Accounting Authority

	<b>Basic Remune- ration R'000</b>	<b>Reimbursed expenses R'000</b>	<b>Bonuses and Incentives R'000</b>	<b>2010 Total R'000</b>	<b>2009 Total R'000</b>
Mabunda, MD Dr. Chief Executive Officer	1,856	89	274	2,218	1,757
Soundy, SCE Chief Operating Officer (Resigned 15 December 2009)	1,138	68	212	1,418	1,422
Daphne, P Managing Executive: Parks	1,156	69	180	1,405	1,219
Magome, DT Dr. Managing Executive: Conservation Services	1,256	102	190	1,547	1,455
Sibiya, AVA Managing Executive: Kruger National Park (Appointed 1/10/09)	1,089	40	-	1,129	-
Mikhize, BI Dr. Managing Executive: Kruger National Park (Resigned 30 November 2008)	-	-	-	-	1,212
Phillips, G Managing Executive: Tourism	1,090	71	169	1,330	1,138
Mabilane, T Chief Financial Officer	1,157	76	180	1,413	1,220
Omar, R Dr. Managing Executive: People and Conservation (Resigned 31 May 2008)	-	-	-	-	342
<b>Total</b>	<b>8,741</b>	<b>515</b>	<b>1,204</b>	<b>10,460</b>	<b>9,765</b>

Note: The remuneration disclosed above excludes the cost of providing for post-retirement health benefits. The bonuses paid relates to the previous financial year.

### *Addresses*

Registered office:  
SANParks  
643 Leyds Street  
Muckleneuk  
Pretoria  
0002

Postal address:  
P O Box 787  
Pretoria  
0001

### *Auditors*

SANParks, as a Public Entity, is audited by the Auditor-General or its nominees.

### *Approval*

The annual financial statements and appendices set out on pages 98 to 138 have been approved by the Accounting Authority.



**Mr. K.D Dlamini**  
**Chairperson**  
**29 July 2010**

# FINANCIAL REPORTS

## CORPORATE GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 MARCH 2010

SANParks subscribes and is committed to complying with the principles and standards of integrity and accountability as contained in the recommendations of the King Report on Corporate Governance, 2002.

### *Board of SANParks*

The Board of SANParks is established by the Minister of Environmental Affairs by notice in the Government Gazette for the control, management and preservation of national parks and protection of public interest therein. The current Board was established from 1 April 2009 for three years ending 31 March 2012.

The current Board consists of 12 members appointed by the Minister of Environmental Affairs.

Mr. KD Dlamini	Appointed 1 April 2009 (Chairperson)
Mr. M Diemont	Appointed 1 April 2009
Prof. G Kerley	Appointed 1 April 2009
Prof. G Swan	Appointed 1 April 2009
Prof. W van Riet	Re-appointed 1 April 2009 (Terminated 31 March 2010)
Dr. MD Mabunda	Re-appointed 1 April 2009 (Chief Executive Officer)
Dr. GC Dry	Appointed 1 April 2009
Ms. B Kunene	Appointed 1 April 2009
Ms. S Rensburg	Appointed 1 April 2009
Mr. F Mketeni	Re-appointed 1 April 2009
Mr. T Mabilane	Re-appointed 1 April 2009 (Chief Financial Officer)
Mr. J Vilakazi	Appointed 1 April 2009

### *Audit and Risk Committee*

In keeping with Treasury Regulation 27 of the Public Finance Management Act No. 1 of 1999 the Board has instituted an Audit and Risk Committee. The Audit and Risk Committee is an independent standing committee which is appointed by the Board. The Committee advises the Board on audit matters and which assumes on the Board's behalf certain functions, such as the detailed study of the financial statements, the formulation of audit policy and its submission to the Board, and the monitoring of matters on Corporate Governance, Internal Controls and Risk Management.

The Committee further assists the Board by critical, objective evaluation of the Board's financial control measures, accounting practices, information systems and audit procedures. It performs this function continuously by way of close liaison with the Executive Management and with the Board's internal and external auditors. The Audit and Risk Committee consists of five Board members (three members are non-executive, plus the Chief Executive Officer and Chief Financial Officer by invitation). Nominated representatives of the Auditor-General and Department of Environmental Affairs attend by invitation. The Committee may involve other members of Management or external specialists in meetings for specific purposes. The authority and mandate of the audit and risk committee, its duties and functions, its composition and its modus operandi have been approved by the Board in the form of a detailed charter.

## *Risk Management*

Effective risk management is integral to the organisation's objective of consistently adding value to the business. Management is continuously developing and enhancing its risk and control procedures to improve the mechanisms for identifying and monitoring risks.

Operating risk is the potential for loss to occur through a breakdown in control information, business processes and compliance systems. Key policies and procedures that have been developed to mitigate and manage operating risk, involve segregation of duties, transaction authorisation, supervision, monitoring of financial and management reporting.

The insurance and risk management policies adopted by SANParks are aimed at obtaining sufficient cover to protect its asset base, earning capacity and legal obligations against possible insurable losses.

All buildings are insured. The following inter alia, are not insured: roads, bridges, fencing (perimeter and other), dam walls and content, driveways, pavements, outdoor recreation surfaces, outdoor parking surfaces, aircraft runways, fauna and flora.

Risks of a possible catastrophic nature are identified and insured while acceptable risks of a non-catastrophic nature are self-insured through a dedicated self insurance fund. These risks are reviewed on an annual basis to ensure that cover is adequate. An amount of R10 million, as a self insurance fund, is allocated to cover these risks. This amount is included in cash and cash equivalents in the Statement of Financial Position. Claims of a general nature are adequately covered. SANParks manages risks associated with financial instruments, dealt with in note 23 to the financial statements.

### *Internal Control Systems*

In order to meet its responsibility of providing reliable financial information, SANParks maintains financial and operational systems of internal control. These controls are designed to provide reasonable assurance that transactions are concluded in accordance with management's delegated authority, that the assets are adequately protected against material loss of unauthorised acquisition, use or disposition, and that transactions are properly authorised and recorded. A three year rolling internal audit plan has been completed by our Internal Auditors to ensure that risks identified in their risk assessment are adequately covered in their audit.

The system includes a documented organisational structure and division of responsibility, established policies and procedures, including a code of ethics to foster a strong ethical climate, which are communicated throughout the organisation, and the careful selection, training and development of people.

SANParks has appointed the consortium of Deloitte & Touche and Nkonki to provide internal audit services. Internal auditors monitor the operation of the internal control system and report findings and recommendations to Management and the Audit Committee. Corrective actions are taken to address control deficiencies and other opportunities for improving the systems, as they are identified. The Board, operating through the Audit Committee, provides oversight of the financial reporting process and internal control systems.

Committee Members: Ms. B. Kunene - Chairperson

Mr. M. Diemont

Dr. G.C Dry

### *Conservation and Tourism Committee*

The primary function of this committee is to identify, acquire, develop and advise on the management of a system of national parks for South Africa. This Committee also monitors the application of both science and the ethics of conservation in SANParks and ensures that the Board is aware of international trends in biodiversity science and environmental management. The Committee further assists the Board in the formulation of policy especially with regard to reconciling conservation with human development needs by assessing and interpreting the significance of scientific and technological considerations.

The committee must consist of at least four (4) non-executive members of the Board plus the Chief Executive Officer. The Chief Executive Officer, Managing Executives of Conservation Services, Tourism and Marketing, Parks and Kruger Divisions are required at each meeting. In addition, the Committee may co-opt ad-hoc members as and when required. The Committee will, as a primary responsibility, recommend the strategic plans of the Conservation Services and Tourism and Marketing Divisions prior to submission to the Board. This will ensure compliance to the strategic plan, communicate its activities to the Board, and recommend to the Board any policy or financial requirement that may require Board attention or approval. The Committee also monitors the performance of the Tourism and Marketing and Conservation Services Divisions, and helps forge business and stakeholder linkages where possible. The Committee further ensures the maintenance of the balance between tourism developments against the core mandate of SANParks, which is conservation.

Committee Members: Prof. W Van Riet - Chairperson  
 Prof. G Swan  
 Prof. G Kerley  
 Mr. F Mketeni  
 Dr. GC Dry (by invitation)

### *Human Resource and Remuneration Committee*

The committee provides strategic advise to the Board and Management on matters of Human Resource and Remuneration. The committee formulates and reviews Human Resource and Remuneration policies as and when appropriate. The committee consists of the Chairperson of the Human Resource and Remuneration Committee and the Department of Environmental Affairs and Tourism representative.

Committee Members: Mr. J Vilakazi - Chairperson  
 Ms. S Rensburg  
 Mr. F Mketeni

# FINANCIAL REPORTS

## REPORT OF THE AUDIT AND RISK COMMITTEE FOR THE YEAR ENDED 31 MARCH 2010

The Audit and Risk Committee has adopted appropriate formal terms of reference, which have been confirmed by the Board, and has performed its responsibilities as set out in the terms of reference.

In performing its responsibilities the Audit and Risk Committee has reviewed the following:

- The effectiveness of internal control systems
- The effectiveness of the internal audit function
- The risk areas of the organisation's operations to be covered by the scope of internal and external audits
- The adequacy, reliability and accuracy of financial information provided to management and other users of such information
- The accounting or auditing concerns identified as a result of the internal and external audits
- The organisation's compliance with legal and regulatory provisions
- The activities of the internal audit function, including its annual work programme, coordination with the external auditors, the reports of significant investigations and the responses of management to specific recommendations
- The independence and objectivity of the external auditors
- The scope and results of the external audit function and its cost-effectiveness

The Audit and Risk Committee is also responsible for:

- Reporting to the Board and the Auditor-General where a report implicates any members of the Board in fraud, corruption and gross negligence
- Communicating any concerns it deems necessary to the Board, the Auditor-General and if appropriate the external auditors
- Confirming the internal audit charter
- Conducting investigations within its terms of reference
- Concurring with the appointment and dismissal of the head of the internal audit department
- Deciding whether or not an interim audit report should be subjected for review by the external auditors
- Detailed study of the financial statements

The Audit and Risk Committee is satisfied that internal controls and systems have been put in place and that these controls have functioned effectively during the period under review.

The Audit and Risk Committee considers the organisation's internal controls and systems appropriate in all material respects to:

- Reduce the organisation's risks to an acceptable level
- Meet the business objectives of the organisation
- Ensure the organisation's assets are adequately safeguarded
- Ensure that the transactions undertaken are recorded in the organisation's records

The Audit and Risk Committee has evaluated the annual financial statements of SANParks for the year ended 31 March 2010 and concluded that they comply, in all material respects, with the requirements of the Public Finance Management Act, 1999 (Act No. 1 of 1999), as amended and South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP).

The Audit and Risk Committee agrees that the adoption of the going concern premise is appropriate in preparing the annual financial statements. The Audit and Risk Committee has therefore recommended the adoption of the annual financial statements by the Board.



**Ms. B Kunene**  
**Chairperson**  
**Pretoria, 29 July 2010**



# FINANCIAL REPORTS

## REPORT OF THE AUDITOR-GENERAL ON THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

### *REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE FINANCIAL STATEMENTS OF SANParks FOR THE YEAR ENDED 31 MARCH 2010.*

#### *REPORT ON THE FINANCIAL STATEMENTS*

##### *Introduction*

I have audited the accompanying financial statements of the SANParks, which comprise the statement of financial position as at 31 March 2010, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 100 to 138.

##### *Accounting authority's responsibility for the financial statements*

The accounting authority is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and in the manner required by the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA). This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

##### *Auditor-General's responsibility*

As required by section 188 of the Constitution of South Africa, 1996 and section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA) of South Africa, my responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with International Standards on Auditing and *General Notice 1570 of 2009 issued in Government Gazette 32758 of 27 November 2009*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of SANParks as at 31 March 2010, and its financial performance and cash flows for the year then ended in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and in the manner required by the PFMA.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the PAA of South Africa and *General Notice 1570 of 2009, issued in Government Gazette No. 32758 of 27 November 2009*, I include below my findings on the report on predetermined objectives, compliance with the PFMA and financial management (internal control).

### Findings

#### Predetermined objectives

No matters to report

#### Compliance with laws and regulations

No matters to report.

## INTERNAL CONTROL

I considered internal control relevant to my audit of the financial statements and the report on predetermined objectives and compliance with the PFMA, but not for the purposes of expressing an opinion on the effectiveness of internal control. The matters reported below are limited to the deficiencies identified during the audit.

No matters to report.

*Auditor-General*

**Pretoria**

**30 July 2010**



AUDITOR-GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

# FINANCIAL REPORTS

## ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2010

### 1. ACCOUNTING POLICIES

#### 1.1 Basis of preparation

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

The principal accounting policies adopted in the preparation of these financial statements are set out below and are, in all material respects, consistent with those applied in the previous year, except as otherwise indicated. The financial statements have been prepared on the historical cost basis, except where indicated to the contrary.

#### 1.2 Underlying concepts and comparative figures

The financial statements are prepared on the going concern basis using accrual accounting.

Assets and liabilities and income and expenses are not offset unless specifically required or permitted by an accounting standard. Changes in accounting policies are accounted for in accordance with the transitional provisions in the standard. If no such guidance is given, they are applied retrospectively, unless it is impracticable to do so, in which case they are applied prospectively. Comparative figures are restated in the event of a change in accounting policy or prior period error.

#### 1.3 Revenue recognition

Revenue is recognised when it is probable that future economic benefits will flow to the entity and these benefits can be measured reliably. Revenue is measured at the fair value. Value Added Tax (VAT), cash discounts and rebates are excluded from revenue.

##### *Tourism income*

- Accommodation income is accrued on a daily basis.
- Conservation levies are recognised on a daily basis and other tourist related activities are recognised upon commencement of the activity.
- Wild Card sales are amortised over the validity period of the Wild Card.

##### *Sales*

- Sales are recognised upon delivery of the products and customer acceptance.

##### *Concession income*

- Income from concessions granted to operators to build, operate and transfer lodges and from rental of facilities to operators is recognised as it accrues over the period of the agreement.

##### *Management fees*

- Management fees for managing special projects are recognised on a monthly basis, based on the services performed.

##### *Government grants*

- Government grants related to income are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Funding from non-exchange transactions are recognised as revenue, except to the extent that a liability is recognised for the same inflow.

- Government grants related to the acquisition of assets, excluding land, are disclosed as deferred income and amortised as a credit to the depreciation expense over the useful lives of the respective assets.

### ***Donations and special grant funding***

- Donations received for the acquisition of land are recognised in surplus and deficit when received, unless the conditions associated with the donations have not yet been met. The unrecognised portion at year end, is presented as deferred income. Ad-hoc donations are recognised in surplus and deficit when received.
- Funding from non-exchange transactions are recognised as revenue, except to the extent that a liability is recognised for the same inflow. Special grant funding utilised for the acquisition of assets, excluding land, are disclosed as deferred income and amortised as a credit to the depreciation expense over the useful lives of the respective assets.

### ***Interest***

- Interest is accrued on a time apportionment basis taking into account the principal amount outstanding and the expected effective interest rate over the period to maturity. Interest is recognised as it accrues unless the collectability is in doubt.

### ***Rent received***

- Rent received is accrued on a daily basis in accordance with the substance of the relevant agreements.

### ***1.4 Irregular, fruitless and wasteful expenditure***

Irregular expenditure means expenditure incurred in contravention of, or not in accordance with, a requirement of any applicable legislation, including the Public Finance Management Act, 1999 (Act No.1 of 1999), as amended. Fruitless and wasteful expenditure means expenditure that was made in vain and would have been avoided had reasonable care been exercised. All irregular and fruitless and wasteful expenditure is charged against income in the period in which they are incurred.

### ***1.5 Borrowing costs***

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until the assets are substantially ready for their intended use or sale. Qualifying assets are assets that necessarily take a substantial period to get ready for their intended use. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. All other borrowing costs are expensed in the period in which they are incurred.

### ***1.6 Foreign currencies***

Transactions in currencies other than the organisation's reporting currency (Rand) are initially recorded at the rates of exchange prevailing on the date of the transactions. Gains and losses resulting from the settlement of such transactions are recognised in the statement of financial performance.

### ***1.7 Retirement benefit costs***

SANParks operates a number of defined contribution plans, the assets of which are held in separate trustee-administered funds. The plans are generally funded by payments from the organisation and its employees, taking account of the recommendations of independent qualified actuaries. The contributions to these funds are recognised in the statement of financial performance in the year to which they relate.

# FINANCIAL REPORTS CONTINUED

## ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2010

### 1.8 Recognition of fauna and flora

As part of its mission, SANParks, is responsible for managing a wide range of bio-diversity, encompassing fauna, flora, geological structures and unique scenery. The exact quantity and value of these assets cannot be measured with reliable accuracy. SANParks, therefore does not reflect the value of these assets in its financial statements. Produce from any biological assets are also not recognised until sold.

### 1.9 Self Insurance

As part of the insurance philosophy of SANParks, a certain amount is carried as self insurance costs, hence reducing the insurance premium. The self insurance costs are expensed directly in the statement of financial performance.

### 1.10 Property, plant and equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes all costs directly attributable to bringing the asset to its working condition for its intended usage. Depreciation is charged so as to write off the depreciable amount of the assets, other than land, over their estimated useful lives, using a method that reflects the pattern in which the asset's future economic benefits are expected to be consumed by the entity.

Where significant parts of an item have different useful lives, or pattern in which future economic benefits are expected to be consumed, to the item itself, these parts are depreciated over their estimated useful lives. The methods of depreciation, useful lives and residual values are reviewed annually.

#### The following methods and rates were used during the year:

Buildings, roads and infrastructure	Straight line	15 to 18 years
Vehicles and mechanical equipment	Straight line	5 to 20 years
Aircraft	Straight line (Production usage hours)	5 to 20 years
Furniture, office equipment and computer software	Straight line	2 to 15 years

Land is not depreciated.

SANParks has acquired the usage of certain land that is registered in the name of the State and which is incorporated as part of its national park system. This land is reflected as an asset of SANParks.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter over the term of the relevant lease.

The gain or loss arising from the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of financial performance.

## *Intangible assets*

The only intangible assets owned by SANParks are computer software. Computer software that are not an integral part of the hardware and which can be identified and separated are capitalised as intangible assets. Intangible assets are accounted for at carrying value and are amortised over the expected useful lives. The useful lives vary between 3 and 10 years and are reviewed annually.

### *1.11 Work in progress*

Property, plant and equipment in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees, direct materials, labour and overhead expenses. Interest costs on borrowings to finance the construction of infrastructure are capitalised during the period of time that is required to complete and prepare the infrastructure for its intended use, and form part of the cost of the asset. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

### *1.12 Inventories*

Inventories, which exclude fauna and flora, are stated at the lower of cost and net realisable value. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, adjusted for any selling expenses. Cost is determined by the first-in-first-out method.

### *1.13 Post-retirement health benefit obligation*

The SANParks provides post-retirement health care benefits by way of medical aid schemes to some of its retirees. The level of entitlement to post-retirement health care benefits is dependant upon the employee's date of appointment and the employees remaining in continued service up to their respective retirement ages. The obligation is provided for in full. Current service costs are charged to the statement of financial performance and include the expense for benefits received by the employee currently in service and the cost of funding for the employee after retirement. Actuarial gains and losses are recognised in the statement of financial performance. The current service cost is determined by professional qualified independent actuaries, after taking into account the level of funding for the post-retirement benefits. The current health benefit obligation is unfunded.

### *1.14 Leasing*

Finance leases as per the Treasury Regulations refers to a contract that transfers the risks, rewards, rights and obligations incident to ownership and is recorded as a purchase of equipment by means of long-term borrowings. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets of the organisation at their fair value at the date of acquisition. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to the statement of financial performance over the term of the relevant lease so as to produce a constant periodic rate of interest on the remaining balance of the obligations for each accounting period.

# FINANCIAL REPORTS CONTINUED

## ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2010

Assets acquired under leases where all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the statement of financial performance on a straight-line basis over the period of the lease or another basis if more representative of the time pattern of the user's benefit.

Where an operating lease is terminated before the lease expiry date, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which the termination takes place.

### **1.15 Financial Instruments**

#### *Recognition*

Financial assets and financial liabilities are recognised on the statement of financial position when SANParks becomes a party to the contractual provisions of the instrument. All "regular way" purchases and sales of financial assets are initially recognised using trade date accounting.

Financial instruments comprise cash and cash equivalents, investments, receivables, trade creditors, revenue received in advance, cash held to finance grant funded projects funded by outside institutions, leases and borrowings.

#### *Measurement*

Financial instruments are initially measured at fair value plus transaction costs. Financial liabilities are recognised at the original debt less principal repayments and amortisation. Subsequent to initial recognition these instruments are measured as set out below:

#### *Financial Assets*

##### *Trade receivables*

Trade receivables are measured at fair value less provision made for impairment of these receivables. A provision for impairment of the receivables is established when there is objective evidence that it will not be possible to collect all amounts due according to the original terms of the receivables.

##### *Investments in insurance policies*

Investments in insurance policies are shown at the original amount invested plus actual investment bonuses declared up to the date of the financial statements. No provision is made for the possible early withdrawal of capital and the accompanying loss of income, since it is the intention to retain the investments until their maturity dates.

##### *Other investments*

Other investments are shown at their respective fair values. Changes in fair value are recognised in income in the year in which they arise. On disposal of an investment, the difference between the net proceeds and the book value is recognised in the statement of financial performance.

### *Financial liabilities*

All financial liabilities are measured at amortised cost, comprising original debt less principal payments and amortisations.

### *Trade payables*

Trade and other payables are stated at their fair value.

### *Derecognition of assets and liabilities*

Financial assets or parts thereof are derecognised, i.e. removed from the statement of position, when the contractual rights to receive the cash flows have been transferred or have expired or if substantially all the risks and rewards of ownership have passed. Where substantially all the risks and rewards of ownership have not been transferred or retained, the financial assets are derecognised if they are no longer controlled. However, if control in this situation is retained, the financial assets are recognised only to the extent of the continuing involvement in those assets.

All other assets are derecognised on disposal or when no future economic benefits are expected from their use or on disposal.

Financial liabilities are derecognised when the relevant obligation has either been discharged or cancelled or has expired.

#### *1.16 Provisions*

Provisions are recognised when the organisation has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

#### *1.17 Cash and cash equivalents*

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held in call with banks net of bank overdrafts. In the statement of financial position, bank overdrafts are included in current borrowings.

# FINANCIAL REPORTS CONTINUED

## ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2010

### 1.18 Cost of sales

When inventories are sold, the carrying amount is recognised as part of cost of sales. Any write-down of inventories to net realisable value and all losses of inventories or reversals of previous write downs or losses are recognised in cost of sales in the period the write-down, loss or reversal occurs.

### 1.19 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).

### 1.20 Value Added Taxation (VAT)

The Revenue Laws Amendment Act, 2003 (Act No. 45 of 2003) commenced on 22 December 2003. In terms of these amendments with effect from 1 April 2005, SANParks, which is listed in Schedule 3A of the Public Finance Management Act, 1999 now falls within the definition of "public authority" as defined in section 1 of the VAT act. This meant that SANParks would be required to deregister for VAT purposes. Further to a review of the activities of SANParks, the organisation was identified by the Minister of Finance as a public authority conducting an enterprise and is therefore to remain registered as a vendor for VAT purposes.

### 1.21 New GRAP standards issued but not yet effective

The following new standards of GRAP has been issued but is not yet effective and was therefore not yet adopted by SANParks:

GRAP 18: Segment reporting - will not have an impact on the financials of SANParks.

GRAP 21: Impairment of non-cash generating assets - will not have an impact on the financials of SANParks.

GRAP 23: Revenue from non-exchange transactions - This standard is in line with IAS 20 and will have no significant impact on financials of SANParks

GRAP 24: Presentation of budget information in Financial Statements - A reconciliation between budget and statement of financial performance is disclosed in note 31.

GRAP 25: Employee benefits - This standard is in line with the IAS 19 which is applied and therefore there will be no significant impact in the period of initial application of GRAP 25.

GRAP 26: Impairment of cash-generating assets - IAS 36 is currently applied and therefore there will be no significant impact in the period of initial application of GRAP 26.

GRAP 103: Heritage assets - Assets are in line with GRAP 17 and does have future economic benefit, therefore this GRAP standard will have no significant impact on the financials of SANParks.

GRAP 104: Financial instruments - As this standard has used the IFR standards as development basis it will not have significant impact on the financials in the period of initial application.

STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31 MARCH 2010

Conserving Nature Since 1926

	Notes	31 March 2010	31 March 2009
		R'000	Restated R'000
<b>Revenue</b>			
Tourism, retail, concession and other	2.1	726,859	664,137
Operational grants received	2.2	157,010	153,129
Income from special project grants	20	216,579	49,097
Other operating income	2.3	23,788	22,061
Land acquisition grant	3	33,623	54,550
Sale of fauna and flora	4	12,557	39,445
Donations	5	3,832	3,385
		<b>1,174,248</b>	<b>985,804</b>
<b>Expenses</b>			
		<b>1,117,724</b>	<b>953,135</b>
Operating expenses	6.1	356,251	360,924
Administration expenses	6.2	98,781	113,832
Compensation of employees	6.3	446,114	429,282
Expenses relating to special project grants	20	216,579	49,097
<b>Surplus from operations</b>	<b>6.4</b>	<b>56,524</b>	<b>32,669</b>
<b>Net investment income</b>			
		<b>11,086</b>	<b>11,653</b>
Investment income	7	22,226	26,167
Finance costs	8	(11,140)	(14,514)
<b>Surplus for the year</b>		<b>67,610</b>	<b>44,323</b>

# FINANCIAL REPORTS CONTINUED

## STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2010

		31 March 2010	31 March 2009
	Notes	R'000	Restated R'000
<b>ASSETS</b>			
<b>Non-current assets</b>		<b>1,778,810</b>	<b>1,528,553</b>
Property, plant and equipment	9.1	1,051,927	1,039,889
Intangible assets	9.2	14,825	16,956
Work in progress	10	480,739	323,907
Investments	11	231,319	147,801
<b>Current assets</b>		<b>324,055</b>	<b>325,391</b>
Inventories	12	15,686	16,229
Receivables and prepayments	13	16,644	25,320
Cash and cash equivalents	14	291,725	283,842
<b>Total assets</b>		<b><u>2,102,865</u></b>	<b><u>1,853,944</u></b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>		<b>1,166,206</b>	<b>985,006</b>
Post-retirement health benefit obligation	15	205,386	198,387
Long-term borrowings	16	25,149	26,891
Deferred Income - asset grants	17	935,671	759,728
<b>Current liabilities</b>		<b>425,920</b>	<b>419,864</b>
Trade and other payables	18	113,091	154,284
Short-term portion of long-term borrowings	16	7,675	6,362
Reservation deposits held		106,881	94,598
Deferred income - obligation regarding special project grants	20	198,273	164,620
<b>Total liabilities</b>		<b><u>1,592,124</u></b>	<b><u>1,404,866</u></b>
<b>Net assets</b>		<b><u>510,741</u></b>	<b><u>449,077</u></b>
<b>NET ASSETS</b>			
Accumulated surpluses		510,741	449,077
<b>Total net assets</b>		<b><u>510,741</u></b>	<b><u>449,077</u></b>

STATEMENT OF CHANGES IN NET  
ASSETS FOR THE YEAR ENDED 31 MARCH 2010

Conserving Nature Since 1926

	Notes	31 March 2010	31 March 2009
		R'000	Restated R'000
<b>ACCUMULATED SURPLUS</b>			
Opening accumulated surplus		449,077	448,021
Treasury Approved Surplus Retained		87,626	78,013
Land Acquisition Surplus		30,920	41,000
Park Development Surplus		50,706	31,013
Operational Surplus		6,000	6,000
Opening accumulated surplus as previously stated		361,451	370,008
Retained surpluses utilised		(5,247)	(22,647)
Fair value adjustment previous year reversed		(698)	(1,241)
Prior period error		-	(19,379)
Balance at 1 April as restated		<b>443,132</b>	<b>404,754</b>
<b>Adjusted surplus for the year</b>		<b>67,610</b>	<b>44,323</b>
Surplus for the year		67,610	44,323
<b>Closing accumulated surplus</b>		<b>510,741</b>	<b>449,077</b>

# FINANCIAL REPORTS CONTINUED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2010

	Notes	31 March 2010	31 March 2009
		R'000	Restated R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Sales of goods and services		764,716	724,987
Special project grants and donations		220,411	52,482
Government grants		190,633	207,679
		<u>1,175,760</u>	<u>985,148</u>
Cash paid to suppliers and employees		(1,062,805)	(768,323)
<b>Net cash (utilised)/generated by operations</b>	<b>22</b>	<b>112,955</b>	<b>216,825</b>
Investment income	<b>7</b>	22,226	26,167
Finance costs	<b>8</b>	(11,140)	(14,514)
<b>Net cash (outflow)/inflow from operating activities</b>		<b>124,040</b>	<b>228,478</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment	<b>9</b>	(23,709)	(47,945)
Work in progress - costs incurred	<b>10</b>	(197,197)	(193,637)
Increase in investments	<b>11</b>	(83,518)	(123,698)
Proceeds on disposal of property, plant and equipment		3,794	40,151
<b>Net cash outflow from investing activities</b>		<b>(300,630)</b>	<b>(325,129)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from special project grants related to assets		193,601	138,746
Repayment of long-term borrowings		(3,504)	(3,504)
Payment of post-retirement health benefits		(8,698)	(8,687)
Repayment of finance lease obligations		3,075	(3,219)
		<u>184,473</u>	<u>123,336</u>
Net (decrease) in cash and cash equivalents		7,883	26,685
Cash and cash equivalents at the beginning of the year		283,842	257,157
<b>Cash and cash equivalents at the end of the year</b>	<b>14</b>	<b>291,725</b>	<b>283,842</b>

	31 March 2010	31 March 2009
	R'000	Restated R'000
<b>2.1 Revenue - Tourism, retail, concession and other</b>		
<b>Retail activities conducted by SANParks</b>	102,625	120,009
• Shop and restaurant sales (Note 2.4)	9,444	13,708
• Filling station sales (Note 2.4)	93,181	106,301
<b>Tourism</b>	553,843	473,431
• Accommodation	324,664	273,274
• Conservation fees	168,293	145,258
• Drives	27,044	23,530
• Trails	21,785	20,206
• Other tourism related activities	12,057	11,163
<b>Concession</b>	61,342	63,216
• Facilities rental on retail and restaurant operations	25,677	24,586
• Lodge concession fees	35,665	38,630
<b>Other</b>	9,048	7,481
• Rent received	8,932	7,479
• Services rendered (incl. managing of special projects, technical services)	116	2
	<b>726,859</b>	<b>664,137</b>
<b>2.2 Operational grants received</b>		
• Conservation	118,674	115,616
• Road	10,526	10,526
Department of Water Affairs and Forestry (former)	27,810	26,987
	<b>157,010</b>	<b>153,129</b>
<b>2.3 Other operating income</b>		
Sundry income	10,307	11,734
Income from conservation management	3,361	3,349
Commission received and filming rights	2,066	1,692
Rebates received	3,212	1,518
Water and electricity recoveries	4,843	3,768
	<b>23,788</b>	<b>22,061</b>
<b>2.4 Gross Profit</b>		
• Shop and restaurant sales	9,444	13,708
• Filling station sales	93,181	106,301
• Cost of Sales of Retail Operations	(83,752)	(101,546)
	<b>18,873</b>	<b>18,464</b>
<b>3 Land acquisition grant</b>		
Department of Environmental Affairs and Tourism (Note 17)	<b>33,623</b>	<b>54,550</b>
<b>4 Sale of fauna and flora</b>		
The sale of fauna and flora is used for bio-diversity and related expenses to expand the national park system.	<b>12,557</b>	<b>39,445</b>

# FINANCIAL REPORTS

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

	31 March 2010	31 March 2009
	R'000	Restated R'000
<b>5 Donations</b>		
Hans Hoheisen charitable Trust - wildlife protection and nature conservation	3,000	3,000
Other donations	832	385
	<b>3,832</b>	<b>3,385</b>
<p>Donations form a minor part of the funding of conservation and people and conservation programs of the SANParks. Due to the varying nature of such funding and the direct allocation thereof to identifiable projects, it is not deemed to be part of normal operations.</p>		
<b>6.1 Operating expenses</b>		
Operating lease payments (Note 6.4)	72,689	56,646
Depreciation and amortisation	35,761	33,977
• Charge for the year (Notes 6.4 & 9)	50,595	41,443
• Recognition of deferred income - asset grants (Note 6.4)	(14,834)	(7,466)
Cost of Sales of Retail Operations (Note 2.4)	83,752	101,546
Marketing and promotions	13,938	19,730
Operating costs	37,970	37,320
Consumables	27,104	27,473
Voice communication costs	12,545	11,864
Vehicle and aircraft operating costs	10,698	19,429
Information technology outsourced services	8,241	13,248
Water and electricity costs	23,384	17,109
Bank charges	8,888	7,514
Software assurance costs	6,255	5,734
Data communication costs	7,112	6,187
Losses and net shortages	2,879	2,631
Self Insurance costs	3,029	2,347
Net (profit)/loss on sale of property, plant and equipment (Note 6.4)	(235)	(4,052)
Auditors' remuneration (Note 6.4)	2,238	2,222
	<b>356,251</b>	<b>360,924</b>

	31 March 2010	31 March 2009
	R'000	Restated R'000
<b>6.2 Administration expenses</b>		
Maintenance, repairs and running costs	52,066	58,466
• Property and buildings	35,169	41,456
• Machinery and equipment	4,521	5,537
• Office and computer equipment	648	985
• Consumables utilised in maintenance programs	11,728	10,488
Subsistence and travelling costs	25,841	32,855
Other equipment and consumables	1,256	3,058
Consultants, contractors and special services	8,681	10,513
General and administrative expenses	6,819	6,730
Legal costs	4,119	2,209
	<b>98,781</b>	<b>113,832</b>

	31 March 2010	31 March 2009
	R'000	Restated R'000
<b>6.3 Compensation of employees</b>		
Salaries and wages	358,533	323,642
• Salaries	291,341	258,683
• Performance awards	430	2,544
• Periodic payments	13,426	10,493
• Other non-pensionable allowances	53,336	51,921
Social contributions	39,528	37,534
• Pension costs - Defined contribution plans (Note 25)	28,937	25,397
• Medical	6,132	7,282
• UIF	2,715	2,527
• Insurance	1,743	2,328
Other salary related costs	32,356	36,071
• Staff development costs	7,966	8,613
• Recruitment and placement costs	1,001	2,409
• Other costs	23,390	25,049
Post-retirement health benefit obligations (Note 16)	15,697	32,036
• Current service costs	3,271	2,901
• Interest costs	16,143	16,301
• Actuarial loss/(profit) for the year	(3,718)	12,834
	<b>446,114</b>	<b>429,282</b>

# FINANCIAL REPORTS

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

	31 March 2010	31 March 2009
	R'000	Restated R'000
<b>6.4 Surplus from operations</b>		
Surplus from operations has been arrived at after taking into account the following:		
<b>Auditors' remuneration (Note 6.1)</b>		
External audit fees	2,238	2,232
Special audits		(10)
	<b>2,238</b>	<b>2,222</b>
<b>Write-down of inventories recognised as an expense</b>	<b>1,563</b>	<b>2,158</b>
<b>Depreciation and Amortisation</b> (Notes 6.1 & 9.1)		
Buildings and infrastructure	20,534	12,994
Vehicles, Aircraft and Mechanical equipment	14,253	13,181
Furniture & Office equipment	12,652	12,779
Software	3,156	2,490
	<b>50,595</b>	<b>41,443</b>
<b>Amortisation of deferred income in respect of depreciable assets acquired with government special grants</b> (Notes 6.1)	<b>(14,834)</b>	<b>(7,466)</b>
<b>Net profit on sale of property, plant and equipment</b> (Note 6.1)	<b>(235)</b>	<b>(4,052)</b>
<b>Operating lease payments</b> (Note 6.1)	<b>72,689</b>	<b>56,646</b>
• Current	5,986	5,894
• Between 1 and 5 years	11,076	11,076
	<b>17,062</b>	<b>16,970</b>

The following represents significant leasing arrangements and the basis on which future minimum lease payments were calculated:

- (i) SANParks rents office space at Westlake for the Table Mountain National Park operations. There are two agreements that govern the right of use. Both rentals are payable monthly in advance and escalate annually with 12%. The rentals expire on 31 March 2010.
- (ii) The rental agreement with VUSWA Fleet Services (Pty) Ltd provides for the provision of a vehicle fleet in both the Kruger National Park and the rest of SANParks. All vehicles are rented on a full maintenance lease and operational lease with managed maintenance basis. All monthly fees (not fixed depended on the vehicles leased during a month) except the finance portion of the lease are subject to an annual CPIX adjustment from the effective date. The interest rate is set at prime minus 1% and will fluctuate with changes as set by First National Bank.
- (iii) The rental agreement between SANParks and The Royal Hotel Knysna CC is for an initial period of 3 years and a renewal period of another 3 years. A fixed amount of R65,000 per month is payable for the first year increasing by 10% per year for the next 2 years of the initial period. In the renewal period an amount of R86,515 per month is payable with an increase of 10% per year for the next two years.
- (iv) A second agreement between SANParks and the Royal Hotel Knysna CC if for a initial period of 2 years and 6 months and a renewal period of 5 years. A fixed amount of R9,800.00 per month is payable for the first year after which the rental will increase with 10% per year for the remainder of the agreement.
- (v) The rental agreement between SANParks and Helitrans Helicopters (Pty) Ltd T/A Titan Aviation is to provide SANParks with a helicopter for three hiring periods which will be dependent on weather conditions. The last period will expire on 10 May 2010 and a monthly rental of R295 000 per month is payable. Over and above the aforesaid fixed charge SANParks shall pay an hourly rate, of R20,000 for the utilisation of the aircraft. These charges are subject to an annual CPI increase.

***Irregular expenditure***

No material irregular expenditure were incurred during the year ended 31 March 2010.

***Fruitless and wasteful expenditure***

No material losses through criminal conduct were incurred during the year ended 31 March 2010.

# FINANCIAL REPORTS

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

	Notes	31 March 2010	31 March 2009
		R'000	Restated R'000
<b>7 Investment income</b>			
Interest income		22,371	26,236
Marketable securities			
• Dividend income		-	5
		<u>22,371</u>	<u>26,241</u>
Net foreign exchange transaction (loss)/gain		(146)	(74)
		<u><b>22,226</b></u>	<u><b>26,167</b></u>
<b>8 Finance costs</b>			
Borrowings		10,272	13,068
Finance leases		869	1,446
		<u><b>11,140</b></u>	<u><b>14,514</b></u>

**9. Property, plant and equipment**

	<b>Land</b>	<b>Buildings and Infra-structure</b>	<b>Vehicles, Aircraft and Mechanical equipment</b>	<b>Furniture &amp; Office equipment</b>	<b>Total</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>Year ended 31 March 2010</b>					
Opening book value	370,934	583,637	59,410	25,908	1,039,889
Capitalisation of work in progress (Note 10)	33,086	7,101	74	105	40,366
Purchase of property, plant and equipment	-	-	11,401	10,582	21,983
Disposals	(183)	(197)	(3,079)	(100)	(3,560)
Transfers	444	8	190	49	691
Depreciation charge	-	(20,534)	(14,253)	(12,652)	(47,439)
<b>Closing book value</b>	<b>404,280</b>	<b>570,015</b>	<b>53,742</b>	<b>23,891</b>	<b>1,051,927</b>
<b>At 31 March 2010</b>					
Cost	404,280	704,161	129,259	87,382	1,325,082
Accumulated depreciation	-	(134,146)	(75,517)	(63,491)	(273,154)
<b>Book value</b>	<b>404,280</b>	<b>570,015</b>	<b>53,742</b>	<b>23,891</b>	<b>1,051,927</b>
<b>Year ended 31 March 2009 - Restated</b>					
Opening book value	311,821	422,974	62,181	27,296	824,272
Capitalisation of work in progress (Note 10)	59,021	186,067	128	6,050	251,266
Purchase of property, plant and equipment	-	2,035	16,467	5,723	24,225
Disposals	-	(14,465)	(19,792)	(1,840)	(36,097)
Transfers	92	19	13,607	1,458	15,176
Items classified as held for sale (Note 15)	-	-	-	-	-
Depreciation charge	-	(12,993)	(13,181)	(12,779)	(38,953)
<b>Closing book value</b>	<b>370,934</b>	<b>583,637</b>	<b>59,410</b>	<b>25,908</b>	<b>1,039,889</b>
<b>At 31 March 2009 - Restated</b>					
Cost	370,934	697,323	123,519	79,641	1,271,417
Accumulated depreciation	-	(113,685)	(64,108)	(53,735)	(231,528)
<b>Book value</b>	<b>370,934</b>	<b>583,637</b>	<b>59,410</b>	<b>25,909</b>	<b>1,039,889</b>

The register containing details of land and buildings is available for inspection at the Head Office of the SANParks. The Board is of the opinion that the market value of land and buildings substantially exceeds its book value.

Certain land included above is registered in the name of the State.

# FINANCIAL REPORTS

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

### 9 Intangible Assets

	31 March 2010			31 March 2009		
	Cost	Accumulated	Book value	Cost	Accumulated	Book value
		amortisation			amortisation	
Computer Software (R'000)	27,593	(12,768)	14,825	27,107	(10,151)	<b>16,956</b>

	Opening	Additions	Disposals /		Closing
	book value		transfers	Amortisation	book value
<b>2010</b>					
Computer Software (R'000)	16,956	1,035	(10)	(3,156)	14,825

	Opening	Additions	Disposals /		Closing
	book value		transfers	Amortisation	book value
<b>2009</b>					
Computer Software (R'000)	10,900	8,546	-	(2,490)	16,956

The amortisation expense has been included in the line item 'operating expenses' in the income statement and in the line item 'depreciation and amortisation' in note 6.1.

The useful life used in the calculation of amortisation of Software is between 3 years and 10 years.

	<b>31 March 2010</b>	<b>31 March 2009</b>
	<b>R'000</b>	<b>Restated R'000</b>
(i) Included in movable assets are assets that serve as security for a notarial bond in favour of IDC as detailed in Note 16 (i)		
Cost	135,965	127,042
Accumulated depreciation	(89,671)	(81,339)
<b>Book value</b>	<b>46,293</b>	<b>45,703</b>
(ii) Included in moveable assets are assets that serve as security under finance leases as detailed in Note 16 (ii)		
Cost	26,996	26,086
Accumulated depreciation	(15,526)	(12,656)
<b>Book value</b>	<b>11,470</b>	<b>13,430</b>
<b>Vehicles:</b>		
Cost	7,474	9,343
Accumulated depreciation	(2,352)	(1,708)
<b>Book value</b>	<b>5,122</b>	<b>7,635</b>
<b>Furniture, Office equipment and Computer software:</b>		
Cost	19,522	16,743
Accumulated depreciation	(13,174)	(10,948)
<b>Book value</b>	<b>6,348</b>	<b>5,795</b>
<b>Total book value</b>	<b>11,470</b>	<b>13,430</b>
<b>10 Work in progress</b>		
Work in progress involves construction work in progress as well as land acquisitions in process.		
Opening balance	323,907	381,536
	197,197	193,637
• Special project grant funds (Note 20)	-	15,087
• Other funds	197,197	178,550
Capitalised / transferred during the year (Note 9)	(40,365)	(251,266)
• Land	(33,086)	(59,021)
• Buildings and infrastructure	(7,101)	(186,067)
• Furniture, Office equipment and Computer software	(105)	(6,050)
• Vehicles and Mechanical equipment	(74)	(128)
Non-current assets held for sale (Note 15)	-	-
<b>Closing balance</b>	<b>480,739</b>	<b>323,907</b>

# FINANCIAL REPORTS

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

	31 March 2010	31 March 2009
	R'000	Restated R'000
<b>11 Investments</b>		
<b>Unlisted investments</b>		
Deferred remuneration policies	-	1,119
32-day Call Account	231,319	146,682
<b>Total investments</b>	<b>231,319</b>	<b>147,801</b>
<b>12 Inventories</b>		
Retail goods and fuel	9,282	8,105
Consumables	6,404	8,124
	<b>15,686</b>	<b>16,229</b>
<b>13 Receivables and prepayments</b>		
Concession debtors	3,119	6,964
Value Added Tax	493	-
Trade receivables (note 30)	13,457	9,951
Other receivables	(211)	9,544
Prepayments	1,595	154
	18,453	26,613
Provision for doubtful debts	(1,809)	(1,293)
	<b>16,644</b>	<b>25,320</b>
<b>14 Cash and cash equivalents</b>		
Expanded public works programme	48,480	57,898
Special projects	148,240	74,031
Land acquisition	43,160	30,919
Insurance	10,000	10,000
Park Development Fund	16,380	50,706
Infrastructure	964	42,204
Operational	24,501	18,084
	<b>291,725</b>	<b>283,842</b>

On 31 March 2010 the SANParks had short term general banking facilities that amounted to R25 million (2009 – R25 million). The interest rate on overdraft is prime. The facilities are unsecured.

	<b>31 March 2010</b>	<b>31 March 2009</b>
	<b>R'000</b>	<b>Restated R'000</b>
<b>15 Post-retirement health benefit obligation</b>		
Liability provided for at the beginning of the year	198,388	173,925
Expense reflected in statement of financial performance (Note 6.3)	15,697	32,036
Contributions paid	(8,698)	(7,574)
<b>Liability provided for at end of year</b>	<b>205,386</b>	<b>198,388</b>

**Principal assumptions of the latest actuarial valuation are:**

- (i) Long-term medical scheme contribution inflation was assumed to be 8.17% per annum (2009 - 7.18%)
- (ii) A discount rate of 9.25% was assumed (2009 - 8.25%).
- (iii) The combination of the inflation rate (i) and discount rate (ii) give a net discount rate of 1.00% (2009 - 1.00%)
- (iv) Pre-retirement mortality was assumed to occur in line with the published SA 1985-90 light Mortality Tables, rated down by 3 years for females (2009 - SA 85-90 light, rated down by 3 years for females).
- (v) Post-retirement mortality was assumed to occur in line with the published PA90 Mortality Tables rated down by 1 year (2009 - PA90 rated down by 1 year).
- (vi) The effect of HIV AIDS has not been taken into account in the calculation as the prevalence of HIV AIDS cannot be estimated.

**Effect of one percent increase and decrease in the health care cost inflation rate is as follows:**

	<b>1% increase</b>	<b>Valuation Basis</b>	<b>1% decrease</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Employer's accrued liability	240,279	205,386	177,739
Employer's service and interest cost	16,090	16,090	16,090

# FINANCIAL REPORTS

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

### Plan Assets

There are no assets set aside for post-employment health care funding that qualify as plan assets. As such we ascribe a nil value to the fair value of plan assets.

### Plan Liability

YEAR	31 March 2007 R'000	31 March 2008 R'000	31 March 2009 R'000	31 March 2010 R'000
<b>Original membership</b>	<b>123,983</b>	<b>143,347</b>	<b>173,925</b>	<b>198,388</b>
Adjustments	-	-	-	-
Interest costs	11,467	11,687	16,301	16,143
Actuarial (gain)/loss	13,626	25,355	12,834	(3,717)
Past service cost	2,694	2,746	2,901	3,271
<b>Original membership</b>	<b>151,770</b>	<b>183,135</b>	<b>205,961</b>	<b>214,085</b>
Benefit payments	(8,423)	(9,210)	(7,573)	(8,699)
<b>Revised membership</b>	<b>143,347</b>	<b>173,925</b>	<b>198,388</b>	<b>205,386</b>

SANParks expects to make a contribution of R8,7m (2009: R7,6m) and (2008: R9,2m) to the defined benefit plan during the next financial year ending 31 March 2011.

	31 March 2010 R'000	31 March 2009 Restated R'000
<b>16 Long-term borrowings</b>		
<b>Secured borrowings</b>	<b>32,824</b>	<b>33,253</b>
(i) Industrial Development Corporation (IDC) - Commercial development	22,736	26,240
(ii) Wesbank Limited - Lease obligations	10,088	7,013
<b>Total borrowings</b>	<b>32,824</b>	<b>33,253</b>
Short-term portion transferred to current borrowings	7,675	6,362
Long-term borrowings	25,149	26,891

(i) The commercial development IDC long-term loan was entered into for development of new infrastructure to a total value of R35 million.

The loan is repayable in 119 equal monthly instalments of R0,292 million that commenced 1 October 2006 with a final instalment of R0,252 million on 1 August 2016. The loan bears interest at prime less 2.5%. At 31 March 2010 the interest rate was 7.5% (2009 -10.5%) subject to a minimum rate of 7.5%.

The IDC loans are guaranteed by a notarial bond over movable assets as detailed in Note 9 (i).

(ii) Lease obligations are secured by moveable assets which revert to the lessor in the event of default as detailed in Note 9 (ii). The lease obligations bear interest varying between 8.5% and 11.0% (2009 - 10.5% and 13.5%) per annum.

In terms of section 32.1.1 of the Treasury Regulations, SANParks may borrow money for bridging purposes with the approval of the Minister of Finance, subject to certain conditions.

***Maturity of long-term borrowings***

Within 1 year	3,504	3,504
later than 1 and no later than 5 years	14,016	14,016
later than 5 years	5,216	8,720
	<b>22,736</b>	<b>26,240</b>

***The present value of capitalised finance leases are as follows:***

Within 1 year	4,171	2,858
Later than 1 year but not later than 5 years	5,917	4,155
	<b>10,088</b>	<b>7,013</b>

Within 1 year		
Total value of future minimum lease payments	4,953	3,446
Less: Future finance charges	782	588
Present value of leases	<b>4,171</b>	<b>2,858</b>

Later than 1 year but not later than 5 years		
Total value of future minimum lease payments	5,301	4,771
Less: Future finance charges	608	616
Present value of leases	<b>4,693</b>	<b>4,155</b>

# FINANCIAL REPORTS

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

	<b>31 March 2010</b>	<b>31 March 2009</b>
	<b>R'000</b>	<b>Restated R'000</b>
<b>17 Deferred Income - asset grants</b>		
Special project grants relating to property, plant and equipment		
• Property, plant and equipment	857,258	684,297
• Construction work in progress	64,888	64,888
• Amortised / Recognised to date	(41,836)	(30,136)
	<u>880,310</u>	<u>719,049</u>
• Land deferred income closing balance	45,730	30,847
• Land deferred income opening balance	30,847	35,151
• Land Acquisition Grant received	48,506	50,246
• Assets Purchased with grant (Note 3)	(33,623)	(54,550)
• Marine Protected Areas Grant	5,386	5,704
• Mountain Catchment Area Grant	4,245	4,130
	<u><b>935,671</b></u>	<u><b>759,728</b></u>
<b>18 Trade and other payables</b>		
Other payables	12,810	-
Trade payables (note 30)	45,035	48,622
Accrued expenses	10,281	34,736
Revenue received in advance	21,847	45,473
Value Added Tax	-	3,821
Leave liability	23,118	21,631
	<u><b>113,091</b></u>	<u><b>154,284</b></u>
<b>19 Leave liability</b>		

Employee entitlements to annual leave is recognised as and when it accrues to employees. An accrual is made for the liability for annual leave as a result of past services rendered by employees to the year end date. The organisation allows its employees to accumulate annual leave to a maximum of one year's allocation. The organisation remains liable to pay out an amount equal to the leave balance at the current rate of remuneration.

**20 Deferred income - obligation regarding special project grants**

	<b>EPWP</b>	<b>Coast Care</b>	<b>Working for Water</b>	<b>Limpopo Trans- frontier</b>	<b>Sale of Ivory</b>	<b>Mellon Foun- dation</b>	<b>Global Environ- mental Facility</b>	<b>Theta</b>	<b>Other</b>	<b>Total</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>Year ended</b>										
<b>31 March 2010</b>										
<b>Opening balance</b>	<b>59,030</b>	<b>(5)</b>	<b>(2,067)</b>	<b>3,382</b>	<b>60,860</b>	<b>8,690</b>	<b>(3,142)</b>	<b>4,513</b>	<b>33,358</b>	<b>164,619</b>
Add: Income	99,453	51,438	31,855	184	833	10,271	8,780	10,787	38,299	251,900
Funds received	91,301	49,895	31,817	-	49	10,271	8,780	10,744	37,646	240,503
Interest	8,152	1,542	38	184	784	-	-	44	653	11,398
Sale of Animal Products (Ivory)				-						
Less: Expenditure (Operating plus Capital)	82,257	51,426	29,238	1,543	-	9,570	5,638	5,216	33,358	218,247
<b>Closing Balance</b>	<b>76,226</b>	<b>6</b>	<b>(550)</b>	<b>2,023</b>	<b>61,693</b>	<b>9,391</b>	<b>-</b>	<b>-</b>	<b>49,484</b>	<b>198,273</b>

**Expenditure**

**218,247**

Operational Expenditure

216,579

Capital Expenditure

1,668

Assets under Construction

-

# FINANCIAL REPORTS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

### 20 Deferred income - obligation regarding special project grants

	EPWP	Coast Care	Working for Water	Limpopo Trans- frontier	Sale of Ivory	Mellon Foun- dation	Global Environ- mental Facility	Theta	Other	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
<b>Year ended</b>										
<b>31 March 2009</b>										
Opening balance	1,029	(5)	(2,936)	4,583	-	8,494	(4,907)	3,175	13,003	22,436
Add: Income	87,505	5,134	61,704	316	60,860	4,915	14,019	4,485	73,411	312,349
Funds received	84,349	5,027	61,049	-	60,860	3,006	14,019	4,485	68,029	300,824
Interest	3,156	107	655	316	-	1,909	-	-	5,377	11,520
Sale of Animal Products									5	5
Less: Expenditure (Operating plus Capital)	29,504	5,134	60,835	1,517	-	4,719	12,254	3,147	53,056	170,166
<b>Closing Balance</b>	<b>59,030</b>	<b>(5)</b>	<b>(2,067)</b>	<b>3,382</b>	<b>60,860</b>	<b>8,690</b>	<b>(3,142)</b>	<b>4,513</b>	<b>33,358</b>	<b>164,619</b>

### Expenditure

**170,166**

Operational Expenditure

49,097

Capital Expenditure

105,982

Assets under Construction

15,087

SANParks periodically manage special projects. These projects are funded by various donors in the form of grants. For most projects the monies are received in advance but in other cases the costs relating to the projects are reimbursed on a regular basis.

31 March 2009

R'000

## 21 Prior period errors

### 21.1 Post Retirement Health Benefit Liability

SANParks used a different actuary to do the 2010 actuarial valuation of the post retirement health benefit obligation.

The assumptions used in this valuation have remained largely unchanged from those used in the previous valuation. The discount rate used has been revised to reflect changes in bond yields since the previous valuation, however the inflation assumptions have been similarly adjusted to leave the net discount unchanged, thus having no impact on the liability.

The differences in post-retirement obligations are because of an increase in employees compared to the ABSA report (2009) and the average pensioner subsidy, as shown in the medical scheme data is approx. 21 % higher than the average subsidy shown in the ABSA report. Thus, while the number of pensioners remained constant, the pensioner liability has increased by 19%.

For completeness the actuary recalculated the liability and accounting disclosure values for the financial year 2008/9 as well as 2007/8. The effect of the restatement on those financial statements is summarised below:

	31 March 2009
	R'000
Increase in liability	52,299
Increase in expenses	24,462
Decrease in Accumulated Surpluses as at 1 April 2008	27,836

### 21.2 Useful life of assets

In the application of GRAP 17, SANParks reviewed the useful lives of assets with a zero value on the asset register and where applicable the useful life was adjusted and depreciation and accumulated depreciation recalculated. The impact of this adjustment is reflected below.

	31 March 2009
	R'000
Increase in property, plant and equipment	5,638
Increase in depreciation	2,819
Increase in accumulated surplus as at 1 April 2008	8,457

# FINANCIAL REPORTS

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

	31 March 2010	31 March 2009
	R'000	Restated R'000
<b>22 Net cash (utilised)/generated by operations</b>		
Surplus from operations	56,524	32,669
<b>Adjustments for non-cash items:</b>	51,224	61,960
• Net loss / (surplus) on disposal of property, plant and equipment	(235)	(4,052)
• Depreciation	50,595	41,443
• Recognition/amortisation of deferred income - asset grants	(14,834)	(7,466)
• Provision for post-retirement health benefit obligations	15,697	32,035
<b>Changes in working capital</b>	5,207	122,197
• Inventories	543	311
• Receivables and prepayments	8,676	1,734
• Trade and other payables	(41,193)	(8,055)
• Provisions	(7,967)	(31,167)
• Deferred income - obligation regarding special project grants	32,865	142,183
• Reservation deposits held	12,283	17,191
<b>Cash generated by operations</b>	<b>112,955</b>	<b>216,826</b>

## 23 Financial risk management

### Liquidity risk

SANParks manages liquidity risk by monitoring forecasted cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

### Interest rate management

Interest rate risk arises from incremental funding / new borrowings and the roll-over of maturing debt / refinancing of existing borrowings. SANParks borrows at both fixed and floating interest rates.

### Credit risk management

Potential concentrations of credit risk consist mainly of short-term cash, cash equivalent investments and trade debtors. SANParks limits its counter party exposures from its money market investment operations by only dealing with well-established financial institutions of high quality credit standing. The credit exposure to any one counter party is managed by setting transaction/exposure limits, which are reviewed annually.

Trade debtors comprise a large number of customers, dispersed across different industries and geographical areas. Ongoing credit evaluations are performed on the financial condition of these debtors. Where appropriate, credit guarantee insurance cover is purchased. Trade debtors are presented net of the allowance for doubtful debt.

**Concentration of credit risks**

	<b>Exposure R'000</b>	<b>% of Total exposure</b>
Rated agencies	291,725	54.1%
Government	493	0.1%
Other parties	247,470	45.8%
	<b>539,688</b>	<b>100%</b>

**24 Financial Instruments**

R'000

R'000

R'000

**24.1 Financial Assets**

<b>Class</b>	<b>Fair value through profit / loss Held for trading</b>	<b>Available for sale</b>	<b>Loans and receivables</b>
Trade receivables			13,457
Concession debtors			3,119
Value Added Tax			493
Other receivables			(211)
Prepayments			1,595
Investments		231,319	
Cash and cash equivalents	291,725		
<b>Total - 2010</b>	<b>291,725</b>	<b>231,319</b>	<b>18,453</b>

<b>Class</b>	<b>Fair value through profit / loss Held for trading</b>	<b>Available for sale</b>	<b>Loans and receivables</b>
Trade receivables			9,951
Concession debtors			6,964
Value Added Tax			(3,821)
Other receivables			9,544
Prepayments			154
Investments		147,801	-
Cash and cash equivalents	283,842		-
<b>Total - 2009 restated</b>	<b>283,842</b>	<b>147,801</b>	<b>22,791</b>

# FINANCIAL REPORTS

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

## 24.2 Financial Liabilities

Class	Fair value through profit / loss - designated	Fair value through/ loss held for trading	Other measured at amortised cost
Trade payables			45,035
Accrued expenses			10,281
Revenue received in advance			21,847
Leave liability			23,118
Long-term borrowings			45,035
<b>Total - 2010</b>	-	-	<b>145,317</b>

Class	Fair value through profit / loss - designated	Fair value through/ loss held for trading	Other measured at amortised cost
Trade payables			48,622
Accrued expenses			23,591
Revenue received in advance			45,472
Leave liability			21,631
Long-term borrowings			26,891
<b>Total - 2009</b>	-	-	<b>166,208</b>

## 24.3 Credit risk - Age analysis of financial assets that are neither past due nor impaired

	30 days	60 days	90 days	120 days plus
Trade receivables	172	72	67	1,102
Concession debtors	1,756	671	355	2,415
<b>Total - 2010</b>	<b>1,928</b>	<b>743</b>	<b>421</b>	<b>3,517</b>

	30 days	60 days	90 days	120 days plus
Trade receivables	668	278	281	2,703
Concession debtors	1,442	699	682	5,137
<b>Total - 2009</b>	<b>2,110</b>	<b>977</b>	<b>962</b>	<b>7,840</b>

**24.4 Liquidity Risk - Maturity analysis of financial liabilities**

	30 days	60 days	90 days	120 days plus
Trade payables	35	48	103	102
<b>Total - 2010</b>	<b>35</b>	<b>48</b>	<b>103</b>	<b>102</b>

	30 days	60 days	90 days	120 days plus
Trade payables	2,628	278	(329)	4,258
<b>Total - 2009</b>	<b>2,628</b>	<b>278</b>	<b>(329)</b>	<b>4,258</b>

**24.5 Market Risk - Sensitivity Analysis - Interest Rates**

	Closing Balance	Expected movement in rates	Effect on equity and Profit & Loss if rate increase	Effect on equity and Profit & Loss if rate decrease	Comments
Trade receivables	13,457	200 Points	269	(269)	No material exposure
Concession debtors	3,119	200 Points	62	(62)	No material exposure
Cash and cash on hand	291,725	200 Points	5,835	(5,835)	No material exposure
Investments	231,319	200 Points	4,626	(4,626)	No material exposure
Long-term borrowings	45,035	200 Points	901	(901)	No material exposure
<b>Total - 2010</b>	<b>584,656</b>		<b>11,693</b>	<b>(11,693)</b>	

	Closing Balance	Expected movement in rates	Effect on balance if rate increase	Effect on balance if rate decrease	Comments
Trade receivables	9,951	200 Points	79	(79)	No material exposure
Concession debtors	6,964	200 Points	159	(159)	No material exposure
Cash and cash on hand	283,842	200 Points	5,677	(5,677)	No material exposure
Investments	147,801	200 Points	2,956	(2,956)	No material exposure
Long-term borrowings	26,891	200 Points	538	(538)	No material exposure
<b>Total - 2009</b>	<b>475,448</b>		<b>9,409</b>	<b>(9,409)</b>	

# FINANCIAL REPORTS

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

Where the fair value of financial instruments are disclosed, the following methods and assumptions were used by SANParks in establishing fair values:

### **Financial instruments traded in an organised financial market**

The current quoted market prices are used to determine fair values.

### **Monetary financial assets and liabilities not traded on an organised financial market**

The carrying amounts of trade debtors, trade creditors and accruals reported in the statement of financial position approximate their fair values.

### **Interest bearing debt**

The carrying amounts of short-term interest bearing debt approximates their fair values.

## **25 SANParks retirement funds**

### **25.1 SANParks joint retirement funds**

The SANParks joint retirement funds consist of the SANParks Joint Provident Fund and the SANParks Joint Pension Fund. Both these funds were founded on 1 November 1993.

Contributions by employees are allocated to the SANParks Joint Pension Fund, whilst the employer contributions are allocated to the SANParks Joint Provident Fund. The funds are defined contribution plans which are controlled by the Pension Funds Act, 1956 and administered by a financial institution. During the year SANParks contributed an amount of R23,3million (Note 6.3) for 2434 employees (2009 - R21,4 million for 2 513 employees), to the joint retirement funds.

### **25.2 SACCAWU National Provident Fund**

The fund is a defined contribution plan, which is controlled by the Pension Funds Act, 1956, and administered by a financial institution. Retirement benefits are based on the accumulated credits as contributed by both employer and employee. During the year SANParks contributed an amount of R5,6 million (Note 6.3) for 1 059 employees (2009 - R4,3 million for 835 employees).

## **26 Related parties**

The SANParks does not have control or significant influence over any other entity.

The SANParks is a statutory organisation governed by the Protected Areas Act, no. 57 of 2003, and a national public entity as listed under Schedule 3 of the Public Finance Management Act, 1999 (Act No. 1 of 1999) as amended.

### **Related Party Transactions and Balances**

SANParks, in the ordinary course of business, enters into various sale and purchase transactions on an arm's length basis at market rates with related parties.

	<b>31 March 2010</b>	<b>31 March 2009</b>
	<b>R'000</b>	<b>Restated R'000</b>
<b>Related Party Transactions</b>		
• Telkom	7,900	8,235
• Eskom	6,252	5,255
• State Information Technology Agency	0	0
• Compensation Commissioner	2,668	2,039
• Post Office	4,472	3,819
• SARS	109,823	116,386
• THETA	(10,744)	(1,338)
• Work for Water	(9,141)	(105)
• SA Police Service	0	18
• Department of Education	(18)	(333)
• Department of Public Works	(50)	(56)
• <b>Related Party Balances</b>		
• Telkom	(135)	(650)
• Eskom	(239)	(28)
• Post Office	(380)	(374)
• SARS	(4,948)	4,861
• Department of Public Works	2	5
• Municipalities: City of Cape Town	(16)	9
• Department of Education	0	55
• SA Police Service	0	0
• Work for Water	0	277

# FINANCIAL REPORTS

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

### Key personnel

Key personnel is viewed to be all members of the Executive Management appointed by the Accounting Authority.

		<b>Basic Salary R'000</b>	<b>Reimbursed expenses R'000</b>	<b>Bonuses and Incentives R'000</b>	<b>Retirement Fund plus medical aid Contributions R'000</b>	<b>2010 Total R'000</b>	<b>2009 Total R'000</b>
Mabunda, MD Dr	Chief Executive Officer	1,643	89	274	212	2,218	1,757
Soundy, SCE	Chief Operating Officer (Resigned 15/12/09)	1,000	68	212	138	1,418	1,422
Daphne, P	Managing Executive: Parks	1,024	69	180	132	1,405	1,219
Magome, DT Dr	Managing Executive: Conservation Services	1,112	102	190	144	1,547	1,455
Mkhize, IB Dr	Managing Executive: Kruger National Park (Resigned 30/11/08)	-	-	-	-	-	1,212
Sibya, AVA	Managing Executive: Kruger National Park (Appointed 1/10/09)		40	-	117	1,129	
Phillips, G	Managing Executive: Tourism	965	71	169	125	1,330	1,138
Mabilane, RT	Chief Financial Officer	1,024	76	180	132	1,413	1,220
Omar, R Dr	Managing Executive: People and Conservation (Resigned 31 May 2008)	-	-	-	-	-	342
		<b>6,769</b>	<b>515</b>	<b>1,204</b>	<b>1,000</b>	<b>10,460</b>	<b>9,766</b>

No loans outside the policy applied when loans are granted to staff, have been made to key personnel. Dr D Mabunda and Dr H Magome qualify for post retirement health benefits and the liability as at 31 March 2010 has been included in the total liability of South African National Parks (Note 15).

### 27 Capital commitments

No material commitments for the acquisition of property, plant and equipment contracted for, existed at 31 March 2010.

### 28 Contingent liabilities

#### 28.1 Legal disputes

SANParks is currently involved in legal disputes relating to operational matters. No significant losses are expected to arise as a result thereof.

#### 28.2 Land claims

A number of land claims have been instituted on land owned or managed by SANParks. SANParks is supportive of the process of appropriate redress for persons or communities who unjustly lost access to, or ownership of, land as a result of it being declared a National Park. No significant financial obligations are currently placed on SANParks in consequence of this process, however the core management framework with successful claimant communities and the attendant beneficent scheme will exert financial strain on SANParks.

### 28.3 Accumulated Surpluses

**SANParks has the following surpluses:**

	R'000
- Surplus for the 2010 financial year	67,610
- Cash and Cash Equivalents	291,725
- Accumulated surplus at the end of 2010	510,741

In accordance to PFMA section 53, SANParks has to surrender surpluses to National Treasury unless prior approval, to retain surpluses, has been approved by National Treasury.

The possibility of SANParks not receiving approval to retain the surpluses is remote.

### 29 Contingent assets

#### 29.1 Lodge Concession Fees

The lodge concessions entails allowing private operators to build and operate tourism facilities within the National Parks, on the basis of a 20 year concession contract. Investors take over and upgrade specified existing lodge facilities, or build new ones. The annual concession fee payable by the concessionaire to SANParks for any given concession year shall be the higher of a minimum rental as determined by the agreement for the concession year or a calculated annual concession fee based on the bid percentage of gross revenue for the concession year. Due to the fact that the final calculation of the annual concession fee is calculated on the gross revenue as per the audited financial statements for the concession year it might result in top up fees to be paid and the top up fees will be received in the next financial year.

# FINANCIAL REPORTS

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

### **29.2 Biological assets**

SANParks main purpose is the conservation of a representative system of biodiversity, landscape, encompassing fauna, flora, geological structures and unique scenery within the National Park under its management authority. SANParks does not focus on traditional natural resource management of species, but rather on ecosystem management and ecological integrity within the National Park; SANParks can intervene in ecosystems responsibly and sustainably, but it focuses management on complementing natural processes (e.g. floods, fires and disease outbreaks) under a minimum interference philosophy. SANParks does not manage for the reproduction of biodiversity, but for biodiversity representivity and complementarity that promote resilience and ensure ecosystem integrity. SANParks acquired the majority of biodiversity at no cost to SANParks.

SANParks major source of revenue comprise retail, tourism and concession with tourism (in the form of accommodation and conservation fees) being the most significant revenue source. SANParks management is involved in the biological transformation of fauna and flora primarily as a service to the public for the purpose of a recreational activity, rather than for sale.

SANParks performs wildlife censuses from time-to-time on animals that can easily be counted from the air and for specific sections of National Parks where after the results of such counts are extrapolated to estimate the total number of animals in the National Park. SANParks is not able to accurately measure the quality and/or quantity of all their faunal and floral biological diversity within the National Park. SANParks does not perform counts on small animals, insects, birds, marine and freshwater biodiversity.

SANParks does not measure the quantities of biological assets as they are not of a nature that can be easily counted and the Parks can't keep up with births and deaths and migrations of wild life, although the Parks undertake an annual game census which are reported under the individual Parks reports in the annual financial report. As the biological assets cannot be counted it is impossible to calculate gains and losses in biological assets during the year.

### **30 Accounts Payable and Receivable - Time value of money**

SANParks takes into account the effect of the time value of money on Purchases and Receivables and accrues an interest expense/income until the date of payment/receipt.

NOTES TO THE ANNUAL FINANCIAL  
STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2010

Conserving Nature Since 1926

The effect of discounting debtors and creditors is summarised below:

	During the year R'000	At the end of Year R'000	Total effect R'000
Income	(702)	(150)	(852)
Interest Received	702		702
Expenditure	(7,496)	(783)	(8,279)
Interest Paid	7,496		7,496
Debtors		(150)	(150)
Creditors		(783)	(783)

**31 Reconciliation between budget and statement of financial performance**

Reconciliation of budget surplus/deficit with the surplus/deficit in the statement of financial performance.

	<b>R'000</b>
Surplus as per the Statement of Financial Performance	67,610
Variances on budget	
• Operational revenue - realised more than budget	(5,583)
• Operational expenditure - spend less than budget due to cost curtailment	(13,566)
• Finance activities - higher than budgeted return on investments	(8,865)
• Donations received	(3,392)
• Capital expenses paid by Land Development Fund and Park Development Fund	(36,204)
Net surplus/deficit per approved budget	-

# FINANCIAL REPORTS

ANNEXURE TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

## ***Expenditure relating to Soccer World Cup Clothing***

Soccer shirts were bought to distribute to employees of SANParks.

	<b>Quantity</b>	<b>31 March 2010 R'000</b>	<b>31 March 2009 R'000</b>
<b>Shirts acquired</b>	<b>4000</b>	<b>1,114</b>	<b>-</b>

<b>ABET</b>	Adult Basic Education and Training	<b>EPWP</b>	Expanded Public Works Programme
<b>ABI</b>	Agulhas Biodiversity Initiative	<b>ERP</b>	Enterprise Resources Planning
<b>AENP</b>	Addo Elephant National Park	<b>ExCo</b>	Executive Management (Committee)
<b>AG</b>	Auditor General	<b>FSC</b>	Forestry Stewardship Council
<b>Agulhas</b>	Agulhas National Park	<b>FIFA</b>	International Federation of Association Football
<b>ANP</b>	Agulhas National Park	<b>GGHNP</b>	Golden Gate Highlands National Park
<b>ARTFCA</b>	Ai Ai Richtersveld Transfrontier Conservation Area	<b>GLTFCA</b>	Great Limpopo Transfrontier Conservation Area
<b>Asgi-SA</b>	Accelerated and Shared Growth Initiative for South Africa	<b>GLTP</b>	Great Limpopo Transfrontier Park
<b>Augrabies</b>	Falls Augrabies Falls National Park	<b>GRI</b>	Garden Route Initiative
<b>BBBEE</b>	Broad Based Black Economic Empowerment	<b>Groenkloof</b>	Groenkloof National Park
<b>BDU</b>	Business Development Unit	<b>HOC</b>	Head of Communications
<b>BEE</b>	Black Economic Empowerment	<b>HOD</b>	Heads of Department
<b>Bontebok</b>	Bontebok National Park	<b>HOSPERSA</b>	Health and Other Services Personnel Trade Union of South Africa
<b>Bosberaad</b>	Strategic Workshop	<b>HR</b>	Human Resources
<b>BSC</b>	Balance Score Card	<b>HSRC</b>	Human Sciences Research Council
<b>BSC</b>	Bilateral Steering Committee	<b>ICT</b>	Information and Communications Technology
<b>Camdeboo</b>	Camdeboo National Park	<b>IDP</b>	Infrastructure Development Programme
<b>CAPEX</b>	Capital Expenditure	<b>Indaba</b>	Great Elephant Indaba
<b>CCMA</b>	Commission for Conciliation, Mediation and Arbitration	<b>ISCU</b>	Invasive Species Control Unit
<b>CDF</b>	Conservation Development Framework	<b>IT</b>	Information Technology
<b>CE</b>	Chief Executive	<b>IUCN</b>	International Conservation Union
<b>CITES</b>	Convention on International Trade in Endangered Species	<b>JMB</b>	Joint Management Board
<b>CLCC</b>	Chief Land Claims Commission	<b>JR</b>	Junior Ranger
<b>CN</b>	Cape Nature	<b>Karoo</b>	Karoo National Park
<b>COO</b>	Chief Operating Officer	<b>KMIA</b>	Kruger-Mpumulanga International Airport
<b>COP</b>	Conference of Parties	<b>KNP</b>	Kruger National Park
<b>COWEP</b>	Community Water Efficiency Project	<b>KOC</b>	Knysna Oyster Company
<b>CSD</b>	Conservation Services Division	<b>KPI</b>	Key Performance Indicator
<b>DCX</b>	Datacentrix	<b>KTP</b>	Kgalagadi Transfrontier Park
<b>DEAT</b>	Department of Environmental Affairs and Tourism	<b>KYS</b>	Know Your Status
<b>DIFR</b>	Disabling Injury Frequency Rate	<b>KZN</b>	KwaZulu-Natal
<b>DISR</b>	Disabling Injury Severity Rate	<b>LC</b>	Labour Court
<b>DLA</b>	Department of Land Affairs	<b>LCA</b>	Leadership for Conservation in Africa
<b>DOH</b>	Department of Health	<b>LCC</b>	Land Claims Commission
<b>DWAF</b>	Department of Water Affairs and Forestry	<b>LNP</b>	Limpopo National Park
<b>EAC</b>	Employee Assistance Programme	<b>m</b>	million
<b>ECO</b>	Environmental Control Officer	<b>MATCH</b>	Management of Accommodation Ticketing Computer/ Solutions Hand-in-Hand for 2010
<b>EIA</b>	Environmental Impact Assessment	<b>IT</b>	
<b>EMI</b>	Environmental Management Inspector		

# ACRONYMS AND ABBREVIATIONS

<b>Marakele</b>	Marakele National Park	<b>SABC</b>	South African Broadcasting Corporation
<b>Mapungubwe</b>	Mapungubwe National Park	<b>SACCAWU</b>	South African Commercial, Catering and Allied Workers' Union
<b>MDTP</b>	Maloti-Drakensberg Transfrontier Project	<b>SAFM</b>	South African Farm Management
<b>Minister</b>	Minister of Environmental Affairs and Tourism, Marthinus van Schalkwyk	<b>SAHRA</b>	South African Heritage Resources Agency
<b>Marakele</b>	Marakele National Park	<b>SANBI</b>	South African National Biodiversity Institute
<b>MIKE</b>	Monitoring Illegal Killing of Elephant	<b>SANBS</b>	South African National Blood Services
<b>Mokala</b>	Mokala National Park	<b>SANDF</b>	South African National Defence Force
<b>MOU</b>	Memorandum of Understanding	<b>SANParks</b>	South African National Parks
<b>Mountain Zebra</b>	Mountain Zebra National Park	<b>SANPWeek</b>	SANParks Week
<b>MPA</b>	Marine Protected Area	<b>SA Tourism</b>	South African Tourism
<b>Namaqua</b>	Namaqua National Park	<b>SEA</b>	Strategic Environmental Assessment
<b>NGO</b>	Non Governmental Organisation	<b>SLA</b>	Service Level Agreement
<b>NP</b>	National Park	<b>SMME</b>	Small, Medium and Micro Enterprise
<b>N&amp;S</b>	Norms & Standards for the Management of Elephants in South Africa	<b>SoAIM</b>	State of Area Integrity Management Audit
<b>OB</b>	Outside Broadcast	<b>SoB</b>	State of Biodiversity
<b>OHS</b>	Occupational Health and Safety	<b>SoCH</b>	State of Cultural Heritage
<b>OSV</b>	Open Safari Vehicle	<b>SoW</b>	Statement of Work (SLA)
<b>OVC</b>	Orphans and Vulnerable Children	<b>SPfC</b>	Strategic Plan for Commercialisation
<b>PAMA</b>	Protected Area Management Audit	<b>SRP</b>	Social Responsibility Programme
<b>PA</b>	Protected Area	<b>Tankwa</b>	Tankwa National Park
<b>P&amp;C</b>	People & Conservation Division	<b>TBCSA</b>	Tourism Business Council South Africa
<b>PCC</b>	South African Project Coordination Committee	<b>TFCA</b>	Transfrontier Conservation Area
<b>PDA</b>	Personal Digital Assistant	<b>TGCSA</b>	Tourism Grading Council of South Africa
<b>PDF</b>	Park Development Fund	<b>THETA</b>	Tourism, Hospitality and Sport Education and Training Authority
<b>PDI</b>	Previously Disadvantaged Individual	<b>TMNP</b>	Table Mountain National Park
<b>PFMA</b>	Public Finance Management Act	<b>TOPS</b>	Threatened or Protected Species
<b>PMP</b>	Park Management Plan	<b>TPC</b>	Threshold of Potential Concern
<b>PMR</b>	Professional Management Plan	<b>TRAFFIC</b>	Wildlife Trade Monitoring Network
<b>PPF</b>	Peace Parks Foundation	<b>UAT</b>	User Acceptance Testing
<b>PPP</b>	Public Private Partnership	<b>UNEP</b>	United Nations Environmental Programme
<b>PR</b>	Public Relations	<b>UPS</b>	Uninterruptible Power Supply
<b>RDP</b>	Reconstruction and Development Programme	<b>VCCT</b>	Voluntary Confidential Counselling and Testing
<b>RFC</b>	Request for Change	<b>West</b>	Coast West Coast National Park
<b>RFP</b>	Request for Proposal	<b>WfW</b>	Working for Water
<b>RGBK</b>	Richtersveld Gesamentlike Bestuursplankomitee	<b>WWF</b>	World Wildlife Fund
<b>RSS</b>	Ranger Support Services	<b>ZAWA</b>	Zambia Wildlife Authority
<b>RTTS</b>	Real Travel and Tourism Systems		



Lined writing area consisting of 30 horizontal green lines for taking notes.









**SANParks, P.O. Box 787, Pretoria, 0001**  
**643 Leyds Street, Muckleneuk, Pretoria**

**Reservations**

Tel: (012) 428 9111, Fax: (012) 343 0905

E-mail: [reservations@SANParks.org](mailto:reservations@SANParks.org), Website: [www.SANParks.org](http://www.SANParks.org)

Travel Trade, Tel: (012) 426 5025, Fax: (012) 343 2006

E-mail: [traveltrade@SANParks.org](mailto:traveltrade@SANParks.org)

RP208/2010

ISBN: 978-0-621-39624-9

